

Exhibit 1

SETTLEMENT AGREEMENT AND RELEASE

This Settlement Agreement and Release is entered into by and between Walter Pickett and Marshawn Pearson (the “Plaintiffs” or “Named Plaintiffs”), individually and on behalf of the class they seek to represent, and Exel Inc. d/b/a DHL Supply Chain (“DHL”) (together, with Plaintiffs, the “Parties”), who have agreed as follows:

WHEREAS, Plaintiffs Walter Pickett and Marshawn Pearson intend to file a class action Complaint in the United States District Court for the Northern District of Illinois (the “Litigation”), alleging that Defendant DHL violated Title VII of the Civil Rights Act of 1964, 42 U.S.C. § 2000e, *et seq.* (“Title VII”) and state anti-discrimination laws, including Chapter 21 of the Texas Labor Code, Tex. Labor Code Ann. § 21.0015, *et seq.*; and the Illinois Human Rights Act, 775 ILCS 5/1–101, *et seq.*, by utilizing a facially neutral background check policy, or by utilizing a facially neutral policy disqualifying applicants who did not fully disclose criminal history, the application of each they contend disparately impacted African-American and Hispanic applicants by excluding them from consideration for non-exempt positions at DHL Supply Chain locations in the United States of America;

WHEREAS, DHL denied and continues to deny any and all liability or damages to any individual, group, or entity with respect to the alleged facts or causes of action asserted in the Litigation;

WHEREAS, the Parties have, prior hereto, exchanged documents related to DHL’s hiring practices and procedures, conducted several in-person meetings to discuss the facts and arguments underlying the Litigation, participated in multiple telephone conversations, and exchanged numerous written correspondences to reach resolution of the Litigation;

WHEREAS, the Parties also engaged the services of Hunter R. Hughes (the “Mediator”), a mediator with experience in the mediation of complex class actions, including employment discrimination litigation involving disparate impact claims similar to those asserted in the Litigation, to assist them to reach settlement terms acceptable to both Parties;

WHEREAS, as part of his extensive consultation with the Parties, the Mediator conducted multiple in-person mediation sessions with both Parties and facilitated extensive follow-up communication with and between the Parties;

WHEREAS, the Parties have reached a proposed comprehensive settlement to resolve Plaintiffs’ individual and class-based claims, which resulted in this Settlement Agreement and Release (the “Agreement”);

WHEREAS, the Parties agree that a settlement of Plaintiffs’ individual and class-based claims is in the public interest;

WHEREAS, as part of the comprehensive class-based settlement, the Parties have agreed to appoint a well-qualified Industrial Organizational Psychologist, Toni S. Locklear, Ph.D. (the “Consultant”) to serve as a consultant to review and recommend, as may be necessary and appropriate, modifications to DHL’s current background check policies and practices in hiring decisions, and the Consultant has agreed to undertake this project;

WHEREAS, DHL has agreed to work with the Consultant to provide access to relevant materials and individuals necessary for the Consultant to adequately review Defendant's processes and to make a full and complete assessment;

WHEREAS, without admitting or conceding any liability or damages whatsoever, DHL has agreed to settle Plaintiffs' claims on the terms and conditions set forth in this Agreement in order to avoid the burden, expense, and uncertainty in litigating these claims;

WHEREAS, Plaintiffs' Counsel has analyzed and evaluated the merits of the claims made against DHL, and the impact of this Agreement on Plaintiffs and members of the putative class, and based upon Plaintiffs' Counsel's analysis and evaluation of a number of factors, and recognizing the substantial risks of class litigation, including the possibility that if not settled now, future litigation might not result in any recovery, or might result in a recovery that is less favorable and that would not occur for several years; as well as recognizing that many of the nonmonetary elements of this Agreement may have been difficult to achieve through litigation, Plaintiffs' Counsel is satisfied that the terms and conditions of this Agreement are fair, reasonable, and adequate and that this Agreement is in the best interest of Plaintiffs and the members of the putative class;

NOW THEREFORE, in consideration of the mutual covenants and promises set forth in this Agreement, as well as the good and valuable consideration provided for herein, the Parties hereto agree to a full and complete settlement of the claims asserted in the Litigation on the following terms and conditions:

1. DEFINITIONS

The defined terms set forth in this Agreement have the meanings ascribed to them below.

- 1.1. Acceptance Period. "Acceptance Period" means the sixty-day (60) period beginning from the date of the mailing of the Settlement Notice and Claim Form, during which a Class Member may timely complete and submit a Claim Form via which the Class Member certifies eligibility (*e.g.*, protected status and other agreed-upon eligibility information).
- 1.2. Agreement. "Agreement" or "Settlement" mean this Settlement Agreement and Release.
- 1.3. Allocated Settlement Amount. "Allocated Settlement Amount" means a pro rata payment from the Settlement Fund to each Settlement Class Member to be distributed by the Settlement Administrator.
- 1.4. Restated Background Check Policy. "Restated Background Check Policy" means the criminal background check policy in place at DHL after DHL has received the recommendations of the Consultant and/or Mediator as set forth in Section 3 and incorporated them.
- 1.5. Claim Bar Date. "Claim Bar Date" means the last day of the sixty-day (60) Acceptance Period in which any Class Member may timely complete and submit a

Claim Form.

