PRE-EMPLOYMENT BACKGROUND CHECKS POLICY FOR ILLINOIS LOCATIONS

Purpose

To ensure that pre-employment background checks are conducted appropriately so that the Company hires qualified individuals to fill positions and obtains additional applicant related information that helps determine the applicant's overall employability and protects the current team members, property, and information of the Company.

Scope

This Policy applies to all prospective team members and rehires of McWane, Inc. and its divisions and subsidiaries ("McWane" or "Company") at locations in Illinois once a conditional offer of employment has been extended and accepted.

Policy Statement

McWane conducts background checks on all new and re-hired team members. These include, but are not limited to, positions involving security and financial responsibilities. McWane will use a third party agency to conduct the background checks. The types of information that can be collected include, but are not limited to:

- **Social Security Trace** is an address history search conducted through a public database which is used exclusively to trace the address history and name variation. It does not, and should not be used to, validate Social Security Number.

- **Employment Verification** confirms applicant's employment with the provided companies, including dates of employment, position held and additional information available pertaining to salary/wages, performance rating, and reason for departure and eligibility for rehire. This will be run on the past two employers or up to ten years, whichever comes first.

- **Counties/State Criminal Background Check** is to be conducted for the applicant based on the address history in the last 7 years.

The following additional searches will be required if applicable to the position:

- **Educational Verification** confirms the applicant's claimed educational institution, including the years attended and the degree/diploma received.

- **Motor Vehicle Report** provides a report on an individual's driving history in the state requested. This search will be run when driving is an essential requirement of the position.

- **Consumer Credit Report** confirms candidate's credit history. This search will be run for positions that involve custody of, or unsupervised access to, Company cash or marketable assets valued at $2,500 or more.

McWane will ensure that all background checks are held in compliance with all federal and state laws, including the Fair Credit Reporting Act and the Americans with Disabilities Act.

McWane can collect credit information on applicants consistent with the guidelines set forth by the Federal Credit Reporting Act (FCRA). The Fair Credit Reporting Act requires organizations to obtain a candidate's written authorization before obtaining a credit report. At a minimum you must:

- Inform the applicant in writing that the Company plans to obtain a consumer or investigative consumer report and that the information received will be used solely for employment purposes;
- Inform the applicant of his/her right to request additional information on the nature of the report and the means through which such information may be obtained;
- Inform the applicant that failure to disclose criminal convictions requested during the application process may result in disqualification for employment;
- Inform the applicant that the report may include information about the his/her character, general reputation, personal characteristics, etc.;
- Provide the applicant with a summary of his/her rights under the FCRA; and
- Obtain written authorization from the applicant before obtaining the report.

If the results of the credit check are negative, before taking any adverse action, the Company must inform the applicant that it plans on taking adverse action, provide the applicant with a Statement of Consumer Rights from the Federal Trade Commission, provide the applicant the opportunity to review a copy of his/her credit report and advise the applicant of his/her rights to dispute inaccurate information. Applicants must be granted reasonable time to contest the information (approximately 3-7 days).

RECORDKEEPING:

All information attained from the reference and background check process is only to be used as part of the employment process and must be kept strictly confidential. The local Human Resources department will be responsible for maintaining the information in a secure area.

Questions

Questions regarding this Policy should be directed to your local Human Resources representative.

McWane reserves the right to modify, amend, supplement or replace this Policy at any time with or without prior notice.