

Conciliation Agreement  
Between the

THE U.S. DEPARTMENT OF LABOR  
OFFICE OF FEDERAL CONTRACT COMPLIANCE PROGRAMS  
and  
GLOBUS MEDICAL, INC.  
2560 General Armistead Avenue  
Audubon, PA 19403

**I. Preliminary Statement**

The Office of Federal Contract Compliance Programs (OFCCP) evaluated Globus Medical, Inc.'s (Contractor or Globus Medical) establishment located at 2560 General Armistead Avenue, Audubon, PA 19403-5214, beginning on December 14, 2018. OFCCP found that Contractor failed to comply with Executive Order 11246, as amended (E.O. 11246 or the Executive Order), Section 503 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. § 793 (Section 503), and the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended, 38 U.S.C. § 4212 (VEVRAA), and their respective implementing regulations at 41 CFR Parts 60-1, 60-2, 60-300, 60-741.

OFCCP notified Globus Medical of the specific violations and the corrective actions required in a Notice of Violation issued on October 29, 2020.

In the interest of resolving the violations without engaging in further legal proceedings and in exchange for sufficient and valuable consideration described in this document, OFCCP and Contractor enter into this Conciliation Agreement (Agreement) and its attachments, and the parties agree to all the terms therein.

**II. General Terms and Conditions**

1. In exchange for Contractor's fulfillment of all its obligations in this Agreement, OFCCP will not institute administrative or judicial enforcement proceedings under E.O. 11246, Section 503, and/or VEVRAA based on the violations alleged in the NOV. However, OFCCP retains the right to initiate legal proceedings to enforce this Agreement if Contractor violates any provision of this Agreement, as set forth in Paragraph 11, below. Nothing in this Agreement precludes OFCCP from initiating enforcement proceedings based on future compliance evaluations or complaint investigations.
2. OFCCP may review Contractor's compliance with this Agreement. As part of this review, OFCCP may require written reports, inspect the premises, interview witnesses, and examine and copy documents. Contractor will permit access to its premises during normal business hours for these purposes and will provide OFCCP with all hard copy or electronic reports and documents it requests, including those specified in this Agreement.

3. Nothing in this Agreement relieves Contractor of its obligation to fully comply with the requirements of E.O. 11246, Section 503, VEVRAA, their implementing regulations, or other applicable laws requiring nondiscrimination or equal employment opportunity through affirmative action.
4. Contractor and OFCCP agree that any release of claims required by this Agreement will only pertain to claims under E.O. 11246, Section 503, and/or VEVRAA.
5. Contractor agrees that it will not retaliate against any potential or actual beneficiary of this Agreement or against any person who files a complaint, who has provided information or assistance, or who participates in any manner in any proceeding in this matter.
6. The parties understand the terms of this Agreement and enter into it voluntarily.
7. This Agreement, including its attachments, constitutes the entire Agreement and represents the complete and final understanding of the parties. This Agreement contains all of the terms binding the parties and it supersedes all prior written and oral negotiations and agreements. Any modifications or amendments to this Agreement must be agreed upon in writing and signed by all parties. If an administrative error is found, OFCCP will work in good faith with all parties to make the corrections.
8. This Agreement becomes effective on the day it is signed by the District Director (Effective Date).
9. If one or more provisions of this Agreement is deemed unlawful or unenforceable, the remaining provisions will remain in full force and effect.
10. This Agreement will expire sixty (60) days after Contractor submits its final progress report required in Section IV, below, unless OFCCP notifies Contractor in writing before the expiration date that Contractor has failed to fulfill all of its obligations under the Agreement. In this instance, the Agreement is automatically extended until the date that OFCCP determines that Contractor has met all of its obligations under the Agreement.
11. If Contractor violates this Agreement:
  - a. The procedures at 41 C.F.R. 60-1.34, 41 C.F.R. 60-300. 63 (2014) and/or 41 C.F.R. 60-741.63 (2014) will govern:
    - i. OFCCP will send Contractor a written notice stating the alleged violations and summarizing any supporting evidence.
    - ii. The Contractor shall have fifteen (15) days from receipt of the notice to respond, except in those cases in which such a delay would result in irreparable injury to the employment rights of affected employees or applicants.
    - iii. If Contractor is unable to demonstrate that it has not violated the Agreement, or if OFCCP alleges irreparable injury, enforcement proceedings may be

initiated immediately without issuing a show cause notice or proceeding through any other requirement.

