

Nixon Medical Fleet Safety Management Policy & Program

**For Vehicle Use, Vehicle Operator Selection &
Performance, and Incident Policy & Procedures**

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1. PURPOSE

Nixon Medical is committed to protecting Associates, customers, Company assets, and the public through the safe operation of every vehicle. Every Vehicle Operator who operates a vehicle on behalf of the Company shares responsibility for maintaining a safe driving environment and reducing preventable risk.

Federal and state laws establish minimum safety requirements for many aspects of commercial vehicle operation, including driver qualification, licensing, vehicle inspections, drug and alcohol prohibitions, hours of service, and other operating practices. This Policy incorporates those legal requirements while also establishing Nixon Medical's operational standards and expectations designed to further reduce risk, protect Associates, safeguard customers, and promote a culture of safe vehicle operation.

Vehicle incidents remain one of the leading causes of workplace injuries, property damage, customer disruption, and uninsured business losses. Because most vehicle incidents are preventable, Nixon Medical places significant emphasis on Vehicle Operator qualification, safe vehicle operation, incident prevention, fleet monitoring, coaching, accountability, and continuous improvement.

This Policy establishes the standards governing Vehicle Operator qualification, vehicle use, fleet safety, incident reporting, distracted driving prevention, fleet monitoring, and corrective action. It provides a consistent framework for managing fleet safety throughout Nixon Medical operations and defines the responsibilities of Vehicle Operators, Service Managers, General Managers, Human Resources, Environmental Health & Safety, and Company Leadership.

Nixon Medical's Fleet Safety Program is built upon active leadership involvement, direct observation, coaching, and professional judgment. Fleet monitoring technology supports these efforts by providing objective information to assist management in evaluating driving performance; however, technology supplements do not replace management observation or decision-making.

No customer request, delivery schedule, productivity objective, or operational demand is more important than safety. Safe vehicle operation is a condition of continued authorization to operate a vehicle on behalf of Nixon Medical.

2. SCOPE

This Policy applies to all Associates who operate a vehicle on behalf of Nixon Medical, including Company-owned, leased, rented, authorized, or personal vehicles used for Company business.

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Covered Associates include Route Service Representatives, Shuttle Vehicle Operators, Service Managers, Sales Associates, General Managers, and any Associate authorized to operate a vehicle while performing Company business.

Driving on behalf of Nixon Medical is a privilege, not a right. Continued authorization to operate a vehicle is contingent upon maintaining required qualifications, complying with Company policies, and demonstrating safe driving behavior.

Associates who fail to satisfy the requirements of this Policy may have driving privileges modified, suspended, or revoked. Depending on the circumstances, violations may also result in corrective action up to and including termination of employment.

This policy establishes minimum fleet safety expectations throughout Nixon Medical operations. The Company reserves the right to implement additional requirements, operational controls, safety controls, or corrective actions when circumstances warrant or when necessary to meet regulatory requirements, reduce operational risk, or improve fleet safety performance.

Nothing in this Policy limits Nixon Medical's authority to temporarily suspend or revoke driving authorization whenever there is a reasonable concern regarding an Associate's ability to safely operate a vehicle or when continued operation may expose the Company, its Associates, customers, or the public to unnecessary risk.

3. VEHICLE OPERATOR QUALIFICATION STANDARDS

Past driving behavior is one indicator of future driving performance. For that reason, Nixon Medical reviews the qualifications and driving history of Associates who operate vehicles on behalf of the Company.

Consistent with applicable federal regulations and Company policy, Nixon Medical reviews Motor Vehicle Records (MVRs) before initial driving authorization and at least semi-annually thereafter. Federal Motor Carrier Safety Regulations require an annual review of the driving records of Commercial Motor Vehicle Operators (49 CFR §391.25). Nixon Medical's semi-annual review process exceeds this minimum requirement and is intended to provide more timely identification of changes in driving status, violations, licensing restrictions, or other qualification concerns.

Nixon Medical may conduct additional MVR reviews at any time through Checkr or another Company-approved screening provider when operational needs, insurance requirements, safety concerns, or other circumstances warrant.

Driving authorization is not determined solely by an Associate's MVR. Vehicle Operators must maintain all licenses, endorsements, certifications, medical qualifications, insurance requirements, and other credentials necessary to perform their assigned duties legally and safely.

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Nixon Medical may modify, suspend, or revoke driving authorization whenever an Associate no longer satisfies Company qualification standards or otherwise presents an unacceptable level of risk.

Vehicle Operator Status Classifications

Vehicle Operators may be classified as Clear, Acceptable, or Unacceptable based on their driving history, overall qualification status, and continued ability to safely operate a vehicle on behalf of Nixon Medical.

A Vehicle Operator is considered “Clear” when no moving violations, at-fault incidents, or Major Convictions are reflected during the applicable review period.

A Vehicle Operator is considered “Acceptable” when limited driving history exists but does not indicate elevated risk. Examples may include an isolated moving violation or a single preventable incident that does not establish a pattern of unsafe behavior.

A Vehicle Operator is considered “Unacceptable” when driving history demonstrates repeated violations, preventable incidents, distracted driving events, safety policy violations, major convictions, or other behavior indicating elevated risk. Vehicle Operators classified as “Unacceptable” may lose authorization to operate vehicles on behalf of Nixon Medical.

Vehicle Operator qualification classifications are intended to assist management in evaluating driving eligibility and are considered together with professional judgment, applicable regulations, insurance requirements, and the totality of the circumstances.

Major Convictions

Certain driving offenses demonstrate a significant disregard for safe vehicle operation and may result in immediate review of driving privileges. Major convictions include driving under the influence of alcohol or drugs, reckless driving, leaving the scene of an incident, racing or speed contest violations, driving while suspended or revoked, vehicular homicide or manslaughter, attempting to elude law enforcement, excessive speeding, refusal to submit to legally required impairment testing, and comparable offenses demonstrating disregard for public safety.

Major Convictions may result in modification, suspension, or revocation of driving privileges and may affect continued employment in positions requiring operation of a Company vehicle.

At-Fault Incidents

Nixon Medical evaluates incidents based on preventability rather than solely on legal fault. A Vehicle Operator may be considered at fault when reasonable defensive driving actions could have prevented or reduced the severity of an incident.

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At-fault determinations are intended to identify opportunities for improvement, reinforce safe driving expectations, and reduce future risk.

Licensing and Credential Requirements

Vehicle Operators are responsible for maintaining all licenses, certifications, endorsements, medical qualifications, and other credentials required to perform assigned duties. Depending on the position, required credentials may include a state-issued Vehicle Operator's license, Commercial Vehicle Operator's License (CDL), Department of Transportation Medical Examiner's Certificate, required endorsements, and other qualifications required by law or Company policy.

Vehicle Operators are expected to understand expiration dates associated with required credentials and renew them before expiration. While the Company may provide reminders as a courtesy, responsibility for maintaining valid credentials remains with the Vehicle Operator.

Reporting Requirements

Vehicle Operators must immediately notify their Manager and Human Resources Representative of any change in their driving record, driving privileges, licensing status, required credentials, or qualifications that may affect their authorization or ability to operate a vehicle on behalf of Nixon Medical.

Reportable changes include, but are not limited to, moving violations, citations, license suspension or revocation, license restrictions, expiration or loss of required credentials, loss of endorsements, medical disqualification, court-ordered driving restrictions, distracted driving citations, or any other circumstance that may affect the Vehicle Operator's legal or safe operation of a vehicle.

Federal Motor Carrier Safety Regulations require Commercial Motor Vehicle Operators to annually certify traffic violations to their employer in accordance with 49 CFR §391.27. Nixon Medical requires all Vehicle Operators to promptly report any qualification change that affects their ability to operate a Company vehicle legally or safely, regardless of whether federal reporting requirements apply. Nixon Medical's semi-annual Motor Vehicle Record reviews do not replace the Vehicle Operator's responsibility to immediately report these changes. Vehicle Operators are responsible for reporting qualifying events when they occur and may not wait until the Company's next scheduled MVR review.

Failure to timely report a required qualification or driving-record change may result in corrective action independent of the underlying event.

Expired Credentials

Vehicle Operators may not operate a vehicle on behalf of Nixon Medical while required credentials are expired, suspended, revoked, restricted, or otherwise invalid. Driving

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authorization may be suspended until qualification requirements have been restored and verified by the Company.

Commercial Vehicle Operator Qualification Requirements

Associates assigned to operate Commercial Motor Vehicles subject to the Federal Motor Carrier Safety Regulations must maintain all qualifications required by applicable law, including required licenses, endorsements, DOT medical certification, driver qualification records, and any other credentials applicable to their position.

Nothing in this section limits Nixon Medical's authority to establish qualification standards that exceed minimum regulatory requirements whenever necessary to promote safety, reduce operational risk, or satisfy insurance requirements.