- 1.6. Claim Form. “Claim Form” means the Claim Form, as approved by the Court, that a member of the Notice Group must timely complete and certify, under penalty of perjury, his or her protected status and that he or she had a conditional offer of employment that was rescinded by DHL for reasons, at least in part, related to criminal history or failure to fully disclose criminal history, which are conditions precedent to being deemed to be a Settlement Class Member entitled to monetary relief in the form of an Allocated Settlement Amount.
- 1.7. Class Counsel or Plaintiffs’ Counsel. “Class Counsel” and “Plaintiffs’ Counsel” shall mean Outten & Golden LLP (“O&G”).
- 1.8. Class Period. The “Class Period” is defined as the period from January 1, 2016, up to, and including, December 31, 2021.
- 1.9. Class Members. The “Class Members” are defined as individuals who applied for a non-exempt position with DHL during the Class Period and (i) who are Black or African American or Hispanic, solely or in combination with other races; (ii) who received a conditional offer of employment from DHL; (iii) who were identified as having a background report showing a criminal history; and (iv) whose conditional offer of employment with DHL was rescinded by DHL due at least in part to information contained on the background report or due to the Class Member’s failure to fully disclose criminal history. Class Members include individuals who satisfy the foregoing criteria but do not submit a Claim Form, except any individuals who submitted valid Opt-Out Statement.
- 1.10. Consultant. The “Consultant” is Industrial Organizational Psychologist, Toni Locklear, Ph.D.
- 1.11. Consultant Fee. “Consultant Fee” means the fee, not to exceed \$50,000.00, that Defendant will pay to fund all monetary costs associated with the Consultant’s work conducted in furtherance of this Agreement, in addition to the Settlement Fund.
- 1.12. Court or District Court. “Court” or “District Court” means the United States District Court for the Northern District of Illinois.
- 1.13. Days. “Days” means calendar days (excluding federal holidays).
- 1.14. Defendant or DHL. “Defendant” or “DHL” shall mean Exel Inc. d/b/a DHL Supply Chain, together with its agents, employees, predecessors, successors, parents, subsidiaries, affiliates, insurers, and divisions.
- 1.15. DHL Background Check Policy. “DHL Background Check Policy” refers to the policy regarding the pre-hiring use of criminal background checks and reporting as part of the application or screening process utilized by DHL as of the Execution Date.
- 1.16. Effective Date. “Effective Date” of the Settlement shall mean the latest of the following dates: (a) the expiration of time for appeal of the Final Approval Order; or

(b) if there is an appeal of the Court's decision granting final approval, the day after all appeals are finally resolved in favor of final approval.

- 1.17. Execution Date. "Execution Date" shall mean the date upon which the last Party returns an executed copy of this Agreement to the other Party.
- 1.18. Fairness Hearing. "Fairness Hearing" means the hearing before the Court relating to the Motion for Final Approval.
- 1.19. Final Approval Order. "Final Approval Order" means the Order entered by the Court at or after the Fairness Hearing, approving the terms and conditions of this Agreement.
- 1.20. Mediator. "Mediator" means Hunter R. Hughes or his replacement, who is to be a person mutually determined by the Parties.
- 1.21. Named Plaintiffs. "Named Plaintiffs" or "Plaintiffs" means Walter Pickett and Marshawn Pearson, together with their representatives, heirs, administrators, executors, beneficiaries, conservators, and assigns.
- 1.22. Notice or Notices. "Notice" or "Notices" means the Court-approved Notice of Proposed Settlement of Class Action Lawsuit.
- 1.23. Opt-Out Statement. An "Opt-Out Statement" is a written, signed, and dated statement, submitted to the Settlement Administrator within 45 days from the delivery of Notice to the Class Members, clearly indicating that an individual Class Member has decided to opt out of this settlement and will not be subject to the terms of this Agreement.
- 1.24. Parties. The "Parties" are the Named Plaintiffs and Defendant.
- 1.25. Notice Group. The "Notice Group" is defined to include those individuals who applied for a non-exempt position with DHL during the Class Period and (a) voluntarily self-disclosed that they identify as being Black or African-American or Hispanic (of any race) or chose Not to Self-Identify or for whom DHL has no race data; and (b) who received a conditional offer of employment from DHL; and (c) who were identified as having a background report showing a criminal history; and (d) who never commenced employment with DHL due to criminal history information on a background report or for unspecified reasons.
- 1.26. Preliminary Approval Order. "Preliminary Approval Order" means the Order entered by the Court preliminarily approving the terms and conditions of this Agreement, and directing the manner and timing of providing Notice to the Notice Group.
- 1.27. Settlement Class Disbursement Amount. "Settlement Class Disbursement Amount" shall mean the amount left in the Settlement Fund after subtracting (i) the Settlement Administrator's not-to-exceed budgeted fee, (ii) attorneys' fees and costs awarded to Class Counsel, and (iii) any Service Awards to be disbursed to Named Plaintiffs.

- 1.28. Settlement Class Members. “Settlement Class Members” are Class Members who submitted a Claim Form certifying that they satisfy the conditions precedent to being deemed eligible to be a Settlement Class Member entitled to monetary relief in the form of an Allocated Settlement Amount and who did not submit a valid Opt-Out Statement.
- 1.29. Service Award. “Service Award” means a Court-approved compensation awarded to Named Plaintiffs for their roles in this case.
- 1.30. Settlement Administrator. The “Settlement Administrator” means the company jointly selected and retained by the Parties to administer notice of settlement and distribution of settlement monies.
- 1.31. Settlement Fund. “Settlement Fund” means the amount of Two Million, Seven-Hundred Thousand and 00/100 Dollars (\$2,700,000.00 or \$2.7 million) allocated to fund the Settlement Administrator’s fees of up to \$80,000, attorneys’ fees and costs, any Service Awards granted to the Named Plaintiffs, and Allocated Settlement Amounts disbursed to Class Members.
- 1.32. Void Date. “Void Date” means ninety (90) days after the disbursement of Allocated Settlement Amounts, by which Settlement Class Members must sign and cash the settlement check.

