

	Pruitt Production Services, Inc. (PPSI)	Doc No:	P-CAD	
		Initial Issue Date	12-7-2020	
		Revision Date:	Initial Version	
<b>Corrective Action and Disciplinary Policy</b>		Revision No.	0	
Preparation: Human Resources    Authority: President    Issuing Dept: Human Resources		Next Revision Date:	12-8-2027	
		Page:	Page 1 of 5	

## Introduction

At Pruitt Production Services, Inc. (PPSI), we believe that the foundation of a productive and respectful workplace lies in trust, open communication, and accountability. To uphold these values, we are committed to addressing conduct and performance concerns in a constructive, fair, and timely manner. This policy outlines PPSI's approach to corrective action and discipline, prioritizing employee development while ensuring organizational standards are consistently maintained.

This policy supports a high-trust, team-based culture by emphasizing early intervention through coaching and collaboration. We aim to empower employees with the tools and guidance they need to succeed while holding all team members accountable for their responsibilities and conduct.

## Policy Statement and Purpose

The Corrective Action and Disciplinary Policy at PPSI establishes a clear, consistent, and legally compliant framework for addressing employee behavior and performance concerns. This policy serves two primary purposes:

- To Support Employee Growth** – Through early, proactive engagement and developmental coaching, PPSI encourages employees to improve performance and address behavior issues before formal disciplinary steps are required.
- To Maintain Accountability and Workplace Standards** – When informal interventions are not successful or when serious misconduct occurs, a structured disciplinary process ensures appropriate and consistent consequences.

PPSI's approach is divided into two distinct phases:

- Phase 1: Corrective Coaching**, focusing on performance support and personal development.
- Phase 2: Progressive Discipline**, ensuring accountability when improvement does not occur or when serious violations arise.

Together, these processes aim to:

- Foster continuous improvement and professional growth.
- Reinforce PPSI's policies, safety standards, and code of conduct.
- Promote transparency, fairness, and mutual respect.
- Minimize risk to PPSI and its employees.
- Comply with all applicable federal and state labor laws and regulations.

This policy applies to all employees of PPSI, including full-time, part-time, temporary, and contract workers. It is administered jointly by Supervisors, the Human Resources (HR) department, and the Safety Representative, with oversight from executive leadership to ensure consistent application.

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		Next Revision Date:	12-8-2027	
Preparation: Human Resources	Authority: President	Issuing Dept: Human Resources	Page: Page 2 of 5	

## 1. Corrective Coaching Process

Pruitt Production Services, Inc. is committed to addressing performance or behavioral issues at the earliest opportunity through a Corrective Coaching Process. This approach focuses on improvement, communication, and support rather than immediate discipline. It provides employees with the opportunity to understand expectations, receive guidance, and succeed in their role.

The Corrective Coaching Process is intended for first-time concerns, minor conduct issues, or performance inconsistencies that do not pose immediate risks to safety, operations, or compliance. If coaching efforts do not result in improvement, the matter will proceed to the *Progressive Discipline Process*.

### **Step 1: Informal Coaching Discussion**

- The Supervisor, Safety Representative, or HR representative meets privately with the employee to discuss the concern.
- This discussion may take place in person (e.g., in a private office), by phone, or through a secure online video meeting or conference platform, depending on the nature of the issue, operational needs, or employee location.
- The discussion is non-punitive, intended to raise awareness and provide constructive feedback.
- Expectations are clarified, and the employee is encouraged to share any contributory factors or support needs.
- The meeting will be documented internally for tracking purposes and placed in the employee's personnel file to establish a formal record of the coaching conversation. This ensures transparency, enables consistent follow-up, and provides context should future concerns arise.
- In reference to PPSI Company Operation and Safe Driving Policy, an informal conversation will be held with employees to address the violation and reinforce the importance of adhering to PPSI Company Operation and Safe Driving Policy. Driving Coachable events may be addressed verbally to support continuous improvement and awareness without formal disciplinary action, where appropriate.
- Additional Training: Providing training in areas where the employee's driving needs improvement, such as defensive driving or safe following distance. Such training may be made mandatory depending on the nature and severity of the offense and may be conducted either in person or through an approved online training platform.

### **Step 2: Performance or Behavior Improvement Plan (PBIP)**

If the concern persists or requires a more structured intervention, a **PBIP** will be initiated. This a written, time-bound plan developed collaboratively by the supervisor and employee and may be implemented at discretion of the supervisor. Supported by HR and/or the Safety Representative.

#### **The PBIP will include:**

- A clear statement of the performance or behavior issue.
- Defined expectations for improvement.
- Specific, measurable goals and timelines (typically 30–60 days).
- Support mechanisms such as training, mentoring, or check-in meetings.

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		Page:	Page 3 of 5	

Both the employee and the supervisor will sign the PBIP. The plan will be submitted to HR and/or the Safety Representative and placed in the employee's official personnel file to ensure documentation integrity, enable proper follow-up, and support potential escalation if necessary.

#### **Step 3: Coaching Review Meeting (at the end of the PBIP period)**

- A meeting is held to evaluate progress.
- If partial progress has been made, but additional time or adjustments are warranted, the PBIP may be updated accordingly to reflect revised expectations, timelines, or support measures.
- Both the employee and the supervisor will sign updated PBIP. The plan will be submitted to HR and/or the Safety Representative and placed in the employee's official personnel file to ensure documentation integrity, enable proper follow-up, and support potential escalation if necessary.
- If improvement is not demonstrated, or minimum expectations have not been met, the matter will proceed to the Progressive Discipline Process.