4. VEHICLE USE STANDARDS

Nixon Medical vehicles are provided to support Company operations and customer service activities. Associates authorized to operate Company vehicles are expected to exercise sound judgment, demonstrate professionalism, and operate vehicles in a manner consistent with Company values, applicable laws, and the safety expectations established in this Policy.

Company vehicles represent a significant investment and are highly visible to customers and the public. Vehicle Operators are expected to maintain vehicles in a clean, sanitary, organized, and professional condition that reflects positively on Nixon Medical.

Driving authorization is contingent upon compliance with this Policy, maintenance of required qualifications, and demonstration of safe driving behavior.

Company Vehicles

Company vehicles are provided for authorized business purposes only. Personal use is prohibited unless specifically authorized by Company leadership.

Only authorized Associates may operate Company vehicles. Family members, friends, customers, vendors, or other unauthorized individuals may not operate Company vehicles under any circumstances. Unauthorized passengers are prohibited unless approved for a legitimate business purpose.

Vehicle Operators are responsible for maintaining Company vehicles in a condition consistent with Nixon Medical standards and applicable hygienically clean processing requirements. Vehicle interiors should remain organized and free of materials that create safety hazards, visibility restrictions, contamination risks, or unnecessary distractions.

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Vehicle Operators must promptly report vehicle damage, mechanical deficiencies, safety concerns, or any condition that may affect safe operation to their immediate Manager. Vehicle Operators should never assume another Associate has reported a concern.

Vehicle Operators are responsible for protecting Company property assigned to the vehicle, including route equipment, mobile devices, telematics equipment, camera systems, vehicle keys, customer access devices, and other Company assets.

Vehicle Inspections

Federal Motor Carrier Safety Regulations require drivers of commercial motor vehicles to inspect vehicles, identify safety defects, and report conditions affecting safe operation. (See 49 CFR §§396.11–396.13 and §396.7.) Nixon Medical's inspection procedures are intended to satisfy these requirements while supporting safe vehicle operation for all Company vehicles.

Pre-trip and post-trip inspections are required for all vehicles operated on behalf of Nixon Medical. Inspections help identify equipment deficiencies before they result in incidents, service disruptions, equipment failures, customer impact, or regulatory concerns.

Vehicle Operators are responsible for evaluating the overall condition of the vehicle before and after operation. Inspections should confirm that tires, mirrors, lights, windshields, wipers, brakes, steering components, safety equipment, cameras, telematics equipment, cargo areas, cargo securement systems, and approved mobile device mounting equipment are functioning properly.

Required inspection records must be completed using Company-approved systems and procedures. Vehicle inspection reports must be completed accurately and honestly. Falsification or intentional misrepresentation of inspection records is prohibited and may result in corrective action up to and including termination of employment.

Vehicle deficiencies, equipment concerns, or damage affecting safe operation must be reported promptly to your Manager in accordance with Company procedures. Vehicle Operators shall not knowingly operate a vehicle that presents an unsafe operating condition in accordance with Company policy and applicable federal regulations (49 CFR §396.7).

Nixon Medical reserves the right to temporarily remove vehicles from service whenever conditions create concerns regarding safe operation.

Personal Vehicles Used for Company Business

Certain positions may require Associates to operate personal vehicles while conducting Company business.

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Associates who operate personal vehicles on behalf of Nixon Medical are responsible for maintaining those vehicles in safe operating condition and carrying insurance coverage that satisfies Company requirements and applicable legal standards.

At a minimum, Vehicle Operators must maintain:

- \$100,000 personal liability per individual
- \$300,000 personal liability per incident
- \$100,000 property damage coverage

Proof of insurance may be requested at any time.

Associates using personal vehicles for Company business are subject to all provisions of this Policy. Vehicle ownership does not exempt an Associate from Nixon Medical's safe driving expectations, qualification requirements, or corrective action process.

Failure to maintain required insurance coverage, licensing requirements, or vehicle qualifications may result in loss of authorization to use a personal vehicle for Company business.

Nixon Medical reserves the right to verify insurance coverage, licensing status, vehicle condition, and other qualifications associated with personal vehicles used for Company business.

Customer Access Devices

Nixon Medical customers entrust Associates with keys, access cards, security fobs, alarm credentials, badge access, and other devices used to access customer facilities.

Vehicle Operators are responsible for always maintaining control of customer access devices and protecting them from loss, theft, misuse, unauthorized duplication, or unauthorized disclosure.

Customer access devices may not be shared with unauthorized individuals, duplicated without authorization, or left unsecured in vehicles or locations where unauthorized access may occur.

Lost, stolen, damaged, or compromised access devices must be reported immediately so appropriate action can be taken to protect customer facilities and maintain customer trust.

Customer access devices and vehicle keys must be secured nightly in Company-approved lockboxes. Keys, badges, and access devices may not be left in vehicles overnight. Failure to properly secure customer access devices or vehicle keys may result in corrective action and may affect an Associate's authorization to service customer locations.

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Commercial Vehicle Operator Qualification Requirements

Vehicle Operators assigned to positions requiring operation of a Commercial Motor Vehicle (CMV) or possession of a Commercial Driver's License (CDL) must maintain all qualifications required by applicable federal and state regulations, including required endorsements, DOT medical qualification, driver qualification file requirements, and any applicable drug and alcohol testing requirements.

Failure to maintain required Commercial Vehicle Operator qualifications may result in removal from driving duties and may affect continued eligibility for positions requiring operation of regulated vehicles.

5. SAFE VEHICLE OPERATION STANDARDS

Safe vehicle operation requires attention, judgment, situational awareness, and personal accountability. Every Associate who operates a vehicle on behalf of Nixon Medical is expected to comply with traffic laws, operate defensively, maintain awareness of surrounding conditions, and exercise sound judgment at all times.

No customer request, delivery schedule, productivity goal, route expectation, or operational demand is more important than safe vehicle operation.

Life Saving Standards

Nixon Medical has established Life Saving Standards to identify the Company's highest-risk driving behaviors and safety expectations. These standards are defined in the Glossary of Terms (Section 10). Violations of a Life Saving Standard are considered Critical Safety Violations and are administered in accordance with the Fleet Safety Corrective Action Matrix (Appendix A). These include:

- Failure to wear a seat belt while operating or riding in a vehicle.
- Sustained distracted driving or prohibited mobile device use.
- Use of speakerphone functions while driving
- Use of earbuds, headphones, or similar communication devices while driving
- Camera or Telematics Tampering
- Operating a vehicle while impaired
- Operating a vehicle without required licenses, endorsements, certifications, or medical qualifications
- Knowingly operating a vehicle that presents a serious safety hazard, including unsafe steering, inadequate braking performance, restricted visibility, risk of fire or loss of control, unsafe cargo securement, or conditions that could result in tire or wheel failure.

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Critical Safety Violations are subject to the corrective action requirements established in the Fleet Safety Corrective Action Matrix (Appendix A). Depending upon the nature and severity of the violation, corrective action may include a Final Written Warning, mandatory retraining, suspension or revocation of driving privileges, removal from driving duties, or termination of employment.

Seat Belt Use

Federal regulations require seat belt use by drivers of commercial motor vehicles equipped with seat belt assemblies (49 CFR §392.16). Nixon Medical requires seat belt use for all vehicle occupants regardless of vehicle classification.

All vehicle operators and passengers must wear a properly fastened seat belt whenever a Company vehicle is in operation. For purposes of this policy, a vehicle is considered to be in operation whenever it is in gear, regardless of speed or location. This requirement applies at all times, including while operating on public roads, in Company or customer parking lots, when maneuvering vehicles between soil and clean doors, shuttling vehicles, exchanging trailers, moving vehicles for maintenance or servicing, or performing any other vehicle movement. Seat belts must remain properly fastened until the vehicle has come to a complete stop and has been placed in park.

Failure to wear a seat belt constitutes a violation of this policy.

Distracted Driving

Distracted driving remains one of the leading causes of preventable vehicle incidents. Vehicle Operators must always devote their full attention to the safe operation of the vehicle.

Any activity that diverts a Vehicle Operator's eyes, hands, or attention away from driving is prohibited. This includes mobile device use, reviewing messages, entering information, interacting with navigation systems, handling paperwork, eating, grooming, reaching for unsecured items, or any other activity that interferes with safe vehicle operation.

Customer communications, route schedules, productivity expectations, and operational demands never take priority over maintaining control of the vehicle.

Mobile Device Use

Vehicle Operators may not manually use mobile devices while operating a vehicle.

Text messaging, emailing, reading messages, browsing applications, entering information, scrolling, searching, or otherwise interacting with a mobile device while driving is prohibited. Commercial Vehicle Operators are subject to federal restrictions prohibiting texting and handheld mobile telephone use while operating Commercial Motor Vehicles (49 CFR §§392.80 and 392.82).

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Associates may not initiate, participate in, or continue telephone conversations while operating a vehicle on behalf of Nixon Medical.

