

NOTICE REGARDING HENNIGES AUTOMOTIVE EMPLOYER-SPONSORED WELLNESS PROGRAM 2026

Kapnick Strive is a voluntary wellness program available to all employees and spouses on a medical plan at Henniges Automotive. The program is administered according to federal rules permitting employer-sponsored wellness programs that seek to improve individual health or prevent disease, including the Americans with Disabilities Act of 1990, the Genetic Information Nondiscrimination Act of 2008, and the Health Insurance Portability and Accountability Act, as applicable, among others.

If you choose to participate in the wellness program you will be asked to complete a health risk assessment or "HRA" that asks a series of questions about your health-related activities and behaviors and whether you have or had certain medical conditions (e.g., cancer, diabetes, or heart disease). You will also be asked to complete an annual well-visit, which will include a standard panel of tests to inform you of blood glucose, triglycerides, HDL, waist circumference, and blood pressure. The biometric information is collected by your laboratory of choice, and ordered through your primary care physician. You are not required to complete the HRA or to participate in the annual well-visit initiative. If you do not complete the HRA or participate in the annual well-visit initiative, you will not earn the wellness incentive and will be subject to a wellness surcharge.

However, NC Union employees and covered spouses who choose to participate in the wellness program are eligible to receive an incentive.

Choice and Basic PPO plan members:

You and your covered spouse can earn \$300 each by completing the following wellness activities by 9/30/2026 for a payout in January 2027. Incentive will be deposited in your Health Saving Account (HSA) and counted toward your annual contribution maximum.

If covering a child under Employee + 1, you will automatically receive the spouse incentive if you earned the incentive.

PPO plan members:

You and your covered spouse can earn \$100 each by completing the following wellness activities by 9/30/2026 for a payout in January 2027. Incentive will be deposited in your paycheck as taxable income.

Listed above is the 2026 incentive structure. To become automatically incentive eligible, participants must complete their Health Risk Assessment (HRA), and submit a completed well-visit form. Although you are not required to complete the HRA or participate in the annual well-visit, only participants who do so will be eligible to receive the wellness incentive.

If you choose not to complete all of the requirements, a monthly surcharge will apply for the employee and covered spouse who fails to complete the two wellness incentive requirements. The screening surcharge consists of \$5.66 per paycheck for employee + \$5.66 per paycheck for spouse and is charged for paychecks January-December 2027.

Employees hired after 3/1/2026 do not have to complete the health assessment or submit a physician form during their first year on the plan and no surcharge will apply. Employees hired after 3/1/2026 who complete the wellness incentive criteria will receive the incentive.

The information from your HRA and the results from your well-visit form will be used to provide you with information to help you understand your current health and potential risks, and may also be used to offer you services through the wellness program, such as working with a health coach. You also are encouraged to share your Kapnick Strive Health Report or health risk concerns with your own doctor.

Kapnick Strive's Wellness Program complies with the Americans with Disabilities Act (ADA). If you have a medical condition that makes it medically inadvisable for you to participate in the health screening or meet the health outcomes required to earn an incentive, you may be eligible for a reasonable accommodation or an alternative standard. To request assistance or more information, please contact strive@kapnick.com.

Tobacco Surcharge:

In addition to the wellness incentive, a tobacco surcharge will be applied for employees (not spouses) enrolled in Henniges Automotive medical plan who self-reported as tobacco users in BenXpress. The monthly tobacco surcharge is \$9.43 per paycheck (\$500 annually).

The \$500 annual tobacco surcharge will be prorated and deducted from paychecks starting January 2026. Tobacco users who complete the Tobacco RAS Health Coaching by 9/30/2026, will get a complete refund of the tobacco surcharge that was charged once the Tobacco RAS Health Coaching is completed. You may enroll into the Tobacco RAS health coaching program in your wellness portal or by contacting Kapnick Strive at strive@kapnick.com.

Protections from Disclosure of Medical Information

We are required by law to maintain the privacy and security of your personally identifiable health information. Although the wellness program and Kapnick may use aggregate information it collects to design a program based on identified health risks in the workplace, Kapnick Strive Wellness Program will never disclose any of your personal information either publicly or to the employer, except as necessary to respond to a request from you for a reasonable accommodation needed to participate in the wellness program, or as expressly permitted by law. Medical information that personally identifies you that is provided in connection with the wellness program will not be provided to your supervisors or managers and may never be used to make decisions regarding your employment.

Your health information will not be sold, exchanged, transferred, or otherwise disclosed except to the extent permitted by law to carry out specific activities related to the wellness program, and you will not be asked or required to waive the confidentiality of your health information as a condition of participating in the wellness program or receiving an incentive. Anyone who receives your information for purposes of providing you services as part of the wellness program will abide by the same confidentiality requirements. The only individual(s) who will receive your personally identifiable health information is (are) a registered nurse, a doctor, wellness coordinator or a health coach in order to provide you with services under the wellness program.

In addition, all medical information obtained through the wellness program will be maintained separate from your personnel records, information stored electronically will be encrypted, and no information you provide as part of the wellness program will be used in making any employment decision. Your test results are kept in strict confidence and NEVER shared with your employer. The wellness team as well is held to the same Federal HIPAA privacy standards and doctors and other health professionals. Appropriate precautions will be taken to avoid any data breach, and in the event a data breach occurs involving information you provide in connection with the wellness program, we will notify you immediately.

You may not be discriminated against in employment because of the medical information you provide as part of participating in the wellness program, nor may you be subjected to retaliation if you choose not to participate. If you have questions or concerns regarding this notice, or about protections against discrimination and retaliation, please contact your Wellness Coordinator, Renee Johnson, renee.johnson@kapnick.com.