2. INITIAL PROCEDURAL ISSUES

- 2.1. Binding Agreement. This Agreement is a binding agreement and contains all material agreed-upon terms for the Parties to seek a full and final settlement of the Litigation.
- 2.2. Retention and Responsibilities of the Settlement Administrator. The Settlement Administrator will be jointly selected by the Parties to distribute the Notices and Claim Forms, to receive completed Claim Forms from would-be Settlement Class Members, to distribute the Service Award, attorneys’ fees and costs, and Allocated Settlement Amounts, and to otherwise administer the Settlement. The Settlement Administrator’s fees and costs of administering the Settlement, capped at \$80,000.00, shall be borne by DHL as part of the Settlement Fund. The Settlement Administrator will be responsible for distributing the Notices and Claim Forms to Notice Group in accordance with the Court’s Preliminary Approval Order, maintaining a toll-free phone number and website to answer questions from members of the Notice Group, collecting completed Claim Forms from would-be Settlement Class Members, verifying Opt-out Statements or any objection responses from members of the Notice Group, confirming that Settlement Class Members certified their protected status and eligibility to receive Allocated Settlement Amounts pursuant to this Agreement, disbursing the Service Awards, disbursing Allocated Settlement Amounts to Settlement Class Members, determining the amount of payroll taxes to be paid and deductions to be withheld, and preparing and filing all applicable tax forms.
 - 2.2.1. The Parties will have equal access to the Settlement Administrator. The Settlement Administrator will provide regular reports to Class Counsel and

Defendant's Counsel at least once every week regarding the status of distributing Notices and Claim Forms to the Notice Group; the claims administration process; the names and number of Settlement Class Members; and which Class Members, if any, object to or opt-out of the Settlement.

- 2.2.2. DHL agrees to reasonably cooperate with the Settlement Administrator to facilitate its obligations in this Agreement, including to provide information to assist the Settlement Administrator in locating members of the Notice Group, as may be reasonably necessary.

2.3. Preliminary Approval Motion.

- 2.3.1. Within thirty (30) days following the Execution Date of this Agreement, Class Counsel will file in the agreed-upon District Court a Complaint, and within a reasonable period after that Complaint has been accepted by the Clerk, a Joint Motion for Preliminary Settlement Approval, memorandum of law in support thereof, proposed Notice to the Notice Group, Claim Form, and Proposed Order ("Preliminary Approval Motion"), all of which are consistent with the Agreement.
- 2.3.2. Class Counsel will provide Defendant's Counsel the opportunity to review the Preliminary Approval Motion at least seven (7) calendar days prior to filing, and Defendant's Counsel will provide any proposed edits within three (3) calendar days prior to filing. The Preliminary Approval Motion will seek approval of a settlement class pursuant to Federal Rule of Civil Procedure ("Rule") 23(e) and 23(b)(2) and (b)(3), with an opt-out right.
- 2.3.3. The Preliminary Approval Motion also will seek the setting of date(s) for Class Members to opt out of this Agreement or provide objections to this Agreement as forty-five (45) days from the delivery of Notice to the Class Members, and for a Fairness Hearing for final approval of the Settlement before the Court at the earliest practicable date.
- 2.3.4. In the Preliminary Approval Motion, Class Counsel will seek to certify a Rule 23(b)(3) settlement class, with an opt-out right, seek approval of the proposed Settlement Notice to be sent to the Notice Group and the Settlement Notice distribution process, and inform the Court of the intended process to obtain a Final Approval Order that will, among other things, seek to: (1) approve the Settlement as fair, adequate, and reasonable; (2) incorporate the terms of the Settlement Agreement and Release, as described herein; (3) award Class Counsel their fees and costs; (4) award a Service Award to the Named Plaintiffs; (5) dismiss the Litigation without prejudice, which will become a dismissal with prejudice sixty (60) days after payments have been made pursuant to Section 3.1, and (6) retain jurisdiction of the Court to enforce the Agreement.
- 2.3.5. If the Court denies the Preliminary Approval Motion, the Parties will work together in good faith to revise the Agreement to address the Court's concerns, seek reconsideration, and/or appeal the Court's decision. If these efforts are ultimately unsuccessful or a settlement class is not certified, the Litigation will

proceed as if no settlement had been attempted, and this Settlement will be null and void, with no force and effect. Details regarding the settlement terms and negotiations will be inadmissible.

- 2.3.6. The Parties will work together, diligently and in good faith, regarding all aspects of the settlement approval process, including to expeditiously obtain a Preliminary Approval Order and Final Approval Order.

3. SETTLEMENT TERMS

3.1. Settlement Amount.

- 3.1.1. DHL agrees to pay the Settlement Fund of \$2.7 million to the Settlement Administrator, as escrow agent, within thirty (30) days of the Effective Date of this Agreement, and that Settlement Fund shall fund settlement administration costs billed by the Settlement Administrator up to \$80,000, and will resolve and satisfy the programmatic, individualized, and organizational relief, and any claim for attorneys' fees and costs approved by the Court, and any Court-approved Service Awards to Named Plaintiffs. If the Settlement Administrator requires partial payment of its fee contemporaneous with entry of the Preliminary Approval Order, that amount will be capped at \$26,400 (33% of \$80,000) and subtracted from the Settlement Amount due within thirty (30) days of the Effective Date of this Agreement.
- 3.1.2. Class Counsel will seek approval of an award of up to one-third of the Settlement Fund, plus costs, for the payment of attorneys' fees and costs.
- 3.1.3. The Settlement Fund shall include the Settlement Administrator's fees and costs of no more than \$80,000.
- 3.1.4. The Settlement Administrator shall make reasonable efforts to identify the current address of Class Members and shall make one (1) additional attempt to contact and redistribute checks received as undeliverable via return mail, if necessary, to Settlement Class Members who have not opted out of the Agreement to occur thirty (30) days after settlement checks are distributed.