Vehicle Operators who receive calls, messages, route updates, customer communications, or other notifications while driving must wait until the vehicle is safely parked before reviewing or responding.

Device Mounting Requirements

Mobile devices, tablets, handheld computers, route management devices, and similar equipment must remain secured in approved mounting devices whenever a vehicle is in operation.

Vehicle Operators are responsible for ensuring mounting equipment remains functional and properly secured. Missing, damaged, loose, or defective mounting equipment must be reported promptly to your Manager.

Devices may not be held in the hand, placed in the lap, balanced on cargo, or positioned in a manner that interferes with safe vehicle operation.

Navigation Systems

Navigation systems may be used when necessary to perform assigned duties. Destinations must be entered before vehicle movement begins, and voice-guided navigation should be utilized.

Vehicle Operators may not manually enter destinations, modify navigation settings, review route details, or otherwise interact with navigation systems while the vehicle is in operation.

Vehicle Operators who need to modify navigation instructions must first safely park the vehicle.

Vehicle in Operation

For purposes of this policy, a vehicle is considered in operation whenever it is moving, in gear, stopped in traffic, stopped at a traffic signal, stopped at a stop sign, operating on Company property, operating at a customer location, or otherwise requiring Vehicle Operator attention for safe operation.

A vehicle is not considered safely parked unless it is completely stopped, placed in park, removed from active traffic flow, and no longer requires Vehicle Operator attention for safe operation. Stopping in traffic, at a traffic signal, at a stop sign, in a customer driveway, or in a loading queue does not constitute being safely parked.

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Tobacco and Nicotine Products

The use of tobacco products, vaping devices, electronic cigarettes, chewing tobacco, snuff, and similar nicotine-delivery products is prohibited in Company vehicles.

Vehicle Operators are expected to maintain a clean, professional, and distraction-free vehicle environment that reflects positively on Nixon Medical and supports hygienically clean operations.

Vehicle Operator Fitness for Duty

Vehicle Operators must report to work physically, mentally, and emotionally capable of safely operating a vehicle.

Associates may not operate a vehicle while impaired by alcohol, illegal drugs, medication, fatigue, illness, injury, emotional distress, or any condition that affects judgment, alertness, reaction time, concentration, or vehicle control. Federal regulations prohibit operating a Commercial Motor Vehicle while illness, fatigue, or other conditions impair the ability to operate safely (49 CFR §392.3).

Marijuana, Cannabis, THC, and Controlled Substances

Nixon Medical maintains a drug-free workplace and requires all Vehicle Operators to remain fit for duty.

Consistent with U.S. Department of Transportation drug testing and licensing requirements, Vehicle Operators are prohibited from using marijuana or cannabis products containing THC. A verified positive drug test for marijuana or THC will be addressed in accordance with Company policy and applicable regulations and may result in termination of employment.

Associates are responsible for understanding the effects of medications, supplements, edible products, oils, beverages, or other substances they consume. The fact that a product is legally purchased, prescribed, medically authorized, or available over the counter does not relieve an Associate of the responsibility to remain fit for duty.

Any Associate who believes medication, treatment, or substance may impair safe vehicle operation must notify their Manager and Human Resources before performing driving duties.

Fatigue, Medication, and Medical Conditions

Vehicle Operators must obtain adequate rest before operating a vehicle and must report to work fit for duty. Vehicle Operators are prohibited from operating a vehicle while their ability or alertness is impaired due to illness, fatigue, medication, or other causes affecting safe vehicle operation (49 CFR §392.3).

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Vehicle Operators who experience excessive fatigue, difficulty maintaining alertness, impaired concentration, drowsiness, medication side effects, illness, injury, or other conditions affecting safe vehicle operation must stop driving immediately and notify their manager.

Associates will not be disciplined for responsibly reporting legitimate concerns regarding fatigue, medication side effects, temporary medical conditions, or other safety-related concerns affecting vehicle operation.

Nixon Medical reserves the right to temporarily remove driving responsibilities whenever there is a reasonable concern that an Associate may be unable to safely operate a vehicle. Management, Human Resources, and Environmental Health & Safety may require medical review, modified duties, retraining, accommodation review, leave, or other measures before driving responsibilities are resumed.

No Associate may return to driving duties until the Company has determined, based on appropriate medical information (when applicable), that the Associate can safely perform the essential functions of the position.

6. FLEET MONITORING

Nixon Medical utilizes fleet monitoring technology to support safe vehicle operation, improve Vehicle Operator performance, investigate incidents, reduce risk, reinforce safe driving behaviors, and support continuous improvement throughout the organization.

Fleet monitoring systems provide objective information that may be used for coaching, training, incident investigation, claims management, policy enforcement, and operational review. Information collected through these systems supplements Vehicle Operator statements, witness statements, and physical evidence and helps ensure decisions are based on facts rather than assumptions.

Management Observation and Performance Assessment

Nixon Medical's Fleet Safety Program is built upon active leadership involvement, direct observation, coaching, and professional judgment. Fleet monitoring technology, including telematics, AI-assisted event detection, and video recordings, serves as tools to assist Service Managers in evaluating driving but does not replace management observation or decision-making.

Service Managers are expected to routinely observe Associates during ride-alongs, customer visits, yard activities, vehicle inspections, backing maneuvers, and other day-to-day operations. They should assess overall driving habits, defensive driving techniques, situational awareness, vehicle control, professionalism, compliance with Company policies, and other safe driving practices that may not be captured through electronic monitoring systems.

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Fleet safety decisions should be based upon the totality of available information, including direct management observations, coaching discussions, incident history, vehicle inspections, customer feedback, witness statements, telematics data, video evidence, and overall driving performance.

Monitoring Systems

Company vehicles are equipped with GPS tracking systems, telematics devices, Vehicle Operator-facing cameras, road-facing cameras, AI-assisted monitoring systems, vehicle diagnostic systems, and other technologies designed to improve fleet safety and operational performance.

These systems may capture information relating to vehicle speed, seat belt use, distracted driving indicators, harsh braking, acceleration, cornering, vehicle location, operating status, route activity, and other behaviors relevant to safe vehicle operation.

Nixon Medical Vehicle Operators are not authorized to operate vehicles for Company business unless a functioning Company-approved camera system is installed. This includes rentals, substitutions, captives, etc. Portable equipment is available and must be installed before operating these vehicles. Drivers will not depart a Nixon Medical property or leased lot without a functioning camera.

Vehicle Operator Expectations

Vehicle Operators should understand that Company vehicles and fleet monitoring systems are used for business purposes and may be reviewed by authorized Company personnel.

Fleet monitoring information may be reviewed when evaluating vehicle incidents, customer complaints, distracted driving events, seat belt compliance, vehicle damage, unsafe driving behaviors, coaching opportunities, insurance claims, or other circumstances requiring additional information.

Fleet monitoring systems are Company property and are intended to support fleet safety, business operations, compliance, and risk management. Vehicle Operators should not expect privacy regarding activities occurring within Company vehicles while conducting Company business.

Coaching Philosophy

Nixon Medical believes coaching is one of the most effective tools available to improve Vehicle Operator performance and reduce risk.

Managers are expected to evaluate driving performance using multiple sources of information. Coaching should incorporate direct observations, ride-alongs, vehicle inspections, customer feedback, and fleet monitoring information to identify unsafe behaviors and reinforce safe driving practices before incidents occur.

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Fleet monitoring should be viewed primarily as a coaching and risk-reduction tool. However, information obtained through monitoring systems may also be used to support investigations, corrective action decisions, and policy enforcement when appropriate.

Service Managers should evaluate not only the severity of individual events but also the frequency, pattern, and trend of similar behaviors over time. While isolated Level 1 observations are generally addressed through coaching, a pattern of Level 1 observations may indicate that coaching has not been effective and may warrant additional review, retraining, or progression within the corrective action process.

Management should consider the totality of the circumstances rather than relying solely upon any single event. Positive driving performance and improvement demonstrated following coaching should also be considered when evaluating overall Vehicle Operator performance.

Coaching Timeliness

Managers are expected to conduct driver coaching as promptly as reasonably practical following the identification of a safety-related event or driving behavior requiring review. Timely coaching reinforces safe driving practices by ensuring the event remains fresh in the driver's memory and provides an opportunity to address potential risks before unsafe behaviors become habitual.

When determining the appropriate timing for coaching, managers should consider the severity of the event, the potential risk to employees and the public, the availability of relevant information, operational priorities, and any ongoing investigation. Events involving significant safety concerns should generally receive higher priority.

The following recommendations are intended to assist managers in prioritizing coaching activities. These suggested timeframes are provided as general guidance only and are not intended to establish mandatory deadlines, create obligations, or limit management's discretion based on the facts and circumstances of a particular event.

