

Conciliation Agreement
Between the
U.S. Department of Labor Office of Federal Contract Compliance Programs
And
Mazak Corporation

I. Preliminary Statement

The Office of Federal Contract Compliance Programs (OFCCP) evaluated Mazak Corporation (“Mazak”), located at 6850 Industrial Road, Florence, Kentucky, beginning on September 26, 2019. OFCCP found that Mazak 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/or the Vietnam Era Veterans’ Readjustment Assistance Act of 1974, as amended, 38 U.S.C. § 4212 (VEVRAA) and their respective implementing regulations.

OFCCP notified Mazak of the specific violation(s) and the corrective action(s) required in a Notice of Violation (NOV) issued on January 9, 2023.

In the interest of resolving the violations without engaging in further legal proceedings and in exchange for sufficient consideration described in this document, OFCCP and Mazak 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 Mazak’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 violation(s) alleged in the NOV. However, OFCCP retains the right to initiate legal proceedings to enforce this Agreement if Mazak violates any provision of this Agreement, as set forth in Paragraph 10, below. Nothing in this Agreement precludes OFCCP from initiating enforcement proceedings based on future compliance evaluations or complaint investigations.
2. OFCCP may review Mazak’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. Mazak will permit access to its premises during normal business hours for these purposes and will provide OFCCP with all relevant hard copy or electronic reports and documents OFCCP requests, including those specified in this Agreement.
3. Nothing in this Agreement relieves Mazak 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. Mazak 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.
5. The parties understand the terms of this Agreement and enter into it voluntarily.
6. This Agreement 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.
7. This Agreement becomes effective on the day it is signed by the Deputy Regional Director George E. Dorsey Jr.
8. If one or more provisions of this Agreement is deemed unlawful or unenforceable, the remaining provisions will remain in full force and effect.
9. This Agreement will expire sixty (60) days after Mazak submits its final progress report required in Section IV, below, unless OFCCP notifies Mazak in writing before the expiration date that Mazak 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 Mazak has met all of its obligations under the Agreement.
10. If Mazak violates this Agreement:
 - a. The procedures at 41 C.F.R. 60-1.34, 41 C.F.R. 60-300.63, and/or 41 C.F.R. 60-741.63 will govern:
 - i. OFCCP will send Mazak a written notice stating the alleged violation(s) and summarizing any supporting evidence.
 - ii. Mazak 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 Mazak 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.
 - b. Mazak 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, or 41 C.F.R. 60-300.66, and/or other appropriate relief for violating this Agreement.
11. Mazak does not admit any violation of the Executive Order, Section 503 or VEVRAA, nor has there been an adjudication on the merits regarding any such violation.

12. OFCCP may seek enforcement of this Agreement itself and is not required to present proof of any underlying violations resolved by this Agreement.
13. 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.
14. Each party shall bear its own fees and expenses with respect to this matter.
15. 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.
16. 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 January 1, 2018 through June 30, 2019, Mazak Corporation failed to identify in the personnel records it keeps, where possible, the gender, race and ethnicity of each applicant or Internet Applicant, whichever term applies to the particular position, as those terms are defined in 41 CFR 60-1.3 and 41 CFR 60-1.12(c) (1) (ii). Mazak Corporation failed to keep and preserve complete and accurate personnel and employment records, in violation of 41 CFR 60-1.12(a) and (e). Specifically, Mazak Corporation failed to keep the records for a period of not less than two years from the date of the making of the record or the personnel action, which ever occurred later.

CORRECTIVE ACTION: Mazak Corporation will identify in the personnel records it keeps, where possible, the gender, race, and ethnicity of each applicant or Internet Applicant, whichever term applies to the particular position, as those terms are defined in 41 CFR 60-1.3. Mazak Corporation will keep and preserve complete and accurate personnel and employment records, in accordance with 41 CFR 60-1.12(a) and (e), and will keep and preserve those records for a period of not less than two years from the date of the making of the record or the personnel action, whichever occurs later. However, if Mazak Corporation has a total workforce of 150 or fewer employees or does not have a government contract of at least \$150,000, the minimum record retention period shall be one year from the making of the record or the personnel action, whichever occurs later, as permitted by 41 CFR 60-1.12(a).