- iv. In the event of a breach of this Agreement by the Contractor, OFCCP may elect to proceed to a hearing on the entire case and seek full make-whole relief, and not be limited to the terms agreed to in the Agreement.
  - b. Contractor may be subject to the sanctions set forth in Section 209 of the Executive Order, 41 C.F.R. 60-1.27, 41 C.F.R. 60-741.66 (2014), or 41 C.F.R. 60-300.66 (2014), and/or other appropriate relief for violating this Agreement.
12. Contractor neither admits nor denies any violation of the Executive Order, Section 503 or VEVRAA, nor has there been an adjudication on the merits regarding any such violation.
  13. OFCCP may seek enforcement of this Agreement itself and is not required to present proof of any underlying violations resolved by this Agreement.
  14. The parties understand and agree that nothing in this Agreement is binding on other governmental departments or agencies other than the United States Department of Labor.
  15. Each party shall bear its own fees and expenses with respect to this matter.
  16. This Agreement is limited to the facts of this case. Neither this Agreement, nor any part of the negotiations that occurred in connection with this Agreement, shall constitute admissible evidence with respect to any OFCCP policy, practice or position in any lawsuit, legal proceeding, administrative proceeding, compliance evaluation or audit, except for legal or administrative proceedings concerning the enforcement or interpretation of this specific Agreement.
  17. All references to “days” in this Agreement are calendar days. If any deadline for an obligation scheduled to be performed under this Agreement falls on a weekend or a Federal holiday, that deadline will be extended to the next business day.

### **III. Technical Violations and Remedies**

1. **VIOLATION:** During the period July 1, 2018 through June 30, 2019, Globus Medical failed to disseminate the “Pay Transparency Nondiscrimination Provision,” using the language prescribed by the Director of OFCCP, to employees and applicants, as required by 41 CFR 60-1.35(e). Specifically, Globus Medical failed to post the nondiscrimination provision electronically or by posting a copy of the provision in conspicuous places available for employees and applicants.

**REMEDY:** Globus Medical will disseminate the “Pay Transparency Nondiscrimination Provision,” using the language prescribed by the Director of OFCCP, to employees and applicants by posting the provision electronically or by posting a copy of the provision in conspicuous places available for employees and applicants; and by incorporating the nondiscrimination provision into existing employee manuals or handbooks. In order to

facilitate the implementation of this requirement, OFCCP has created two versions of the nondiscrimination provision which can be found on OFCCP's website.

2. **VIOLATION:** During the period July 1, 2018 through June 30, 2019, Contractor failed to prepare and maintain an acceptable E.O. 11246 affirmative action program (AAP) for women and minorities, in violation of 41 CFR 60-1.40(a). Accordingly, Contractor failed to comply with any of its AAP obligations set forth in 41 CFR 60-2.10 through .17.

**REMEDY:** Contractor will prepare and maintain an acceptable E.O. 11246 affirmative action program (AAP) for women and minorities in accordance with the requirements of 41 CFR 60-1.40 and 41 CFR 60-2.10 through 60-2.17.

3. **VIOLATION:** During the period July 1, 2018 through June 30, 2019, Contractor failed to prepare and maintain an acceptable affirmative action program (AAP) for protected veterans at each establishment, in violation of 41 CFR 60-300.40(b). Specifically, Contractor failed to comply with any of its AAP obligations set forth in Subpart C of the regulations, 41 CFR 60-300.40-45.

**REMEDY:** Contractor will prepare and maintain an acceptable affirmative action program (AAP) for protected veterans at each establishment. The AAP shall set forth Contractor's policies and procedures in accordance with 41 CFR 60-300.40-.45 This AAP may be integrated into or kept separate from other AAPs. Contractor shall review and update annually its AAP pursuant to 41 CFR 60-300.40(c), and will comply with all obligations set for in Subpart C of the regulations, 41 CFR 60-300.40-.45.

4. **VIOLATION:** During the period July 1, 2018 through June 30, 2019, Contractor failed to prepare and maintain an acceptable affirmative action program (AAP) for qualified individuals with disabilities, in violations of 41 CFR 60-741.40(b). Accordingly, Contractor failed to comply with any of its AAP obligations set forth in Subpart C of the regulations, 41 CFR 60-741.40-.45.