3.2. Class Definition.

- 3.2.1. The Class is comprised of those members of the Notice Group who did not submit a valid Opt-Out Statement and satisfy the following criteria:
 - 3.2.1.1. The individual applied for a non-exempt position with DHL during the Class Period and:
 - 3.2.1.2. Are Black or African American (solely or in combination with other races) or
 - 3.2.1.3. Are Hispanic (solely or in combination with other races); and

- 3.2.1.4. Received a conditional offer of employment from DHL; and
- 3.2.1.5. Were identified as having a background report showing a criminal history; and
- 3.2.1.6. Whose conditional offer of employment with DHL was rescinded due, at least in part, to such criminal history or for failure to fully disclose such criminal history.

3.3. Programmatic and Injunctive Relief.

- 3.3.1. Selection. The Parties have jointly selected the Consultant, Dr. Locklear.
- 3.3.2. Engagement and Compensation of the Consultant. The Parties agree that within ten (10) days of the Execution Date, DHL will enter into a consulting agreement with the Consultant. That consulting agreement will reflect DHL's agreement to pay Consultant no more than a not-to-exceed Consultant Fee of \$50,000.00 (this amount is separate and in addition to the \$2.7 million Settlement Fund). Approval of any request by the Consultant to supplement the amount allocated to the Consultant Fee is within DHL's discretion.
 - 3.3.2.1. The Parties agree that the Consultant will have no ownership rights to or interest in: (i) any information provided to the Consultant by DHL; (ii) any information or materials provided to either Party by the Consultant as a result of the Consultant's engagement by DHL pursuant to this Agreement; and (iii) any information or documents created in the course of Consultant's engagement by DHL pursuant to this Agreement that relate, in any way, to DHL or the Litigation.
 - 3.3.2.2. The Parties agree that the Consultant will be prohibited from destroying any information or materials described in Section 3.3.2.1 and that the Consultant will surrender all such materials to DHL at the termination of her engagement by DHL pursuant to this Agreement, outside of any record keeping, insurance, or ethical obligations the Consultant might have.
- 3.3.3. Purpose. The Consultant shall review and propose revisions to the DHL Background Check Policy, taking into account Title VII, and municipal and state anti-discrimination laws regarding the use of criminal history and background checks.
- 3.3.4. Access. As part of this review, DHL shall: (i) promptly provide to the Consultant DHL's current policy relating to the use of criminal history background checks in hiring; and (ii) work cooperatively to provide additional information, if any, requested by the Consultant, provided such information is accessible and not unduly burdensome to DHL.
- 3.3.5. Modifications to DHL's Policies. Within forty-five (45) days of the date when

DHL provides the information described in this Section 3, the Consultant will provide written proposed modifications, if any, to the DHL Background Check Policy to the Parties, consistent with the Consultant's review of that Policy and the requirements of Title VII, and municipal and state anti-discrimination laws regarding the use of criminal history and background checks.

- 3.3.5.1. Should the Consultant find, in her professional opinion, that the DHL Background Check Policy is compliant with the requirements of Title VII, and the relevant municipal and state anti-discrimination laws regarding the use of criminal history and background checks, then the Consultant will not propose modifications.
 - 3.3.5.2. Should the Consultant recommend modifications, and if DHL agrees to make all of the modifications to the DHL Background Check Policy recommended by the Consultant, then the Parties will be advised by the Consultant that DHL has complied with the Consultant's recommendations and that no further steps need to be taken by DHL. In this scenario, DHL shall implement all agreed-to changes as the Restated Background Check Policy within thirty (30) days of receipt of the Consultant's written recommendations or, if DHL determines that more time is needed, specify the date by when the changes will be implemented.
 - 3.3.5.3. Alternatively, if DHL does not agree to all such recommendations, then it must inform the Consultant and Class Counsel of its areas of disagreement within thirty (30) days of receipt of the Consultant's written recommendations. Class Counsel and Defendant's Counsel shall then meet and confer in an effort to resolve any differences between the Parties regarding the Consultant's recommendations. For areas where DHL agrees with the Consultant's recommendations or to any modifications thereof in the meet-and-confer process, it shall implement all agreed-upon changes within thirty (30) days of receipt of the Consultant's written recommendation (revised as necessary consistent with the meet-and-confer process) or, if DHL determines that more time is needed, specify the date by which the changes will be implemented.
 - 3.3.5.4. If the Parties' conferral does not result in agreed-upon changes to the DHL Background Check Policy, the Parties shall then submit their respective final positions in writing (i.e., baseball-arbitration style) to the Mediator, who will consider and approve the position of one of the Parties. The Party whose position was rejected will pay the Mediator's fees related thereto.
 - 3.3.5.5. DHL shall then adopt the recommendations of the Consultant to which it previously agreed along with any additional recommendations approved by the Mediator, and implement those recommendations as the Restated Background Check Policy.
- 3.3.6. Replacement of Consultant or Mediator. The Parties understand that the

Consultant and the Mediator have agreed to provide services consistent with this Agreement and are aware of the need for expeditious resolution of all matters covered herein. If, however, the Consultant must withdraw due to illness or other reason, Defendant's Counsel and Class Counsel agree to work together to replace the Consultant with a qualified Industrial Organizational Psychologist who can promptly perform the services set forth in this Agreement. If Defendant's Counsel and Class Counsel cannot agree on a replacement Consultant, they can each make written submissions to the Mediator requesting that the Mediator select the replacement Consultant.