2. **VIOLATION:** During the period January 1, 2018, through June 30, 2019, Mazak failed to perform in-depth analyses of its total employment process to determine whether and where impediments to equal employment opportunity exist. Specifically, Mazak Corporation failed to evaluate:

- a. Personnel activity, specifically applicant flow and hiring to determine where there are selection disparities.
- b. Selection, recruitment, referral, and other personnel procedures to determine whether result in disparities in the employment or advancement of minorities.
- c. Any other areas that might impact the success of Mazak's Affirmative Action Program ("AAP"). 41 CFR 60-2.17(b).

Mazak Corporation failed to maintain and have available for inspection records or other information that would disclose the impact which Mazak Corporations selection procedures have upon the employment opportunities of applicants and/or Internet applicants by identifiable gender, race, or ethnic group set forth in 41 CFR 60-3.4B in order to determine compliance with the Uniform Guidelines on Employee Selection Procedures. 41 CFR 60-3.4 and 41 CFR 60-3.15A.

CORRECTIVE ACTION: Mazak Corporation will (a) perform in-depth analyses of its total employment process, as specified in "a" through "c" above, in order to determine whether and where impediments to equal employment opportunity exist; (b) develop and execute action-oriented programs referenced in 41 CFR 60-2.17(c) designed to correct any problem area identified pursuant to 41 CFR 60-2.17(b); (c) incorporate these analyses and action-oriented programs in its current AAP; (d) update them in Mazak Corporations future AAPs; and (e) demonstrate that Mazak Corporation has made good faith efforts to remove identified barriers, expand employment opportunities and produce measurable results. Mazak Corporation will perform adverse impact documentations of its employment procedures at least annually. Where the total selection process for a job has adverse impact against groups of applicants and/or Internet applicants by identifiable gender, race, or ethnic group listed in 41 CFR 60-3.4B, Mazak Corporation will maintain and have available for inspection records or other information showing which components have an adverse impact. Where the total selection process for a particular job has had an adverse impact in any year but no longer has an adverse impact, Mazak Corporation will maintain and have available the aforementioned information and continue to collect such information for at least two years after the adverse impact has been eliminated.

3. VIOLATION: During the period January 1, 2018 through June 30, 2019, Mazak Corporation failed to undertake appropriate outreach and positive recruitment activities that were reasonably designed to effectively recruit qualified protected veterans, in violation of 41 CFR 60-300.44(f)(1)(i). Specifically, Mazak Corporation discussed during the onsite the company is currently in the process of undertaking appropriate outreach and positive recruitment activities to recruit qualified protected veterans.

CORRECTIVE ACTION: Mazak Corporation will undertake appropriate external outreach and positive recruitment activities that are reasonably designed to effectively recruit qualified veterans, such as those described at 41 CFR 60-300.44(f)(2). Mazak will annually review its outreach and recruitment activities, assess their effectiveness, and document its review, in accordance with 41 CFR 60-300.44(f)(4). Mazak will document all activities it undertakes to comply with this section, in accordance with 41 CFR 60-300.44(f)(4). Among its outreach and recruitment activities, Mazak will solicit the assistance and support of at least the following organizations by sending job vacancy announcements for positions that will be filled through external hire:

Central Kentucky Job Center
1055 Industry Road, 2nd Floor
Lexington, Kentucky 40505
Attention: Bruce Quires, Manager
Telephone: (859) (b) (6), (b) (7)(C)
Email: (b) (6), (b) (7)(C)@ky.gov
Website: benefits.va.gov/vocrehab/index.asp

Department of Veterans Affairs VR&E
321 West Main Street, Suite 390
Louisville, KY 40202
Attention: Bernard Hayward, Employment Coordinator
Telephone: (503) (b) (6), (b) (7)(C)
Email: (b) (6), (b) (7)(C)@va.gov
Website: www.benefits.va.gov/vocrehab/index.asp

