

1. **Purpose.** This Background Check Policy (“**Policy**”) is to be used as a guide for conducting and consistently evaluating background checks, including criminal background checks (“**Background Checks**”). Background Checks help Destination Pet, LLC or a managed entity (“**Destination Pet**” or “**Company**”) make consistent, informed employment-related decisions and accordingly, all information obtained as a result of a Background Check must be used solely for employment purposes.

This Policy is for internal use only. This document must NOT be shared with applicants for employment or other individuals who are the subject of a Background Check.

2. **Effective Date.** May 2022.

3. **Audience.** Destination Pet personnel responsible for evaluating Background Checks, including the Company’s Talent Acquisition team (“**Reviewers**”).

4. **Applicability.** Background Checks will be run on all new hires and, where applicable, current employees (“**Candidates**”).

5. **Background Check Process.**

5.1 **Consent to a Background Check.** During the application process, Destination Pet must ensure Candidates (a) are notified their participation in a Background Check is a required part of the Destination Pet hiring process and (b) provide written consent to a Background Check. Destination Pet may utilize its third-party Background Check provider to provide these required notifications and obtain written consent. Written consent may be obtained electronically. Reviewers are responsible for storing Candidates’ written consent to a Background check in a confidential file separate from Candidates’ personnel files.

5.2 **Ordering a Background Check.** Prior to making a final decision on whether to permit a Candidate to work for Destination Pet, Destination Pet’s Human Resources department will order a Background Check from the Company’s third-party vendor. For the avoidance of doubt, Background Checks must be ordered, received and reviewed in accordance with this Policy prior to permitting a Candidate to begin employment with Destination Pet.

6. **Reviewing Background Checks.**

6.1 **Review.** Upon receiving Background Check results for a Candidate containing any results, the Reviewer must review and analyze the results, in accordance with Section 5.2 of this Policy, to determine if they impact the decision to hire the Candidate. The Candidate’s hiring manager should never be involved in the Background Check review process. If the Reviewer tasked with the review of any Background Check results is the Candidate’s hiring manager, then that Reviewer must consult the Company’s Chief Human Resources Officer or Chief Operating Officer to determine a different Reviewer to conduct the review and analysis.

6.2 **Analysis.** The Reviewer reviewing Background Check results must make an individualized assessment of the results to reach a preliminary conclusion about whether Destination Pet will proceed with the hiring process based on the Background Check results. The Reviewer should document the individualized assessment and decision-making rationale. The individualized assessment must consider (a) state and federal law applicable to Background Checks,

consumer credit reports and anti-discrimination – including whether a state follows the requirements of the federal Fair Credit Reporting Act (“**FCRA**”) – and (b) the following factors:

- 🐾 Relevance of the results to the position sought;
- 🐾 The nature of the work to be performed;
- 🐾 Time passed since the conviction or arrest;
- 🐾 Age of the individual at the time of the offense;
- 🐾 Seriousness and specific circumstances of the offense;
- 🐾 The number of offenses;
- 🐾 Whether the Candidate has pending charges;
- 🐾 Any relevant evidence of rehabilitation or lack thereof; and
- 🐾 Whether the Candidate independently disclosed the information prior to receiving the results of the Background Check.

Although each Candidate assessment is individualized, Reviewers must ensure they perform the analysis consistently, for example by treating Candidates with similar circumstances in a similar manner.

6.3 **Pre-Adverse Action Letters.** If, based on the review conducted in accordance with Section 5.2 of this Policy, Destination Pet is considering making a decision that negatively affects the Candidate (“**Adverse Action**”), such as not hiring an applicant or promoting an employee, Destination Pet must provide the Candidate with a pre-Adverse Action letter. The letter may be provided by Destination Pet directly or via its third-party Background Check provider.

6.3.1 **Contents.** The pre-Adverse Action letter must provide information to the Candidate about the Background Check results that are the basis for the potential Adverse Action. Destination Pet must ensure it or its third-party Background Check provider encloses with the pre-Adverse Action letter (a) a copy of the Background Check, (b) a summary of the Candidate’s rights under the FCRA and (c) any notices required by state law.

6.3.2 **Review Period.** In addition, Destination Pet must provide the Candidate at least 5 business days to dispute the accuracy of the Background Check record. The pre-Adverse Action letter must stipulate this review period. The 5-day clock begins the next business day after the Candidate receives the pre-Adverse Action letter.

6.3.3 **Candidate Response.** Upon receiving any additional information from the Candidate regarding the Background Check, the Reviewer must re-analyze the Background Check results based on all information by conducting another individualized assessment in accordance with Section 5.2 of this Policy. Although Destination Pet must not ask Candidates about arrests that did not result in convictions or pending charges, the Reviewer may make determinations based on receiving that information from the Candidate.

7. **Adverse Action.** If, based on a Reviewer’s individualized assessment(s), the Reviewer decides not to continue the Candidate in the Company’s hiring process, then Destination Pet must send the Candidate an Adverse Action letter notifying the Candidate of the Adverse Action decision. The letter may be provided by Destination Pet directly or via its third-party Background Check provider.

8. **Records.** The Company’s Human Resources department must retain the Candidate’s

application, written consent to a Background Check, all Background Check information received and other records related to the hiring decision in a confidential file separate from the Candidate's personnel file. Information regarding a Candidate's Background Check should only be shared on an as-needed basis. The records must be retained for the minimum retention period required by Destination Pet's Record Retention & Destruction Policy and, once eligible for destruction, may only be destroyed in accordance with Destination Pet's Record Retention & Destruction Policy.

9. **Resources.** Destination Pet has resources and people available to answer questions and provide guidance. For questions about this Policy, please contact the Chief Human Resources Officer or any lawyer on the Legal team.

ACKNOWLEDGMENT

I hereby acknowledge I have received and reviewed Destination Pet's Background Check Policy ("**Policy**") dated May 2022.

I acknowledge any questions I had regarding the Policy have been answered. I certify I fully understand the Policy and I agree to be bound by and shall continue to comply with, the Policy.

I understand failure to comply with the Policy may subject me to immediate adverse action, which may include suspension or termination of employment.

Signature: _____

Print Name: _____

Date Signed: _____