- 3.3.7. Similarly, if the Mediator is forced to withdraw due to illness or other reason, the Parties agree to work together to replace the Mediator with a qualified person who can promptly perform the services set forth in this Agreement.

3.4. Settlement Class Member Relief.

- 3.4.1. Settlement Class Members are eligible for monetary compensation in the form of an Allocated Settlement Amount, as set forth in this Agreement.

- 3.4.2. Once the Court grants Final Approval of this Settlement, the Settlement Class Disbursement Amount will be distributed as follows to each Settlement Class Member:

- 3.4.2.1. Each Settlement Class Member shall be entitled to receive the Allocated Settlement Amount, which is a pro rata share of the Settlement Class Disbursement Amount.

- 3.4.2.2. Each Settlement Class Member is only eligible to receive a single payment under this Settlement Agreement (except for service awards to the Named Plaintiffs).

- 3.4.3. Nothing in this Agreement is intended to prohibit a Settlement Class Member from applying for a position of employment with DHL; however, a Settlement Class Member's application will not be granted priority consideration.

- 3.4.4. The Settlement Administrator will treat the payment allocated to each Settlement Class Member as fifty percent (50%) W-2 wages ("Wage Portion") and fifty percent (50%) 1099 non-wage income, including emotional distress damages ("Non-wage Portion"). Tax allocations will be determined by the Settlement Administrator. For the Wage Portion, the Settlement Administrator shall be responsible for making proper tax withholdings and complying with tax reporting obligations. All taxes (including the employer's share of taxes due on the Wage Portion) shall be paid from the Gross Settlement Amount. Defendant and the Settlement Administrator shall exchange such information as is necessary for the Settlement Administrator to make proper tax withholdings and comply with tax reporting obligations as described herein.

- 3.5. Attorneys' Fees and Costs. Consistent with Section 3.1, at the Fairness Hearing and in the Motion for Final Approval, Class Counsel will request that the Court approve

an award of attorneys' fees of up to one-third of the Settlement Fund, in addition to costs, which upon approval shall be paid from the Settlement Fund. The outcome of any proceeding related to Class Counsel's application for attorneys' fees and costs shall not terminate this Agreement or otherwise impact the Court's ruling on the motions for approval of the settlement. Any fees or costs sought by Class Counsel but not approved by the Court shall remain part of the Settlement Class Disbursement Amount.

3.6. Service Award to Named Plaintiffs and Individual Payment, with Corresponding Individual Waiver of Employment Claims.

- 3.6.1. In return for services rendered to the Class Members, each Named Plaintiff will apply to the Court to receive a Service Award of \$15,000.00.
- 3.6.2. Receipt of the Service Award will be expressly conditioned upon execution by the Named Plaintiffs of individual agreements, in a form acceptable to DHL, including waivers of all employment-related claims and promises to not seek employment with DHL.
- 3.6.3. Upon approval by the Court and execution of the individual agreements described herein, the Service Awards shall be paid from the Settlement Fund.
- 3.6.4. The Service Awards approved by the Court will be classified as non-wage compensation reportable on a Form 1099. All payment of taxes or other assessments to state or federal authorities on the Service Awards paid under this Settlement Agreement, if any, shall be the sole responsibility of Plaintiffs with respect to each of their own Service Award.

4. **CLASS PROCEDURAL ISSUES**

4.1. Notice to Notice Group.

- 4.1.1. Notice Group List. Within fifteen (15) days of the Preliminary Approval Order, DHL will provide to the Settlement Administrator a confidential list identifying those individuals who applied for a non-exempt position with DHL during the Class Period and (a) voluntarily self-disclosed their race as being "Black or African American" or (b) voluntarily self-disclosed their race as being "Hispanic"; or (c) voluntarily self-disclosed their race as being "two or more"; or (d) chose "Not to Self-Identify"; or (e) for whom DHL has no race data; and (f) who received a conditional offer of employment from DHL; (g) and who were identified as having a background report showing a criminal history; and (h) who never commenced employment with DHL due to criminal history information on a background report or for unspecified reasons (the "Notice Group List" containing names of individuals in the "Notice Group"). For each member of the Notice Group, DHL will provide (to the extent available) his or her: name, Social Security number, last known address, and to the extent available, last known e-mail addresses, telephone numbers, and response to DHL's request for voluntary self-disclosure of the person's race or ethnicity. This may be provided in one or more spreadsheets. The Settlement

Administrator will maintain the Notice Group List in a confidential manner, and shall not provide such list or other information to any other entity or person, with the exception of Class Counsel, without prior written consent of DHL's Counsel. After receipt of the Notice Group List from DHL, the Settlement Administrator will perform a search and update using the National Change of Address Database to correct any known or identifiable address changes.