Event Type	Suggested Coaching Timeframe
Critical Events (e.g., collisions, near misses, distracted driving, seat belt violations, mobile phone use, severe speeding, or other high-risk behaviors)	As soon as reasonably practical, generally within 1–3 business days when circumstances permit.
Elevated-Risk Driving Behaviors (e.g., following distance, harsh driving, recurring speeding events, traffic sign violations)	Generally within 3–7 calendar days when practical to reinforce safe driving behaviors.

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Routine Coaching Opportunities (e.g., isolated lower-risk telematics events, trend discussions, or routine performance coaching)	Typically within 7–14 calendar days or during the next appropriate coaching discussion.
Outstanding Coaching Items	Managers should periodically review open coaching opportunities and make reasonable efforts to address them while the event remains relevant and meaningful.

The suggested coaching timeframes above are intended to promote timely communication and continuous improvement and should not be interpreted to diminish the importance or effectiveness of coaching conducted at a later date. Circumstances such as ongoing investigations, delayed reporting, newly discovered information, employee availability, operational demands, or patterns of recurring behavior may reasonably affect the timing of a coaching discussion.

Nothing in this guidance is intended to limit management's responsibility or authority to conduct coaching, document performance concerns, or implement appropriate corrective or progressive disciplinary action whenever warranted by the facts and circumstances. Coaching and corrective action may occur regardless of the time elapsed since the event when necessary to reinforce safe driving expectations, address violations of Company policy or applicable laws and regulations, improve driver performance, or protect employees, customers, Company assets, and the public.

The objective of coaching is to promote continuous improvement, reinforce safe driving behaviors, reduce future risk, and support a culture of safety. Managers are expected to exercise sound judgment in determining the most appropriate timing and method of coaching while balancing operational needs with the Company's commitment to fleet safety.

Video Review Standards

Video footage may be reviewed whenever necessary to understand driving events, investigate incidents, validate safety alerts, determine whether policy violations occurred, or support corrective action decisions.

Examples include vehicle incidents, distracted driving alerts, seat belt violations, customer complaints, camera tampering concerns, claims investigations, and other significant safety events.

Whenever practical, all Level 2 and Level 3 distracted driving violations should be validated through video review before formal corrective action is administered. (Distracted driving violation levels are described in Section 8, Corrective Action Framework)

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Video recordings and AI-generated events are investigative and coaching tools. They should be considered alongside direct management observations, Associate input, telematics information, witness statements, physical evidence, and other available evidence to ensure fair and consistent event classification.

When video footage is unavailable, obstructed, incomplete, or otherwise insufficient to support a determination, management should evaluate all available information before making corrective action decisions.

Video footage associated with incidents, claims, investigations, corrective actions, or critical safety violations shall be retained in accordance with Company record retention requirements.

Video Ownership, Confidentiality and Authorized Use

All video recordings, photographs, telematics data, and other information collected through Nixon Medical's fleet monitoring systems are the exclusive property of Nixon Medical. These records are maintained for legitimate business purposes, including litigation support, fleet safety, coaching, incident investigation, claims management, regulatory compliance, training, and risk management.

Because video recordings may contain images of Associates, customers, or members of the public, Nixon Medical recognizes the sensitive nature of this information and is committed to handling it responsibly and professionally.

Access to video recordings shall be limited to Associates with a legitimate business need, including authorized members of Operations, Human Resources, Environmental Health & Safety, Risk Management, Legal, Executive Leadership, designated insurance representatives, and others specifically authorized by the Company.

Video recordings, screenshots, or excerpts shall not be forwarded, shared, texted, emailed, posted, or otherwise distributed outside Nixon Medical without prior written authorization from the Vice President of Operations, Vice President of Human Resources, General Counsel, or another Executive Leader specifically designated by the Company. Unauthorized disclosure may result in corrective action, up to and including termination of employment.

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Service Managers and other leaders are expected to use video recordings respectfully and professionally. Recordings should support coaching, fact-based investigations, and continuous improvement—not embarrass, ridicule, or unnecessarily expose Associates.

Nixon Medical expects all Associates entrusted with access to fleet monitoring information to exercise sound judgment, maintain confidentiality, and safeguard the privacy and dignity of fellow Associates while fulfilling their responsibilities under this Policy.

Human Resources Review Expectations

To promote consistency throughout the organization, Human Resources should be consulted before issuing formal corrective action involving Level 2 or Level 3 distracted driving violations. (See Section 8, Corrective Action Framework)

Human Resources may also be consulted regarding Critical Safety Violations, repeated safety violations, suspension of driving privileges, final written warnings, terminations, and other significant fleet safety matters.

The purpose of Human Resources involvement is to help ensure fairness, consistency, and appropriate administration of this Policy.

Manager Review Expectations

Fleet safety requires active management involvement.

Service Managers are expected to regularly review fleet safety alerts, distracted driving events, seat belt compliance, speeding trends, vehicle incidents, coaching activity, and other fleet safety metrics relevant to their operation.

Unsafe behaviors should be addressed promptly, and coaching discussions should be documented when required by Company procedures.

Fleet safety requires active management involvement and cannot be accomplished solely through electronic monitoring systems. Managers are expected to know how their Associates perform by maintaining a regular presence in the field and engaging in ongoing safety coaching and performance assessment. Managers are expected to monitor trends, identify recurring concerns, and implement coaching, retraining, corrective action, or process improvements when necessary.

Service Managers should routinely observe Vehicle Operators during ride-alongs, customer visits, backing maneuvers, vehicle inspections, route activities, and other operational interactions. They are expected to evaluate overall driving habits, defensive driving techniques, professionalism, compliance with Company policies, and adherence to safe driving practices. Fleet safety should remain an operational priority and be managed with the same level of attention as customer service, quality, productivity, and financial performance.

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Fleet monitoring information, including AI-generated events, telematics data, and video recordings, should be used to supplement—not replace—management observation and professional judgment. Managers should consider all available information, including direct observations, coaching history, incident history, customer feedback, witness statements, vehicle inspections, and Associate input when evaluating driving performance and determining appropriate coaching or corrective action.

Managers are expected to identify unsafe trends, recognize positive performance, provide timely coaching, document significant safety discussions when appropriate, and promote continuous improvement throughout their teams.

Camera or Telematics Tampering

Fleet monitoring systems exist to protect both Vehicle Operators and the Company by providing objective information regarding driving events and operating conditions.

Associates may not obstruct, disable, disconnect, cover, reposition, alter, manipulate, or otherwise interfere with camera systems, telematics devices, sensors, or other fleet monitoring equipment.

Intentional tampering undermines the purpose of the fleet monitoring program and creates unnecessary risk. Camera tampering is considered a serious violation of this policy and a Critical Safety Violation.

Associates who become aware of damage, malfunctioning, disconnected, or obstructed monitoring equipment must report the condition promptly to their Manager so repairs or corrective actions can be taken.

While fleet monitoring equipment is intended to protect both the Vehicle Operator and the Company by providing an objective record of driving events, Nixon Medical is equally committed to protecting the confidentiality and appropriate use of the information these systems collect.

7. INCIDENT REPORTING AND INVESTIGATION

Vehicle incidents, property damage events, customer property damage, injuries, near misses, and other fleet-related events provide important opportunities to identify risks, improve performance, and prevent future occurrences. Certain incidents may require reporting to law enforcement, insurance carriers, regulatory agencies, or other governmental authorities. Timely reporting enables Nixon Medical to satisfy these legal obligations while protecting Associates, customers, and the Company.

Prompt reporting and thorough investigation help protect Associates, customers, Company assets, and the public while ensuring accurate documentation, appropriate corrective action, and continuous improvement.

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All Associates are expected to cooperate fully with incident reporting and investigation requirements.

Incident Reporting Requirements

Vehicle Operators must immediately notify their manager whenever a vehicle incident occurs while operating a vehicle on behalf of Nixon Medical.

Incidents requiring immediate reporting include vehicle collisions, customer property damage, damage to Company vehicles, damage to third-party property, personal injuries, pedestrian incidents, backing incidents, fixed-object strikes, cargo-related incidents, environmental releases, vehicle fires, theft, vandalism, and any event that could reasonably result in an insurance claim, customer complaint, legal action, or reputational impact.

When in doubt, Vehicle Operators should report the event.

Failure to promptly report an incident may result in corrective action independent of the incident itself.

Incident Response Requirements

Following an incident, Vehicle Operators are expected to take reasonable actions to protect people, secure the scene, and prevent further injury or damage.

When circumstances permit, Vehicle Operators should stop immediately, assess the safety of those involved, contact emergency services, when necessary, notify law enforcement when required, notify their manager as soon as practical, document the scene, preserve available evidence, and cooperate with emergency responders.

Vehicle Operators should not leave the scene of an incident unless necessary to obtain emergency assistance, comply with law enforcement direction, or protect personal safety.

Statements Regarding Fault

Determinations regarding fault, liability, preventability, and insurance responsibility will be made through Nixon Medical's investigation process.