**REMEDY:** Contractor will prepare and maintain an acceptable affirmative action program (AAP) for qualified individuals with disabilities at each establishment. The AAP shall set forth Contractor's policies and procedures in accordance with 41 CFR 60-741.40-.45. This AAP may be integrated into or kept separate from other AAPs. Contractor shall review and update annually its AAP pursuant to 41 CFR 60-741.40(c) and will comply with all obligations set forth in Subpart C of the regulations, 41 CFR 60-741.40-.45.

#### **IV. OFCCP Monitoring Period**

1. **Recordkeeping.** Contractor agrees to retain all records relevant to the violations cited in Section III above and the reports submitted in compliance with Paragraph 2, below. These records include underlying data and information such as Human Resources Information System (HRIS) and payroll data, job applications and personnel records, and any other records or data used to generate the required reports. Contractor will retain the records until this Agreement expires or for the time period consistent with regulatory requirements, whichever is later.

## 2. Contractor Reports.

- i. **Schedule and Instructions.** Contractor agrees to furnish OFCCP with the following reports during the Monitoring Period according to the following schedule:
  - A. **Progress Report 1:** Documentation that Globus has either posted the "Pay Transparency Nondiscrimination Provision" electronically or by posting a copy of the provision in conspicuous places available for employees and applicants. Provide a copy of the Accessibility facility updates and/or changes completed along with photographic evidence and cost statements. Due: January 4, 2021
  - B. **Progress Report 2:** AAPs for E.O. 11246, Section 503 and VEVRAA and all supporting data, compensation database including a "key." Provide a copy of any additional Accessibility facility updates and/or changes completed along with photographic evidence and cost statements. Due: August 16, 2021
  - C. **Progress Report 3:** AAPs for E.O. 11246, Section 503 and VEVRAA and all supporting data, compensation database including a "key." Provide a copy of any additional Accessibility facility updates and/or changes completed along with photographic evidence and cost statements. Due: August 15, 2022
  - D. **Progress Report 4:** AAPs for E.O. 11246, Section 503 and VEVRAA and all supporting data, compensation database including a "key." Provide a copy of any additional Accessibility facility updates and/or changes completed along with photographic evidence and cost statements. Due: August 15, 2023

Contractor will submit reports to District Director Edward J. Rogers at Robert N.C. Nix Sr. Federal Building, 900 Market Street, Suite 311, Philadelphia, PA 19107. Contractor and OFCCP have a common interest in the information being provided in the reports pursuant to this Agreement. To the extent any of the reports Contractor provides in accordance with this Agreement are customarily kept private or closely-held, and the Contractor believes should remain confidential under Exemption 4 of the Freedom of Information Act (FOIA) in the event of a FOIA request, Contractor will provide such reports to OFCCP marked as "Confidential". In the event of a FOIA request, OFCCP will treat any such documents received as confidential documents.

- ii. **Affirmative Action Programs.** Contractor will submit its current year AAP for E.O. 11246, Section 503, and VEVRAA with the first Progress Report and annually thereafter while the CA monitoring period is in effect.
3. **Close of Monitoring Period and Termination of Agreement.** This Agreement shall remain in effect until the monitoring period is completed. The monitoring period will close once OFCCP accepts Contractor's final progress report as set forth in Part II, Paragraph 10 above. If OFCCP fails to notify Contractor in writing within sixty (60) days of the date of the final progress report that Contractor has not fulfilled all of its obligations under the Agreement, OFCCP will be deemed to have accepted the final report and the Monitoring Period and this Agreement will terminate. If OFCCP notifies

Contractor within the allotted time that it has not fulfilled all of its obligations, this Agreement is automatically extended until the date that OFCCP determines Contractor has met all of its obligations under the Agreement.

**V. SIGNATURES**

The person signing this Agreement on behalf of Contractor personally warrants that he or she is fully authorized to do so, that Contractor has entered into this Agreement voluntarily and with full knowledge of its effect, and that execution of this Agreement is fully binding on Contractor.

This Agreement is hereby executed by and between the Office of Federal Contract Compliance Programs and Globus Medical, Inc., Audubon, PA 19403-5214.

(b) (6), (b) (7)(C)

David Demski  
Chief Executive Officer  
Globus Medical, Inc.  
Audubon, PA 19403-5214

DATE: 11/19/20

(b) (6), (b) (7)(C)

Edward Rogers  
District Director  
Philadelphia District Office  
Mid-Atlantic Region

DATE: 11/23/2020

(b) (6), (b) (7)(C)

(b) (6), (7)(E)  
Compliance Officer  
Philadelphia District Office  
Mid-Atlantic Region

DATE: 11/23/2020