- 4.1.2. Website. Within five (5) days of Defendant's provision of the information set forth in Section 4.1.1 to the Settlement Administrator, the Settlement Administrator will cause a Settlement Website to become active at an agreed-upon URL, access to which will be limited to the Parties and Members of the Notice Group with a Notice Group Member identification number. The Settlement Website shall include hyperlinks that allow access to the Complaint, this Agreement, the Court-approved Notice and Claim Form, the Motion for Preliminary Approval, the Preliminary Approval Order, and any other documents agreed to by the Parties. Within two (2) days of any of the following documents being filed, the Settlement Website will also be updated to include copies of all notices and memoranda and exhibits submitted in support of the Motion for Final Settlement Approval, and any further Orders issued by the Court, including any Final Approval Order and Judgment. This information shall remain on the Settlement Website until the date that is forty-five (45) days after the Claim Bar Date.
- 4.1.3. Notice Procedure. Within fourteen (14) days of receipt of the Notice Group List from Defendant, the Settlement Administrator shall cause a copy of the Notice and Claim Form as approved by the Court, to be e-mailed (where available), mailed by First-Class mail, and sent via a text link (where phone numbers are available) to the Notice Group. The Notice and Claim Form shall provide the URL of the Settlement Website containing the information described above, as well as a scannable QR code. Members of the Notice Group may submit a Claim Form by mail, e-mail, fax, or online through the Settlement Website. Thirty (30) days before the close of the Acceptance Period, the Settlement Administrator shall send, by mail and e-mail (where available) a reminder postcard to Notice Group who have not submitted a Claim Form as of that date to remind them of their opportunity to obtain relief from the Settlement. The Parties agree that the Notice, sent by e-mail, text, and First-Class mail, constitutes the best notice practicable under the circumstances, and constitutes due and sufficient notice of the pendency of proposed Settlement and a Final Approval Hearing to all persons entitled to notice in full compliance with due process under the United States Constitution and state law.
- 4.1.4. Contents of Notice and Claim Form. The Notice will contain a description of Plaintiffs' claims, a summary of the terms of the proposed Settlement, and a description of the Class Members, and it will identify the Settlement Website maintained by the Settlement Administrator and provide information about the Fairness Hearing to be held, as well as any other information required by the Federal Rules of Civil Procedure, including Rule 23(c)(2), and any information required by the Court. The Settlement Administrator shall also include a Claim Form with an individual-specific Notice Group Member identification number

and QR code, in the same mailing as the Notice when the Notice is sent, for individuals deemed to be in the Notice Group.

The Claim Form shall require would-be Settlement Class Members to certify under penalty of perjury his or her protected status and satisfaction of other eligibility criteria, including specifically that: (i) he or she is African American or Hispanic, solely or in combination with other races; (ii) he or she received a conditional offer of employment from DHL; and (iii) to the best of the would-be Settlement Class Member's knowledge, the conditional offer of employment was rescinded due, at least in part, to criminal history or failure to fully disclose criminal history, all of which are conditions precedent to being deemed to be a Settlement Class Member entitled to monetary relief in the form of an Allocated Settlement Amount.

- 4.1.5. Opt-Out Period. Any Class Member sent a Notice that is not returned as undeliverable shall have forty-five (45) days from the date of mailing by the Settlement Administrator to object to or opt out of the Settlement.
- 4.1.6. In order to be timely, Claim Forms must be returned to the Settlement Administrator by the date that is sixty (60) days after the date they are mailed by the Settlement Administrator (i.e. the Acceptance Date). No Claim Form will be considered if it is received by fax or e-mail or the envelope returning it to the Settlement Administrator is postmarked later than the Claim Bar Date, unless by agreement of the Parties. To the extent a member of the Notice Group requests an additional mailed Claim Form within the last twenty (20) days of the Acceptance Period, he or she shall be permitted ten (10) additional days to submit a Claim Form—which means that the last possible date when a member of the Notice Group could submit a timely Claim Form would be seventy (70) days after the date the original Claim Form was mailed by the Settlement Administrator. Additional time also may be provided to a member of the Notice Group who misses the Claim Bar Date if good cause, as determined by the Settlement Administrator, is demonstrated by that member of the Notice Group.
- 4.1.7. The Settlement Administrator will take all reasonable steps to obtain the correct address of any member of the Notice Group for whom a Notice is returned by the United States Postal Service as undeliverable and shall attempt to re-mail the Notice to the updated address. The Settlement Administrator will notify Class Counsel and Defendant's Counsel if any Notice sent to a member of the Notice Group is returned as undeliverable after the first mailing, as well as if any such Notice is returned as undeliverable after any subsequent mailing(s) as set forth in this Agreement, and will otherwise provide timely updates to the Parties.
- 4.1.8. Members of the Notice Group who chose to submit a claim will be deemed to have filed their Claim Forms on the date the Claim Form is postmarked, or otherwise faxed or e-mailed to the Settlement Administrator or submitted on the Settlement Website.
- 4.1.9. The Settlement Administrator shall review all Claim Forms to confirm that the submitting member of the Notice Group qualifies to be a Settlement Class

Member as defined by this Agreement.

- 4.1.10. The Settlement Administrator shall cause Allocated Settlement Amount checks to be mailed to Settlement Class Members within thirty (30) days of the Effective Date.
- 4.1.11. Checks payable to Settlement Class Members shall have a void date that is ninety (90) days after the final issuance of the check (the “Void Date”).
- 4.1.12. Notification of Unredeemed Checks. The Settlement Administrator will send out a reminder postcard, by e-mail (where available) and First-Class mail directed to each Settlement Class Member’s last known or updated address. The reminder postcard will be sent halfway through the ninety (90) day period, reminding Settlement Class Members of their opportunity to cash their settlement checks.
- 4.1.13. Final Disposition of Unclaimed Monies. Within thirty (30) days of the Void Date of the last-issued check, the parties shall meet and confer to confirm the amount of unclaimed monies and identify a charitable cause that indirectly benefits the class and to which a *cy pres* donation will be made. To the extent necessary, the parties will submit a stipulation to the Court for review and approval of the *cy pres* donation.