Vehicle Operators should remain courteous, cooperative, and professional following an incident but should avoid admitting fault, accepting blame, speculating regarding causes, making commitments regarding payment or responsibility, or making statements on behalf of Nixon Medical.

Vehicle Operators should limit discussions to factual information and cooperate fully with law enforcement, insurance representatives, and Company investigators.

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Incident Investigation Process

All reported incidents may be reviewed to determine contributing factors, assess compliance with Company policies, identify opportunities for improvement, and evaluate preventability.

Investigations may include review of Vehicle Operator statements, witness statements, photographs, police reports, vehicle damage, fleet monitoring information, GPS data, telematics information, inspection records, video footage, and other relevant evidence.

Management, Human Resources, Environmental Health & Safety, insurance representatives, third-party investigators, or other authorized personnel may conduct investigations.

The scope of the investigation will depend upon the nature and severity of the event.

Incident Documentation Requirements

When conditions permit and it is safe to do so, vehicle operators must document the incident scene using photographs. Photographs should include:

- Overall scene from multiple angles
- All vehicles involved
- Damage to each vehicles involved.
- Vehicle license plates
- Vehicle Identification Numbers (VINs), when accessible
- Roadway conditions, traffic controls, and surrounding environment
- Any visible pre-existing damage
- Relevant customer property or fixed objects involved.

If an unattended vehicle or property is struck, the vehicle operator must:

- Make reasonable efforts to identify and contact the owner.
- Immediately notify their manager
- Contact law enforcement.
- Document the vehicle, damage, license plate, VIN (if visible), and surrounding conditions with photographs.
- Preserve all evidence for investigation and claims handling purposes.

Preventability Determinations

Nixon Medical evaluates incidents based on preventability rather than solely on legal fault.

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An incident may be considered preventable when reasonable actions could have reduced the likelihood or severity of the event. Factors considered during preventability reviews may include Vehicle Operator attention, vehicle speed, following distance, compliance with traffic laws, seat belt use, mobile device use, road conditions, weather conditions, backing practices, situational awareness, defensive driving techniques, and compliance with Company policies.

A preventability determination may be made even when no citation is issued and regardless of how an insurance carrier resolves a claim.

The purpose of the preventability review process is to identify opportunities for improvement, reinforce safe driving behaviors, and reduce future risk.

Near Miss Reporting

Nixon Medical encourages Associates to report near misses and potential safety concerns.

A near miss is an unplanned event that did not result in injury, damage, or loss but had the potential to do so.

Reporting near misses helps identify risks before an actual incident occurs and supports continuous improvement efforts throughout the organization.

Associates will not be disciplined solely for reporting a near miss in good faith.

Post-Incident Requirements

Following an incident, Vehicle Operators may be required to complete additional activities before returning to normal driving duties.

Depending on the circumstances, these requirements may include coaching, retraining, ride-along evaluations, defensive driving courses, medical evaluations, drug and alcohol testing, equipment reviews, additional supervision, or other actions deemed appropriate by the Company. Specific mandatory return-to-driving requirements apply following a second Preventable Vehicle Incident within the applicable 12-month review period, as established in Section 8 and the Fleet Safety Corrective Action Matrix (Appendix A).

Managers, in consultation with Human Resources, may temporarily restrict driving responsibilities while an investigation remains open or when additional review is warranted.

Second Preventable Incident – Return-to-Driving Requirements

A Vehicle Operator who incurs a second Preventable Vehicle Incident within the applicable 12-month review period will receive a three-day unpaid suspension and will have their driving privileges suspended.

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Driving privileges will not be restored until the Vehicle Operator has successfully completed all required return-to-driving activities, including:

- Successful completion of a Company-approved defensive driving course.
- Two full-days ride-along and coaching session with a Service Leader at least one level above the Vehicle Operator.
- Completion of a 5-Why review to identify the underlying causes and contributing factors associated with the incident and the actions necessary to prevent recurrence.
- Management and Human Resources review and authorization to return to driving duties.

Completion of the three-day unpaid suspension does not, by itself, restore driving privileges. The Vehicle Operator may not resume driving duties until all required return-to-driving activities have been completed and driving authorization has been formally reinstated by the Company.

The purpose of this process is to ensure that repeated preventable incidents receive meaningful intervention, coaching, and skills reinforcement before the Vehicle Operator is returned to driving duties.

Reporting Safety Concerns

Associates are encouraged to report unsafe conditions, vehicle deficiencies, route hazards, equipment concerns, customer location risks, and other circumstances that may affect safe vehicle operation.

Prompt reporting helps prevent incidents and supports Nixon Medical's commitment to providing a safe work environment for Associates, customers, and the public.

Nixon Medical encourages open communication regarding safety concerns and prohibits retaliation against Associates who report concerns in good faith.

Incident Review and Continuous Improvement

Nixon Medical periodically reviews fleet incident trends, distracted driving events, preventability data, coaching effectiveness, vehicle damage costs, insurance performance, and other fleet safety metrics to identify opportunities for improvement.

Information obtained through incident reviews may be used to improve training programs, enhance coaching efforts, strengthen operating procedures, improve route safety, reduce vehicle incidents, improve customer service, reduce costs, and increase the overall effectiveness of the Fleet Safety Program.

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The goal of incident review is continuous improvement and the prevention of future incidents.

8. CORRECTIVE ACTION FRAMEWORK

Nixon Medical's Fleet Safety Program is founded on coaching, accountability, continuous improvement, and consistent application of safe driving expectations. Managers are expected to address unsafe behaviors promptly, reinforce safe driving expectations, and take appropriate action to reduce future risk.

The objective of corrective action is to reduce risk, improve driving performance, prevent future incidents, and protect Associates, customers, Company assets, and the public. Corrective actions described in this Policy are driven by applicable regulatory requirements, Company safety expectations, operational risk, and the need to maintain a safe work environment. Some corrective actions are required because an Associate no longer satisfies regulatory or qualification requirements, while others reflect Nixon Medical's commitment to maintaining safety standards that exceed minimum legal requirements.

Corrective action decisions should consider the severity of the behavior, the frequency and pattern of similar behaviors, the level of risk created, the Associate's driving history, previous coaching efforts, demonstrated improvement following coaching, and the Associate's overall compliance with this Policy.

Nothing in this Policy limits Nixon Medical's ability to take more severe corrective action when circumstances warrant.

Coaching

Coaching is the foundation of Nixon Medical's fleet safety program and should occur as close as practical to the observed behavior. Timely coaching reinforces expectations, recognizes positive performance, and helps prevent unsafe behaviors from developing into preventable incidents. Managers are expected to address unsafe behaviors as soon as practical and use coaching discussions to reinforce expectations and improve future performance. Coaching should be timely, specific, and focused on behavior improvement rather than punishment.

Coaching may be documented or undocumented depending on the nature of the event, the level of risk involved, and Company requirements.

The objective of coaching is to correct unsafe habits before they result in injury, vehicle damage, customer impact, or other negative outcomes.

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Progressive Corrective Action

When coaching alone is insufficient to correct behavior, Nixon Medical may utilize progressive corrective action.

Corrective action may include documented coaching, written warnings, final written warnings, retraining requirements, suspension of driving privileges, removal from driving duties, last chance agreements, or termination of employment.

The level of corrective action will depend upon the nature of the conduct, the level of risk created, regulatory requirements, previous corrective actions, demonstrated safe driving performance, and the totality of the circumstances.

Nothing in this Policy prevents Nixon Medical from accelerating corrective action when warranted by the severity of the conduct or when required by law, regulation, insurance requirements, or Company policy.

Open Door Process

Nixon Medical is committed to administering this policy fairly, consistently, and in accordance with applicable federal, state, and local employment laws. Employees are encouraged to actively participate in coaching discussions and may provide information they believe is relevant to the review of a safety event or performance concern.

When appropriate, Human Resources may be consulted to help ensure that corrective actions are administered consistently, that Company policies are applied fairly, and that employment-related considerations are appropriately addressed. Human Resources serves as a resource to both employees and management by promoting a fair, objective, and consistent review process.

Associates who believe a coaching decision or corrective action was based on inaccurate information, was applied inconsistently, or did not adequately consider relevant circumstances are encouraged to discuss their concerns with their immediate supervisor. If the concern is not resolved, the Associate may elevate the matter through the next level of management or Human Resources in accordance with established Company procedures.

Nothing in this section limits the Company's authority to investigate safety-related events or to administer coaching or corrective action when warranted by the facts and circumstances. Likewise, nothing in this policy limits any rights an employee may have under applicable law or Company policy.

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Distracted Driving Classification Framework

To promote consistency in the review and administration of distracted driving events, Nixon Medical utilizes a Distracted Driving Classification Framework consisting of Level 1, Level 2, and Level 3 violations.

Distracted Driving Level 1- events generally involve incidental observations (< 2 seconds) or low-risk distraction concerns without physical interaction with a mobile device and are typically addressed through coaching and trend monitoring.