## **2. Progressive Discipline Process**

This phase is used if:

- The Corrective Coaching Process is unsuccessful.
- A serious policy or safety violation occurs.
- Multiple infractions are documented. It provides a clear, documented progression of consequences while continuing to support improvement.

#### **Step 1: Verbal Warning**

- A meeting is held.
- Warning is issued by a Supervisor, HR, and/or the Safety Representative.
- Includes clear communication of the issue, expectations, and potential consequences.
- Documented and signed by the employee; refusal to sign is noted and filed.

#### **Step 2: Written Warning**

- A meeting is held.
- A formal document outlining repeated or unresolved concerns.
- Includes previous efforts to support the employee and expectations moving forward.
- Employee signs to acknowledge receipt; refusal is noted.
- Filed in the personnel record.

#### **Step 3: Final Written Warning, Demotion, Reassignment or Suspension**

For persistent or serious issues. May include:

- A meeting is held.
- A final written warning outlining immediate need for correction and reason for warning.
- Suspension with or without pay, depending on severity and risk. The length of suspension will be determined based on the gravity of the violation and in accordance with PPSI policies, state and federal laws.
- An employee may be reassigned or demoted as a corrective measure, provided a suitable position is available within the organization. Such action may involve removal from

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		Next Revision Date:	12-8-2027	
Preparation: Human Resources	Authority: President	Issuing Dept: Human Resources	Page: Page 4 of 5	

responsibilities related to operating company vehicles, a change in job classification or duties, or a modification of employment status, including, but not limited to, a reduction from full-time to part-time status. Part-time employment may range from 1 to 34 hours per week and could impact the employee's eligibility for certain employee paid or company paid-provided benefits. The terms, rationale, and implications of the reassignment or demotion will be documented in writing, reviewed with the employee, and signed to acknowledge receipt and understanding.

- Refusal to sign will be noted on the document. All related documentation will be maintained in the employee's personnel file in accordance with PPSI's recordkeeping practices and applicable federal and state labor regulations. The documentation includes dates, reasons, and expected changes.

#### **Step 4: Termination**

- A meeting is held, but not mandatory.
- Applied when previous corrective efforts have failed. Serious or repeated violations may result in immediate termination of employment.
- Termination may also be warranted in cases involving gross misconduct or severe safety violations, including but not limited to multiple preventable accidents, operating a company vehicle under the influence of drugs or alcohol, positive drug and alcohol test, or engaging in reckless or negligent driving behavior.
- The HR department and Safety Representative conduct a final review.
- A formal termination notice is prepared, including reason, supporting evidence, and applicable policy references.
- Termination follows PPSI policy, due process, and all applicable laws.

#### **Factors Influencing the Severity of Disciplinary Actions (as outlined in the PPSI Driving Safety Policy)**

- Severity of the Infraction:** More serious offenses—such as vehicular accidents, driving under the influence (DUI), and reckless driving—will result in heightened disciplinary consequences compared to lesser infractions. The nature of the violation, the degree of risk to public and workplace safety, and any violation of applicable laws will be considered when determining the appropriate corrective action. Final determination of severity and associated disciplinary measures shall be made by the Chief Executive Officer (CEO), HR Representative, or the designated Safety Representative, in accordance with PPSI policy and applicable labor laws.
- Frequency of the Infraction:** Repeated violations will result in progressively stricter disciplinary measures. The frequency of infractions will be evaluated in conjunction with other relevant factors, including the employee's conduct record and compliance history. All disciplinary determinations based on frequency shall be documented, and such documentation will be reviewed and approved by the CEO, HR Representative, or designated Safety Representative to ensure consistency with PPSI policy and applicable employment laws.
- Employee Performance History:** Employees with a demonstrated record of consistent compliance, professionalism, and satisfactory job performance may be considered for reduced disciplinary measures in certain cases. Final determinations regarding disciplinary leniency based on performance history shall be reviewed and approved by the CEO or designated Safety

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Representative and documented in accordance with PPSI policy and applicable employment laws.

### 3. Zero Tolerance

Pruitt Production Services, Inc. (PPSI) maintains a **Zero Tolerance Policy** for specific violations that pose an immediate threat to the safety, well-being, or integrity of the company, its employees, or the public. These actions are considered so severe that they may result in **immediate disciplinary action, up to and including termination of employment**, without prior warning or participation in the corrective coaching or progressive discipline process.

- Zero tolerance violations include, but are not limited to:
- Operating a company vehicle under the influence of alcohol, drugs, or any impairing substance (whether legal or illegal).
- Positive Drug and Alcohol Test
- Engaging in reckless or dangerous driving behaviors that endanger lives or violate traffic laws while operating a company vehicle.
- Possession, use, or distribution of illegal substances or unauthorized weapons in the workplace or in company vehicles.
- Acts of violence, physical assault, or credible threats against any employee, supervisor, customer, or member of the public.
- Theft, fraud, or deliberate damage to company or customer property.
- Sexual harassment, discrimination, or other forms of unlawful or abusive conduct.
- Gross insubordination or refusal to comply with lawful and reasonable instructions related to safety, compliance, or operational procedures.

Any violation of the Zero Tolerance Policy will be immediately investigated by HR and/or the Safety Representative. If substantiated, the company reserves the right to take immediate disciplinary action, including termination, consistent with due process and applicable federal and state labor laws. Documentation of all zero-tolerance violations and outcomes will be maintained in the employee's personnel file.

### 4. Review and Policy Maintenance

This policy is reviewed annually by HR, the Safety Representative, and executive leadership. Updates will be made as needed to reflect legal changes, company priorities, and industry best practices.