4.2. Class Member Opt-Outs.

- 4.2.1. Any Class Member who chooses to opt out of the Settlement as set forth in this Agreement must mail his or her Opt-Out Statement via First-Class mail, postage prepaid, to the Settlement Administrator. In order to be valid, the Class Member’s Opt-Out Statement must include his or her name, signature, date of execution, address, e-mail address(es), self-identified race, and telephone number(s), as well as the following statement: “I opt out of the DHL Applicant Settlement.” A member of the Notice Group who the Settlement Administrator determines does not qualify as a Class Member is ineligible for any benefits provided by this Agreement and, therefore, also is unable to opt out of the Settlement.
- 4.2.2. The end of the time period for a Class Member to opt out of the Settlement (“Opt-Out Period”) shall be forty-five (45) days after the day on which the Settlement Administrator mails a Notice to that Class Member.
- 4.2.3. The Settlement Administrator will provide the Parties with copies of all Opt-Out Statements as soon as they are received by the Settlement Administrator. At the request of the Parties, and in preparation of the declaration that the Settlement Administrator will submit as part of the Final Approval Motion, the Settlement Administrator will send a list of the names of all individuals who submitted Opt-Out Statements to the Parties. The final list will be submitted to the Court by Plaintiffs, with redaction on any personal identifying information, along with the declaration of the Settlement Administrator, along with the Final Approval Motion. The Settlement Administrator will retain the stamped original copies of

all Opt-Out Statements and all original envelopes accompanying Opt-Out Statements in its files until such time as the Settlement Administrator is relieved of his or her duties and responsibilities under this Agreement.

- 4.2.4. Any Class Member who does not properly submit an Opt-Out Statement pursuant to this Agreement will be deemed to have accepted the Settlement and will be eligible to participate as a Settlement Class Member by submitting a Claim Form.
- 4.2.5. Any Class Member who fails to submit a Claim Form or who opts out pursuant to this Section will not be entitled to any benefits available to Settlement Class Members.

4.3. Objections to Settlement.

- 4.3.1. A Class Member who wishes to present objections to the proposed Settlement at the Fairness Hearing must provide notice of intent to do so in writing. To be considered, a written statement must be mailed to the Settlement Administrator via First-Class mail, postage prepaid, and be received by the Settlement Administrator by a date certain forty-five (45) days after the Claims Administrator mailed a Notice to that Class Member. The statement must include all reasons for the objection, and any reasons not included in the statement will not be considered. The statement must also include the name, address, e-mail(s), self-identified race, and telephone number(s) for the Class Member making the objection and, where appropriate, state the objecting Class Member's intent to appear in person or through counsel at the Fairness Hearing. The Settlement Administrator will stamp the date received on the original and send copies of each objection to Class Counsel and Defendant's Counsel as soon as they are received. The final list of objecting Class Members will be submitted to the Court by Plaintiffs, with redaction of any personal identifying information, along with the declaration of the Settlement Administrator attached to the Final Approval Motion.
- 4.3.2. An objecting Class Member also has the right to appear at the Fairness Hearing either in person or through counsel hired by that objecting Class Member. An objecting Class Member who wishes to appear at the Fairness Hearing must state his or her intention to do so in writing together with his or her initial written objections. An objecting Class Member may withdraw his/her objections at any time. No Class Member may present an objection at the Fairness Hearing based on a reason not stated in his or her timely written objections. A Class Member who has submitted an Opt-Out Statement may not submit objections to the Settlement.
- 4.3.3. A member of the Notice Group who the Settlement Administrator determines does not qualify as a Class Member may not present objections to the proposed Settlement at the Fairness Hearing, regardless of whether he or she complies with the requirements set forth in Section 4.3.1.
- 4.3.4. The Parties may file with the Court written responses to any filed objections no

later than three (3) calendar days before the Fairness Hearing.

4.4. Fairness Hearing and Motion for Final Approval and Dismissal.

- 4.4.1. At the time established by the Court when ruling upon the Preliminary Approval Motion, Class Counsel will file the Final Approval Motion that is consistent with this Agreement.
- 4.4.2. At the Fairness Hearing and in the Final Approval Motion, Class Counsel will request that the Court, among other things: (1) confirm the certification of the Class for purposes of settlement; (2) finally approve the Settlement and Agreement as fair, reasonable, adequate, and binding on all Class Members (including those who did not submit a Claim Form); (3) order any attorneys' fees and costs approved by the Court to be paid to Class Counsel; (4) award any Service Award approved by the Court to Named Plaintiffs; (5) order the dismissal with prejudice of all claims asserted or that could have been asserted in the Litigation and the claims of all Class Members (regardless of whether they submitted a Claim Form), subject only to an application for relief under Rules 60(b)(1) or 60(d); (6) order entry of Final Judgment in accordance with this Agreement; and (7) retain jurisdiction as necessary for the purpose of facilitating the Settlement and other relief pursuant to this Agreement.

4.4.3. If the Court does not enter a Final Approval Order in accordance with this Agreement, or if the Final Approval Order is set aside on appeal, the Parties will work together in good faith to revise the Agreement to address the Court's concerns, seek reconsideration, and/or attempt other remedial actions to correct any deficiencies in the Agreement. If these attempts are unsuccessful, or if the Settlement Class is not certified, the Litigation will proceed as if no settlement had been attempted, and this Agreement will be null and void, with no force and effect.

