

SICPA ANNOUNCES THAT CALORIGIN CANNABIS SOLUTION IS CERTIFIED TO INTEGRATE WITH CALIFORNIA STATE SYSTEM

Integrating CalOrigin's application programming interface (API) with the METRC system in California will streamline compliance for cannabis industry stakeholders

SPRINGFIELD, VA, May 2, 2018 – SICPA, a global leader in providing secure authentication and track and trace solutions for regulated products, announced today that its CalOrigin application programming interface (API) has been certified to integrate with the state-level track-and-trace system for cannabis in California.

The CalOrigin system, which went live in February 2017, uses the SICPATRACE [®] Cannabis secure track and trace technology to provide assurance of regulatory compliance and consumer confidence related to cannabis products. The system currently supports more than 500 licensed operators in Humboldt, Yolo, and Mendocino counties, some of the preeminent cannabis-producing areas in California and in the world. To date, more than 40,000 pounds of cannabis products have been registered under the system; the number is expected to significantly increase as more licensed operators enter the system.

SICPA currently operates an API portal that allows different cannabis stakeholders to share information with the CalOrigin system and is customizable based on the data reporting needs of different businesses. Integrating CalOrigin's API with the state-level system streamlines the data reporting and compliance process for operators by allowing data to be seamlessly shared across systems, including various third-party systems that operators may choose to use, and will expedite efforts by regulators and other stakeholders to access relevant information. Linking these systems will significantly reduce the administrative burden on operators, who would otherwise be required to store and input data in multiple different systems.

"Our goal is to continually improve our API to make it as easy as possible for operators to comply with state and local regulations from wherever they are and using whatever technology platforms they have adopted," said SICPA Vice President of Business Development Alex Spelman. "For operators, the METRC certification means that, by submitting data to the local CalOrigin system, they can fulfill their requirements to both local and state-level regulators."

The certification of CalOrigin's API marks another positive step in SICPA's ongoing efforts to support operators and provide local officials and regulators with viable options for establishing local regulatory frameworks that don't adversely impact operators and other industry stakeholders.

How CalOrigin Works

Once government regulators approve cannabis business licenses, licensees are given access to a secure, online system that allows them to share key information with other system users across the supply chain.

Through a combination of counterfeit-resistant, tamper-evident labels and the secure online system, products are tracked starting with individual plants, through various product transformations, and all the way to point of sale. As a product moves through the supply chain—from cultivator to manufacturer



to distributor to dispensary—additional detail is added to the online system in association with each unique label. This creates a map of a product's journey through the supply chain in a secure online system.

The secure labels also connect patients and consumers to product information through the CalOrigin smartphone app and online platform (<u>http://go.calorigin.org/</u>). Patients and consumers use these tools to make sure a label is valid, retrieve product details, see test results and more.

Program Benefits

CalOrigin, powered by SICPATRACE[®] Cannabis, provides many benefits to program participants. For government officials and law enforcement, the solution offers:

- Public Safety Capture and rendering of product creation methods and testing information to ensure products are safe for consumption
- Compliance Ability to quickly authenticate product source and provenance to prevent transfer of products between legitimate operations and the illicit market.
- Revenue Reconciliation Detailed volumetric and sales information to enable tax calculation and reconciliation at multiple points in the supply chain

For growers, manufacturers, distributors, and dispensaries, the solution offers:

- Simple and efficient toolset to enable quick compliance with regulations
- Supply chain visibility aligned to regulatory reporting requirements
- An app and online platform that connects them with patients and consumers

Patients and consumers can count on the solution to:

- Validate cannabis products were legally produced, tested and are safe for consumption
- View product information such as potency and appropriate use instructions and receive notification of unsafe or recalled products
- Confirm product production methods and operator third party certifications

For more information on:

CalOrigin - <u>www.calorigin.org</u> SICPA's cannabis control solution - <u>http://us.sicpa.com/CannabisControl</u> SICPATRACE[®] - <u>https://www.sicpa.com/solutions/sicpatrace</u>

About SICPA

SICPA is a trusted global provider of security inks as well as secured identification, traceability and authentication solutions. With high-technology security inks at the core of its expertise, the company protects the majority of the world's banknotes, security and value documents, and a wide range of consumer and industrial products. It offers solutions and services ensuring product authentication, traceability and protection as well as tax reconciliation. <u>www.sicpa.com</u>

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