Distracted Driving Level 2 events involve confirmed distracted driving (greater than 2 seconds, less than 5 seconds), and may or may not involve physical interaction with the mobile device. Level 2 events are addressed through documented coaching, written warnings, retraining requirements, and progression through the corrective action process established in Appendix A. Level 2 events are subject to a mandatory 6-month demonstrated safe driving period, whereby the Vehicle Operator experiences no other documented driving violations. Additional violations during this period will generally result in termination, subject to management and Human Resources review and the specific circumstances of the event.

Distracted Driving Level 3 events involve sustained distraction or other high-risk distracted driving behaviors (> 5 seconds), usually involving physical interaction with a mobile device. They are considered serious safety violations. Depending on the circumstances, Level 3 events may result in final written warnings, suspension of driving privileges, removal from driving duties, or termination of employment. At a minimum, Level 3 events are subject to a mandatory 12-month demonstrated safe driving period, whereby the Vehicle Operator experiences no other documented driving violations. Additional violations during this period will generally result in termination, subject to management and Human Resources review and the specific circumstances of the event. Whenever practical, Level 2 and Level 3 distracted driving events should be validated through video review before formal corrective action is issued.

Human Resources should be consulted prior to the issuance of formal corrective action involving Level 2 and Level 3 distracted driving violations.

The Corrective Action Matrix attached to this Policy establishes the official corrective action progression applicable to distracted driving violations.

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Critical Safety Violations

Nixon Medical's Life Saving Standards and Critical Safety Violations are defined in the Glossary of Terms (Section 10). Corrective action for Critical Safety Violations is administered in accordance with the Fleet Safety Corrective Action Matrix (Appendix A).

Critical Safety Violations normally result in immediate advancement within the corrective action process, suspension of driving privileges, removal from driving duties, or termination of employment. (See Fleet Safety Corrective Action Matrix)

Nothing in this Policy requires Nixon Medical to progress through every step of the corrective action process before taking more significant corrective action when circumstances warrant.

Demonstrated Safe Driving Period

Following certain fleet safety violations, Associates may be required to complete a Demonstrated Safe Driving Period.

The purpose of a Demonstrated Safe Driving Period is to reinforce the seriousness of a safety violation while providing an opportunity for correction and continued improvement. It recognizes sustained improvement in driving performance following corrective action.

The Demonstrated Safe Driving Period begins on the date corrective action is issued and requires full compliance with fleet safety requirements throughout the designated period. Additional violations occurring during the Demonstrated Safe Driving Period may result in progression to the next level of corrective action.

Successful completion of the applicable Demonstrated Safe Driving Period allows future corrective action to restart at the first step within the applicable violation category, unless otherwise specified in the Fleet Safety Corrective Action Matrix. Completion of a Demonstrated Safe Driving Period does not eliminate management's ability to consider the Associate's overall driving history when evaluating future qualification or employment decisions.

Additional violations occurring during the Demonstrated Safe Driving Period may result in progression to the next level of corrective action in accordance with Appendix A.

Vehicle Operator Retraining

Vehicle Operators may be required to complete retraining following preventable incidents, distracted driving violations, Critical Safety Violations, repeated coaching opportunities, changes in assigned equipment, or other circumstances identified by Nixon Medical. Corrective action may include additional training, coaching, ride-along evaluations, defensive driving courses, safety reviews, skills assessments, or other development

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activities intended to improve Vehicle Operator performance. For a second Preventable Vehicle Incident occurring within the applicable 12-month review period, the Vehicle Operator will receive a three-day unpaid suspension and driving privileges will be suspended. Driving privileges will not be restored until the Vehicle Operator has successfully completed a Company-approved defensive driving course at the Vehicle Operator's expense, one full-day ride-along and coaching session with a Service Leader at least one level above the Vehicle Operator's immediate Service Manager, a 5-Why review, and Management and Human Resources review and authorization to return to driving duties.

Completion of the three-day unpaid suspension does not, by itself, restore driving privileges. All required return-to-driving activities must be successfully completed before driving authorization is reinstated.

Retraining should focus on the specific behaviors or circumstances that contribute to the concern and reinforce the expectations established by this Policy.

The objective of retraining is to improve performance, reduce risk, and decrease the likelihood of future incidents. Required retraining must be completed within the timeframe established by the Company.

Failure to complete required retraining may result in additional corrective action.

For a second Preventable Vehicle Incident occurring within the applicable 12-month review period, retraining and return-to-driving requirements are mandatory. The Vehicle Operator's driving privileges will remain suspended until the required defensive driving course, two full-day leadership ride-along/coaching sessions, 5-Why review, and required Management/Human Resources review have been completed. Completion of disciplinary suspension does not constitute authorization to resume driving.

Consistency and Fairness

Managers are expected to administer this Policy consistently and fairly while recognizing that every situation involves unique facts and circumstances.

Consistent administration promotes fairness, strengthens credibility, supports legal defensibility, and reinforces Nixon Medical's commitment to safety.

Management retains discretion to evaluate individual circumstances and determine the most appropriate corrective action based on the facts of each case. Corrective action decisions should consider all relevant facts, including the seriousness of the conduct, previous coaching, demonstrated improvement, preventability, regulatory requirements, operational risk, and the Associate's overall performance history.

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Human Resources should be consulted whenever required by Company policy or when significant corrective action is being considered to help promote consistent application throughout the organization.

Corrective Action Matrix

The Fleet Safety Corrective Action Matrix is incorporated into this Policy and establishes Nixon Medical's standard framework for evaluating distracted driving violations, preventable incidents, reporting violations, qualification concerns, and critical safety violations.

The Matrix should be used in conjunction with this Policy and is not intended to replace management judgment, Human Resources consultation, incident investigation findings, or regulatory requirements.

Where conflicts exist between examples contained within this Policy and the Corrective Action Matrix, the Matrix shall govern. (See Appendix A – Corrective Action Matrix).

9. ROLES AND RESPONSIBILITIES

Fleet safety is a shared responsibility. Every Associate contributes to maintaining a safe fleet through individual accountability, compliance with this Policy, and a commitment to protecting fellow Associates, customers, Company assets, and the public.

While specific responsibilities differ by role, all Associates are expected to support Nixon Medical's safety culture by identifying hazards, reporting concerns, complying with established safety requirements, and participating in continuous improvement efforts.

Vehicle Operators

Vehicle Operators are responsible for the safe and professional operation of vehicles assigned to them and for complying with all requirements of this Policy, applicable federal, state, and local laws, and all Company safety expectations.

Vehicle Operators are expected to maintain required licenses, endorsements, certifications, medical qualifications, insurance coverage, and other credentials necessary to perform assigned duties. Vehicle Operators must complete required vehicle inspections, operate vehicles safely, comply with traffic laws, report incidents and qualification changes promptly, participate in required training and coaching activities, and protect Company property, customer property, and customer access devices.

Vehicle Operators are responsible for reporting damaged safety equipment, camera systems, telematics equipment, vehicle deficiencies, route hazards, and any condition that may affect safe vehicle operation.

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Vehicle Operators are expected to place safety above productivity, customer schedules, route demands, or operational pressures.

Vehicle Operators are responsible for the safe operation of the vehicle assigned to them.

Service Managers

Service Managers play a critical role in fleet safety performance and are responsible for ensuring fleet safety expectations are consistently communicated and reinforced.

Service Managers are expected to review fleet safety information, conduct coaching discussions, investigate incidents, review distracted driving events, monitor seat belt compliance, administer corrective action, ensure completion of required training, and support retraining efforts when necessary.

Managers are expected to address unsafe behaviors promptly, document coaching activity when required, identify trends requiring additional attention, and promote a culture in which safe vehicle operation is viewed as an operational priority.

Managers should lead by example and reinforce the principle that no operational objective is more important than safety.

General Managers

General Managers are responsible for ensuring this Policy is implemented consistently throughout their operations.

Responsibilities include supporting coaching efforts, reviewing fleet safety performance, allocating resources necessary to support safe vehicle operation, holding management teams accountable for fleet safety results, supporting corrective action decisions, and reinforcing fleet safety expectations.

Fleet safety performance should receive the same level of leadership attention as customer service, production, quality, and financial performance.

Human Resources

Human Resources supports Vehicle Operator qualification reviews, policy interpretation, corrective action decisions, accommodation reviews, and consistent administration of this Policy.

Human Resources serves as a partner to Operations and Environmental Health & Safety in maintaining an effective fleet safety program and may participate in qualification reviews, corrective action reviews, distracted driving enforcement decisions, Critical Safety Violations, investigations, suspension decisions, termination decisions, and other matters affecting Vehicle Operator eligibility or fleet safety administration.

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The primary role of Human Resources is to promote consistency, fairness, and compliance in the administration of this Policy. Human Resources serves as a resource to Operations and Leadership but does not replace operational management responsibility for day-to-day fleet safety.