5. RELEASE

- 5.1. Release of Class Member Claims. By operation of the entry of Final Approval, and except as to such rights or claims as may be created by this Agreement, each Class Member (regardless of whether they submitted a Claim Form) shall release DHL from all claims, demands, causes of action, and liabilities, known and unknown, that he or she had, have, or may have under any legal or equitable theory; against DHL arising from or relating to or concerning his or her denial of employment by DHL because of his or her criminal history (or failure to fully disclose criminal history) under Title VII, and corresponding state or local law, including any right to recover any and all available damages, attorneys' fees and costs.
- 5.2. The release is to be explained in the Notice sent to all members of the Notice Group and also set forth on the back of any settlement check (to the extent administratively feasible) and within any related enclosure letter transmitted to any Settlement Class Member.

6. INTERPRETATION AND ENFORCEMENT

- 6.1. Cooperation Between the Parties; Further Acts. Class Counsel shall use reasonable best efforts to obtain the Court's approval of this Agreement and all of its terms. The Parties shall reasonably cooperate with each other, and each Party, upon the request of the other Party, agrees to perform such further acts and to execute and deliver such other documents as are reasonably necessary to carry out the provisions of this Agreement.
- 6.2. Public Statements. The Parties and their counsel agree that they will not issue any press releases or initiate any contact with the media about the fact, amount, or terms of the Settlement, unless agreed to by the Parties. The Parties further agree that, if any Party receives a press inquiry regarding the Settlement, they will decline comment. Nothing in this provision shall prevent Defendant from making any required disclosures.
- 6.3. Entire Agreement. This Agreement constitutes the entire agreement between the Parties with regard to the subject matter contained herein, and all prior and contemporaneous negotiations and understandings between the Parties shall be deemed to be merged into this Agreement.
- 6.4. Binding Effect. This Agreement shall be binding upon the Parties and, with respect to Named Plaintiffs and all Class Members, their spouses, children, representatives, heirs, administrators, executors, beneficiaries, conservators, attorneys, and assigns.
- 6.5. Arms' Length Transaction; Materiality of Terms. The Parties have negotiated all the terms and conditions of this Agreement at arms' length. All terms and conditions of this Agreement in the exact form set forth in this Agreement are material to this Agreement and have been relied upon by the Parties in entering into this Agreement, unless otherwise expressly stated.
- 6.6. Captions. The captions or headings of the Sections and Subsections of this Agreement have been inserted for convenience of reference only and shall have no effect upon the construction or interpretation of any part of this Agreement.
- 6.7. Construction. The determination of the terms and conditions of this Agreement has been by mutual agreement of the Parties. Each Party participated jointly in the drafting of this Agreement, and therefore the terms and conditions of this Agreement are not intended to be, and shall not be, construed against any party by virtue of draftsmanship.
- 6.8. Governing Law. This Agreement shall in all respects be interpreted, enforced, and governed by and under the laws of the State of Illinois without regard to its conflict of laws principles.
- 6.9. Continuing Jurisdiction. The Court shall retain jurisdiction over the interpretation and implementation of this Agreement, as well as any and all matters arising out of, or related to, the interpretation or implementation of this Agreement and of the

Settlement contemplated thereby.

- 6.10. Waivers to Be in Writing. No waiver, modification, or amendment of the terms of this Agreement, whether purportedly made before or after the Court's approval of this Agreement, shall be valid or binding unless in writing, signed by or on behalf of the Named Plaintiffs and Defendant, and then only to the extent set forth in such written waiver, modification, or amendment, subject to any required Court approval. Any failure by a Party to insist upon the strict performance by any other party of any of the provisions of this Agreement shall not be deemed a waiver of future performance of the same provisions or of any of the other provisions of this Agreement, and such Party, notwithstanding such failure, shall have the right thereafter to insist upon the specific performance of any and all of the provisions of this Agreement.
- 6.11. When Agreement Becomes Binding; Counterparts. This Agreement shall become valid and binding upon its complete execution, except that it shall be without force or effect if not approved by the Court other than as to any act or obligation that is required or contemplated to occur prior to the Court's decision whether to preliminarily or finally approve the Settlement. The Parties may execute this Agreement in counterparts, and execution in counterparts shall have the same force and effect as if all Parties had signed the same instrument.
- 6.12. Facsimile and E-mail Signatures. Any signature made and transmitted by facsimile or e-mail for the purpose of executing this Agreement shall be deemed an original signature for purposes of this Agreement and shall be binding upon the party whose counsel transmits the signature page by facsimile or e-mail.

* * * SIGNATURES ON FOLLOWING PAGE * * *

WE AGREE TO THESE TERMS,

Exel Inc. d/b/a DHL Supply Chain

By: _____
Mark Smolik

Title: Chief Legal Officer

Date: _____



Walter Pickett

Date: 01/14/2023

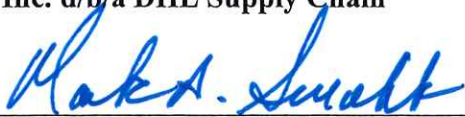


Marshawn Pearson

Date: 01/14/2023

WE AGREE TO THESE TERMS,

Exel Inc. d/b/a DHL Supply Chain

By: 
Mark Smolik

Title: Chief Legal Officer

Date: 2/3/23


Walter Pickett

Date: 01/14/2023


Marshawn Pearson

Date: 01/14/2023