University of Kentucky Human Development Institute
Schools and Training Centers (HBCU) Advocacy
1525 Bull Lea Road
Lexington, KY 40511
Attention: Carolyn B. Wheeler, Project Director
Telephone: (859) (b) (6), (b) (7)(C)
Email: (b) (6), (b) (7)(C)@uky.edu
Website: <https://hdi.uky.edu/about-hdi/our-mission>

4. VIOLATION: During the period January 1, 2018 through June 30, 2019, Mazak Corporation failed to invite its employees to voluntarily self-identify as an individual with a disability, using the OMB-approved form for this purpose, in violation of 41 CFR 60-741.42(c). Specifically, Mazak Corporation failed to conduct self-identification in five-year intervals and failed to remind employees at least once in intervening years that they can voluntarily update their disability status.

CORRECTIVE ACTION: Mazak Corporation will immediately invite its employees to voluntarily inform it whether the employee believes that he or she is an individual with a disability, as that term is defined in 41 CFR 60-741.2(g)(1)(i) or (ii). All invitations to self-identify must be made using the OMB-approved form for this purpose (available on the OFCCP website). In addition, Mazak Corporation will extend this invitation again at five year intervals, thereafter. At least once during each interval, Mazak Corporation will remind its employees that they may voluntarily update their disability-related self-identification information at any time. Mazak Corporation will keep all self-identification information confidential and maintain it in a separate data analysis file, rather than in its personnel or medical files, in accordance with 41 CFR 60-741.42(e).

5. VIOLATION: During the period January 1, 2018 through June 30, 2019, Mazak Corporation failed to undertake appropriate outreach and positive recruitment activities that were reasonably designed to effectively recruit qualified individuals with disabilities, in violation of 41

CFR 60-741.44(f)(1)(i). Specifically, Mazak Corporation discussed during the onsite the company is currently in the process of undertaking appropriate outreach and positive recruitment activities to recruit qualified individuals with disabilities.

CORRECTIVE ACTION: Mazak Corporation will undertake appropriate external outreach and positive recruitment activities that are reasonably designed to effectively recruit qualified individuals with disabilities, such as those described at 41 CFR 60-741.44(f)(2). Mazak will annually review its outreach and recruitment activities, assess their effectiveness, and document its review, in accordance with 41 CFR 60-741.44(f)(4). Mazak will document all activities it undertakes to comply with this action, in accordance with 41 CFR 60-741.44(f)(4). Among its outreach and recruitment activities, Mazak will solicit the assistance and support of at least the following organizations by sending job vacancy announcements for positions that will be filled through external hire:

Central Kentucky Job Center
1055 Industry Road, 2nd Floor
Lexington, Kentucky 40505
Attention: Bruce Quires, Manager
Telephone: (859) (b) (6), (b) (7)(C)
Email: (b) (6), (b) (7)(C)@ky.gov, Website: benefits.va.gov/vocrehab/index.asp

Innovative Support for Autistic Workers
1525 Bull Lea Road
Lexington, Kentucky 40511
Attention: Bev Harp, ISAW Project Coordinator
Telephone: (859) (b) (6), (b) (7)(C)
Email: (b) (6), (b) (7)(C)@uky.edu
Website: <https://isaw.hdiuk.org/about>

University of Kentucky Human Development Institute
Schools and Training Centers (HBCU) Advocacy
1525 Bull Lea Road
Lexington, KY 40511
Attention: Carolyn B. Wheeler, Project Director
Telephone: (859) (b) (6), (b) (7)(C)
Email: (b) (6), (b) (7)(C)@uky.edu
Website: <https://hdi.uky.edu/about-hdi/our-mission>

IV. OFCCP Monitoring Period

1. **Recordkeeping.** Mazak agrees to retain all records relevant to the violation(s) 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. Mazak will retain the records until

this Agreement expires or for the time period consistent with regulatory requirements, whichever is later.