Environmental Health & Safety

Environmental Health & Safety is responsible for maintaining this Policy, supporting incident investigations, providing fleet safety guidance, monitoring trends, recommending corrective actions, supporting training efforts, and promoting continuous improvement.

Environmental Health & Safety serves as a resource to Operations and Leadership and helps ensure the fleet safety program remains effective, current, and aligned with Company objectives.

Responsibilities may include policy administration, trend analysis, fleet safety reporting, incident investigation support, risk reduction initiatives, training support, safety communications, and program effectiveness reviews.

Shared Accountability

The safest fleet organizations are those in which safety is viewed as a shared responsibility.

Vehicle Operators, Managers, Human Resources, Environmental Health & Safety, and Leadership each play a key role in preventing vehicle incidents and protecting Associates, customers, Company assets, and the public.

By communicating concerns, reinforcing expectations, following established standards, and supporting continuous improvement, Associates contribute to a safer work environment and a stronger safety culture throughout Nixon Medical.

GLOSSARY OF TERMS

10. GLOSSARY OF TERMS

At-Fault Incident: An incident in which a Vehicle Operator failed to exercise reasonable care or take appropriate action to prevent or reduce the severity of an event. An at-fault incident is not determined solely by legal liability, insurance determination, or issuance of a citation.

Authorized Vehicle Operator: An Associate approved by Nixon Medical to operate a vehicle on behalf of the Company and who maintains all qualifications required by this Policy.

Camera Tampering: Any action intended to obstruct, disable, disconnect, reposition, alter, manipulate, cover, or otherwise interfere with fleet monitoring equipment or camera systems.

CDL: Commercial Vehicle Operator's License.

Clear Status: A Vehicle Operator qualification status indicating no moving violations, at-fault incidents, or Major Convictions within the applicable review period.

Coaching: A documented or undocumented discussion intended to reinforce safe driving expectations, improve performance, reduce risk, and prevent future incidents.

Company Business: Any activity performed on behalf of Nixon Medical, including customer service, deliveries, shuttle operations, sales activities, route management, facility support, business travel, and other work-related responsibilities.

Company Vehicle: Any vehicle owned, leased, rented, assigned, or otherwise authorized by Nixon Medical for Company business.

Corrective Action: Any formal action taken to address unsafe behavior, policy violations, qualification concerns, or performance deficiencies. Corrective action may include documented coaching, written warnings, retraining, suspension of driving privileges, removal from driving duties, final written warnings, last chance agreements, or termination.

Critical Safety Violation: Any violation of a Nixon Medical Life Saving Standard.

Defensive Driving: The practice of operating a vehicle in a manner that anticipates hazards and reduces the likelihood of collisions, injuries, or property damage.

Demonstrated Safe Driving Period: A designated period following a fleet safety violation during which an Associate must demonstrate full compliance with Nixon Medical's Fleet Safety Policy and safe driving expectations.

Device Interaction: Any manual engagement with a mobile device, including tapping, swiping, typing, scrolling, dialing, reading, entering information, selecting applications, reviewing messages, or otherwise manipulating a device.

GLOSSARY OF TERMS

Distracted Driving: Any activity that diverts a Vehicle Operator's eyes, hands, or attention away from the safe operation of a vehicle.

Driving Privileges: Authorization granted by Nixon Medical allowing an Associate to operate a vehicle on behalf of the Company.

Environmental Health & Safety (EHS): The Nixon Medical department is responsible for fleet safety oversight, policy administration, incident analysis, risk reduction initiatives, training support, and safety program effectiveness.

Fleet Monitoring System: Any Company-approved telematics, GPS, camera, sensor, AI-assisted monitoring, or related technology used to support fleet safety and vehicle operations.

GPS: Global Positioning System technology used to monitor vehicle location, route activity, and operational information.

Harsh Braking: Vehicle deceleration exceeding thresholds established by fleet monitoring systems and identified as a potential indicator of unsafe driving behavior.

Incident: Any event involving a vehicle that results in injury, property damage, vehicle damage, customer property damage, environmental impact, insurance exposure, or other circumstances requiring investigation.

Last Chance: An Associate's final opportunity to meet Company safety, conduct, and performance expectations. A last chance performance management letter establishes conditions for continued employment and includes language clearly stating that failure to meet those conditions may result in further corrective action, up to and including termination.

Life Saving Standards: Nixon Medical's non-negotiable safety requirements are established to prevent fatalities and serious injuries. A violation of any Life Saving Standard constitutes a Critical Safety Violation.

Major Preventable Vehicle Incident: A preventable vehicle incident involving serious injury, fatality, vehicle rollover, significant property damage, hazardous materials release, or other circumstances creating substantial risk to Associates, customers, the public, or Company assets.

Minor Preventable Vehicle Incident: A preventable vehicle incident involving limited property damage and no serious injury, where the overall level of risk is considered low to moderate.

Major Conviction: A serious driving offense demonstrating a significant disregard for safe vehicle operation, including but not limited to driving under the influence, reckless driving, leaving the scene of an incident, vehicular homicide, attempting to elude law enforcement, or driving while suspended.

GLOSSARY OF TERMS

Mobile Device: Any phone, PDA, tablet, smartwatch, route device, handheld computer, Bluetooth communication device, earbud, headphone, or similar electronic equipment.

Motor Vehicle Record (MVR): An official driving history record maintained by a state licensing authority and reviewed by Nixon Medical as part of the Vehicle Operator qualification process. Nixon Medical conducts MVR reviews before initial driving authorization and semi-annually thereafter, and may conduct additional reviews when warranted.

Moving Violation: A traffic offense occurring while a vehicle is in motion or under the control of a Vehicle Operator.

Pattern of Unsafe Behavior – A recurring series of unsafe observations, behaviors, or violations that, when evaluated collectively, demonstrate an increased safety risk. A pattern is determined through management evaluation of the frequency, nature, timing, severity, and surrounding circumstances of the behavior and is not based solely upon a predetermined number of events.

Preventable Incident: An incident in which reasonable actions could have reduced the likelihood or severity of the outcome.

Road-Facing Camera: A camera system designed to capture roadway conditions and events occurring outside the vehicle.

Safely Parked: A condition in which the vehicle is completely stopped, placed in park, removed from active traffic flow, and no longer requires Vehicle Operator attention for safe operation.

Speakerphone Use: Participation in an active telephone conversation through a mobile device's speaker function while operating a vehicle.

Sustained Distraction: A distraction event lasting more than five seconds or involving significant diversion of attention from vehicle operation.

Telematics: Electronic systems that collect and transmit vehicle operating information, including speed, braking, acceleration, location, seat belt use, distracted driving indicators, and related operational data.

Vehicle in Operation: A vehicle is considered in operation whenever it is moving, in gear, stopped in traffic, stopped at a traffic signal, stopped at a stop sign, operating on Company property, operating at a customer location, or otherwise requiring Vehicle Operator attention for safe operation.

Vehicle Operator: Any Associate authorized to operate a vehicle on behalf of Nixon Medical.

Vehicle Operator-Facing Camera: A camera system designed to monitor driving behavior and vehicle operation from within the vehicle cab.

GLOSSARY OF TERMS

Vehicle Operator Qualification: The process used to determine whether an Associate satisfies the requirements necessary to operate a vehicle on behalf of Nixon Medical.

Video Validation: The process of reviewing available camera footage to confirm or refute a suspected policy violation.

Written Warning: A formal disciplinary document issued to address policy violations, unsafe behaviors, or performance deficiencies.

APPENDIX A - FLEET SAFETY CORRECTIVE ACTION MATRIX

11. APPENDIX A-FLEET SAFETY CORRECTIVE ACTION MATRIX

The Fleet Safety Corrective Action Matrix establishes Nixon Medical's standard framework for evaluating fleet safety violations, distracted driving events, preventable vehicle incidents, qualification concerns, reporting violations, and Critical Safety Violations. The matrix is intended to promote consistency, fairness, accountability, and risk reduction throughout the organization while supporting Nixon Medical's commitment to protecting Associates, customers, Company assets, and the public. The Corrective Action Matrix is the governing standard for corrective action decisions under this Policy. Where examples or narrative descriptions differ from the Matrix, the Matrix shall control.

The matrix should be used in conjunction with the Fleet Safety, Vehicle Operator Qualification, and Vehicle Operations Policy and is not intended to replace management judgment, Human Resources consultation, incident investigation findings, or regulatory requirements. Managers should evaluate each situation based on the specific facts and circumstances, including the severity of the conduct, the level of risk created, the Associate's prior driving history, demonstrated safe driving performance, preventability findings, and any aggravating or mitigating factors.

The "Demonstrated Safe Driving Period" identifies the period during which an Associate is expected to maintain full compliance with fleet safety requirements following a violation. Additional violations of the same classification occurring within the designated period may result in progression to the next level of corrective action. Successful completion of the Demonstrated Safe Driving Period resets the corrective action progression for that violation category unless otherwise required by law, regulation, Company policy, or management determination.

Nothing in this matrix limits Nixon Medical's ability to accelerate, modify, or bypass progressive discipline when circumstances are warranted. Violations involving serious safety risks, Life Saving Standards violations, gross negligence, dishonesty, regulatory noncompliance, significant property damage, injury potential, or other aggravating circumstances may result in corrective action up to and including immediate termination of employment, regardless of prior corrective action history.

Human Resource review requirements and video validation requirements identified within the matrix represent minimum expectations. Additional reviews, investigations, documentation, or approvals may be required based on the nature of the event.

APPENDIX A - FLEET SAFETY CORRECTIVE ACTION MATRIX

Event Category	Classification	Action Review Window	First Occurrence	Second Occurrence	Third Occurrence	Fourth Occurrence	HR Review Required	Video Validation Required
Distracted Driving	Level 1 - Observation	N/A	Documented Coaching	Documented Coaching	Written Warning + Retraining	Management Review	No	Optional
Distracted Driving	Level 2 - Confirmed Distracted Driving	6 Months	Documented Coaching	Written Warning + Retraining	Final Written Warning + Retraining	Termination - subject to management/HR review and the specific circumstances	Yes	Yes
Distracted Driving	Level 3 - Sustained Distracted Driving	12 Months	Final Written Warning + Mandatory Retraining	Termination - subject to management/HR review and the specific circumstances	N/A	N/A	Yes	Yes
Seat Belt Violation	Critical Safety Violation	12 Months	Final Written Warning + Mandatory Retraining	Termination - subject to management/HR review and the specific circumstances	N/A	N/A	Yes	Yes
Speakerphone Use While Driving	Critical Safety Violation	12 Months	Final Written Warning + Mandatory Retraining	Termination - subject to management/HR review and the specific circumstances	N/A	N/A	Yes	Yes
Earbud/Headphone Use While Driving	Critical Safety Violation	12 Months	Final Written Warning + Mandatory Retraining	Termination - subject to management/HR review and the specific circumstances	N/A	N/A	Yes	Yes
Handheld Phone Use While Driving	Critical Safety Violation	12 Months	Final Written Warning + Mandatory Retraining	Termination - subject to management/HR review and the specific circumstances	N/A	N/A	Yes	No
Camera Tampering	Critical Safety Violation	12 Months	Final Written Warning + Mandatory Retraining	Termination - subject to management/HR review and the specific circumstances	N/A	N/A	Yes	No
Operating a Vehicle without Working Camera* (Includes rentals, substitutions, captives, etc.)	Policy Violation	12 Months	Written Warning	Final Written Warning	Termination - subject to management/HR review and the specific circumstances	N/A	Yes	No
Failure to Complete a Daily Pre-Trip or Post-Trip Vehicle Inspection	Policy Violation	12 Months	Documented Coaching	Written Warning + Retraining	Final Written Warning + Retraining	Termination - subject to management/HR review and the specific circumstances	Yes	Yes
Operating While Impaired	Critical Safety Violation	N/A	Suspension Pending Investigation up to termination - subject to management/HR review and the specific circumstances	N/A	N/A	N/A	Yes	No
THC/Marijuana Positive Test	Policy Violation	N/A	Suspension Pending Investigation up to termination - subject to management/HR review and the specific circumstances	N/A	N/A	N/A	Yes	No
Operating Without Required Credentials	Critical Policy Violation	N/A	Removal From Driving Duties + Corrective Action	Additional Discipline up to termination - subject to	N/A	N/A	Yes	No

APPENDIX A - FLEET SAFETY CORRECTIVE ACTION MATRIX

Event Category	Classification	Action Review Window	First Occurrence	Second Occurrence	Third Occurrence	Fourth Occurrence	HR Review Required	Video Validation Required
				management/HR review and the specific circumstances				
Failure to Report Required Driving Record, License, Credential or Qualification Change	Reporting Violation	N/A	Suspension from driving duties pending investigation; corrective action up to and including termination, subject to Management/HR review and the specific circumstances	N/A	N/A	N/A	Yes	No
Failure to Report Accident	Reporting Violation	N/A	Suspension Pending Investigation up to termination - subject to management/HR review and the specific circumstances	N/A	N/A	N/A	Yes	No
Falsification of Fleet Safety Records	Policy Violation	N/A	Final Written Warning up to termination - subject to management/HR review and the specific circumstances	N/A	N/A	N/A	Yes	No
Unauthorized Vehicle Use	Policy Violation	N/A	Suspension Pending Investigation up to termination - subject to management/HR review and the specific circumstances	N/A	N/A	N/A	Yes	No
Non-Preventable Incident	Incident Review	N/A	Coaching	Coaching/Trend Review	Coaching/Trend Review	Management Review	No	No
Minor Preventable Vehicle Incident	Preventable Incident	12 Months	Written Warning + Retraining	Final Written Warning + three-day unpaid suspension. Driving privileges suspended until successful completion of Company-approved defensive driving training at Associate expense, one full-day ride-along/coaching session with a Service Leader at least one level above the Associate, completion of a 5-Why review, and Management/HR approval to return to driving duties.	Termination - subject to management/HR review and the specific circumstances	N/A	Yes	Yes
Major Preventable Vehicle Incident	Preventable Incident	12 Months	Final Written Warning up to termination - subject to management/HR review and the specific circumstances	N/A	N/A	N/A	Yes	Yes
Customer Access Device Security Violation	Security Violation	N/A	Final Written Warning up to termination - subject to management/HR review and the specific circumstances	N/A	N/A	N/A	Yes	No

** Exceptions require pre-approval by Environmental Health & Safety.*

APPENDIX A - FLEET SAFETY CORRECTIVE ACTION MATRIX

APPENDIX B – REGULATORY REFERENCES

Purpose

This appendix provides a convenient reference to the principal federal regulations supporting Nixon Medical's Fleet Safety Management Policy. It helps Associates, Service Managers, Human Resources, and Leadership understand which policy requirements are mandated by regulation and which represent Nixon Medical standards that exceed minimum legal requirements.

Disclaimer

This appendix is provided for informational purposes only. It summarizes selected federal regulations and does not replace, modify, or supersede applicable federal, state, or local laws or regulations. In the event of a conflict, the applicable law or regulation shall govern. Nixon Medical may establish operational standards that exceed minimum regulatory requirements whenever necessary to improve safety and reduce operational risk.

Federal Regulatory Cross-Reference

Regulation	Subject	Summary of Requirement	Why This Matters	Policy Section
49 CFR §391.11	Driver Qualification	Establishes minimum qualifications for CMV drivers.	Ensures only qualified drivers operate regulated vehicles.	§3 Vehicle Operator Qualification
49 CFR §391.25	MVR Review	Federal law requires annual review of driving records.	Establishes the federal annual minimum; Nixon Medical conducts MVR reviews at least semi-annually.	§3 Annual MVR Reviews
49 CFR §391.27	Traffic Violation Certification	Federal law requires annual certification of traffic violations.	Reinforces driver reporting responsibilities. Nixon Medical conducts semi-annual MVR reviews or more frequent if warranted.	§3 Reporting Requirements
49 CFR §392.2	Traffic Laws	Requires compliance with traffic laws.	Supports safe driving expectations.	§5 Safe Vehicle Operation
49 CFR §392.3	Ill/Fatigued Driver	Prohibits driving while impaired by	Supports fitness-for-duty expectations.	§5 Fitness for Duty

APPENDIX B – REGULATORY REFERENCES

		illness or fatigue.		
49 CFR §392.4	Drugs & Other Substances	Prohibits operation under prohibited drugs.	Supports THC and controlled substance policy.	§5 Marijuana / THC
49 CFR §392.5	Alcohol	Prohibits alcohol use while operating CMVs.	Supports impairment policy.	§5 Fitness for Duty
49 CFR §392.16	Seat Belts	Requires seat belt use.	Supports Critical Safety Violation classification.	§5 Seat Belt Use
49 CFR §§392.80/.82	Mobile Devices	Prohibits texting and handheld phone use.	Supports distracted driving policy.	§5 Mobile Device Use
49 CFR §396.7	Unsafe Vehicles	Prohibits operation of unsafe vehicles.	Supports vehicle out-of-service decisions.	§4 Vehicle Inspections
49 CFR §396.11	DVIR	Requires post-trip inspection reports.	Supports DVIR process.	§4 Vehicle Inspections
49 CFR §396.13	Pre-Trip Inspection	Requires driver to verify vehicle safety before driving.	Supports pre-trip inspections.	§4 Vehicle Inspections
49 CFR Part 382	Drug & Alcohol Testing	Drug/alcohol testing requirements for CDL drivers.	Supports CDL compliance.	Commercial Vehicle Operators

POLICY ACKNOWLEDGEMENT