2. Mazak Report.

Mazak agrees to furnish OFCCP with one report during the Monitoring Period. The report will contain the documentation specified according to the date scheduled:

Progress Report 1: Due on March 15, 2024, covering the period of February 1, 2023, through January 31, 2024:

1. In response to Violation 1, documentation evidencing that Mazak maintained and preserved complete and accurate personnel and employment records, in accordance with 41 CFR 60-1.12(a) and (e), for the period of February 1, 2023 through January 31, 2024. These records shall include the following:
 - a. The total number of job seekers for each job group, and the breakdown by race/ethnicity and gender;
 - b. The total number of applicants and hires, and the breakdown by race/ethnicity and gender, for each job group, including all full-time, part-time, and temporary workers.
2. In response to Violation 2, documentation evidencing that Mazak performed in-depth analyses of its total employment process at least annually to determine whether and where impediments to equal employment opportunity exist, to include adverse impact analyses comparing the selection rate of the group with the highest hiring rate to the rates of the other race and ethnic groups. If Mazak identifies any adverse impact in the total selection process, Mazak will evaluate each individual component of the selection process for adverse impact and maintain and have available records or other information showing which selection components have an adverse impact. Additionally, if Mazak identifies underutilization in any specific racial or ethnic group, or any other underrepresented group, Mazak will set disaggregated placement goals for any self-identified underutilized area and provide documentation of such goals to OFCCP.
3. In response to Violation 3, documentation evidencing that Mazak has undertaken appropriate external outreach and positive recruitment activities reasonably designed to effectively recruit protected veterans, such as those described at 41 CFR 60-300.44(f)(2). Examples of such documentation may include, but is not limited to, emails, letters, and other correspondence between Mazak and Veteran Organizations.
4. In response to Violation 4, Mazak Corporation will provide copies of employees' voluntary self identification forms as defined by 41 CFR 60-741.2(g)(1)(i) or (ii).

5. In response to Violation 5, documentation evidencing that Mazak has undertaken appropriate external outreach and positive recruitment activities reasonably designed to effectively recruit qualified individuals with disabilities, such as those described at 41 CFR 60-741.44(f)(2). Examples of such documentation may include, but is not limited to, emails, letters, and other correspondence between Mazak and Disability Organizations.

Mazak will submit the report to Assistant District Director, Rhue Shelton, via email at (b) (6), (b) (7)(C)@dol.gov. Mazak 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 Mazak provides in accordance with this Agreement are trade secrets, commercial, and/or financial in nature, and customarily kept private or closely-held, and the Mazak believes should remain confidential under Exemption 4 of the Freedom of Information Act (FOIA) in the event of a FOIA request, Mazak will provide such reports to OFCCP marked as "Confidential". In the event of a FOIA request, OFCCP will promptly notify Mazak of the FOIA request and provide Mazak an opportunity to object to disclosure. OFCCP will withhold disclosure of such reports to the maximum extent allowable by law.

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 Mazak's March 15, 2024, progress report as set forth in Section II, Paragraph 9 above. If OFCCP fails to notify Mazak in writing within sixty (60) days of Mazak's submission of the March 15, 2024, progress report that Mazak has not fulfilled all of its obligations under the Agreement, OFCCP will be deemed to have accepted the report and the Monitoring Period and this Agreement will terminate. If OFCCP notifies Mazak within the allotted time that it has not fulfilled all of its obligations, this Agreement is automatically extended until the date that OFCCP determines Mazak has met all of its obligations under the Agreement.

SIGNATURES

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

This Agreement is hereby executed by and between the Office of Federal Contract Compliance Programs and Mazak Corporation, 6850 Industrial Road, Florence, Kentucky.

Date: 1/18/23

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

Daniel Janka
President
Mazak Corporation
6850 Industrial Road
Florence, Kentucky 41042-3020

Date: 2/2/2023

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

Compliance Officer
Nashville District Office
USDOL/OFCCP
1321 Murfreesboro Road, Suite 301
Nashville, Tennessee 37217

Date 2/2/2023

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

Rhue Heflin Shelton
Assistant District Director
Nashville District Office
USDOL/OFCCP
1321 Murfreesboro Road, Suite 301
Nashville, Tennessee 37217

Date: 2/2/2023

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

for **George E. Dorsey, Jr.**
Deputy Regional Director – Southeast
USDOL/OFCCP
61 Forsyth Street, SW, Room 7B75
Atlanta, Georgia 30303-8931