

Conciliation Agreement
Between the
U.S. Department of Labor Office of Federal Contract Compliance Programs
and
Johnson Bros Corporation a Southland Company

I. Preliminary Statement

The Office of Federal Contract Compliance Programs (OFCCP) evaluated the Johnson Bros Corporation a Southland Company (Contractor), located at Lake Charles, LA Standard Metropolitan Statistical Area, beginning on May 26, 2022. OFCCP found that Contractor failed to comply with Executive Order 11246, as amended (E.O. 11246 or the Executive Order) and their respective implementing regulations at 41 Code of Federal Regulations (C.F.R.) Chapter 60.

OFCCP notified Contractor of the specific violation(s) and the corrective action(s) required in a Notice of Violation (NOV) issued on March 10, 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 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 based on the violation(s) 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 10, 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 OFCCP 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 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 New Orleans District Director.
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 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.
10. If Contractor violates this Agreement:
 - a. The procedures at 41 C.F.R. 60-1.34 will govern:
 - i. OFCCP will send Contractor a written notice stating the alleged violation(s) 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 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, and/or other appropriate relief for violating this Agreement.

11. Contractor 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 1:** During the period June 1, 2021 through May 31, 2022, JOHNSON BROS CORP A SOUTHLAND CO failed to collect and maintain personnel or employment records in accordance with the requirements of 41 CFR 60-1.12, 60-3.4 and 60-3.15. Specifically, JOHNSON BROS CORP A SOUTHLAND CO failed to capture the race, gender, and ethnicity of all applicants and hires and failure to maintain records for job seekers.

Remedy 1: JOHNSON BROS CORP A SOUTHLAND CO must ensure that its records are collected and maintained in accordance with regulatory requirements. JOHNSON BROS CORP A SOUTHLAND CO must implement an adequate system to extend the invitation to self-identify to all individuals who apply for employment. Additionally, for any record made, JOHNSON BROS CORP A SOUTHLAND CO must accurately capture the race, gender, and ethnicity of each employee and, where possible, each job seeker or internet applicant. JOHNSON BROS CORP A SOUTHLAND CO must maintain records or other information that will disclose the impact the company’s selection process has on employment opportunities of persons by identifiable race, gender, or ethnic group. JOHNSON BROS CORP A SOUTHLAND CO must conduct an adverse impact analysis on at least an annual basis for purposes of determining whether adverse impact exists against applicants and employees based on race, gender, or ethnic group in hiring, promotion, termination, and other personnel activities. These analyses must be done by job for each group constituting at least 2% of the labor force in the relevant labor area or 2% of the

applicable workforce. If adverse impact is identified in the total selection process, JOHNSON BROS CORP A SOUTHLAND CO must evaluate each individual component of the selection process for adverse impact. If adverse impact is found to exist in any of the individual components of the selection process, JOHNSON BROS CORP A SOUTHLAND CO must validate the component(s) in accordance with the Uniform Guidelines on Employee Selection Procedures or utilize selection procedures which do not result in adverse impact.

2. **Violation 2:** During the period, June 1, 2021 through May 31, 2022, JOHNSON BROS CORP A SOUTHLAND CO failed to establish and maintain a current list of minority and female recruitment sources, provide written notification to minority and female recruitment sources and to community organizations when JOHNSON BROS CORP A SOUTHLAND CO had employment opportunities available, and maintain a record of the organizations' responses, as required by 41 CFR 60-4.3(a)7.b.

Remedy 2: JOHNSON BROS CORP A SOUTHLAND CO must establish and maintain a current list of minority and female recruitment sources, provide written notification to minority and female recruitment sources and to community organizations when JOHNSON BROS CORP A SOUTHLAND CO has employment opportunities available, and maintain a record of the organizations' responses, as required by 41 CFR 60-4.3(a)7.b.

3. **Violation 3:** During the period June 1, 2021 through May 31, 2022, JOHNSON BROS CORP A SOUTHLAND CO failed to disseminate its EEO policy externally by including it in any advertising in the news media, specifically including minority and female news media, and providing written notification to and discussing JOHNSON BROS CORP A SOUTHLAND CO's EEO policy with other Contractors and Subcontractors with whom JOHNSON BROS CORP A SOUTHLAND CO does or anticipates doing business, as required by 41 CFR 60-4.3(a) 7.h.

Remedy 3: JOHNSON BROS CORP A SOUTHLAND CO must disseminate its EEO policy externally by including it in any advertising in the news media, specifically including minority and female news media, and providing written notification to and discussing Contractor's EEO policy with other Contractors and Subcontractors with whom JOHNSON BROS CORP A SOUTHLAND CO does or anticipates doing business, as required by 41 CFR 60-4.3(a) 7.h.

IV. OFCCP Monitoring Period

1. **Recordkeeping.** Contractor 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. Contractor will retain the records until this Agreement expires or for the time period consistent with regulatory requirements, whichever is later.

2. **Contractor Reports.**

Contractor agrees to furnish OFCCP with the following reports during the Monitoring Period. Each report will contain the documentation specified according to the dates scheduled:

- a. Progress Report 1: Due on September 30, 2023 covering the period of March 1, 2023 through August 31, 2023.

Pursuant to Violation 1:

- i) Applicant tracking data of all job seekers during the relevant review period. This log will include name, race, gender and ethnic group; recruitment source; disposition; job group, position applied for; and position hired into, if applicable.

- ii) The total number of applicants and hires by job group, race, gender, and ethnicity during the reporting period, including part-time workers;

- iii) For each job group, the results of Johnson's analysis as to whether its total selection process has an adverse impact, as defined in 41 CFR § 60-3.4D, on those members of groups set forth in 41 CFR § 60-3.4B. Johnson must combine the data for the current report with the data from the previous report(s) to analyze at least a 12-month period;

- iv) For each case where the total selection process has an adverse impact, as defined in 41 CFR § 60-3.4D, the results of Johnson's evaluation of the individual components of the selection process for adverse impact; and/ or

- v) The corrective actions Johnson implemented upon determining that any component of the selection process has an adverse impact on a particular race, gender or ethnic group.

Pursuant to Violation 2:

- i) Documentation demonstrating JOHNSON BROS CORP A SOUTHLAND CO established and maintained a current list of minority and female recruitment sources, provide written notification to minority and female recruitment sources and to community organizations when JOHNSON BROS CORP A SOUTHLAND CO has employment opportunities available, and maintain a record of the organizations' responses, as required by 41 CFR 60-4.3(a)7.b.

Pursuant to Violation 3:

- i) Documentation demonstrating JOHNSON BROS CORP A SOUTHLAND CO disseminated its EEO policy externally by including it in any advertising in the news media, specifically including

minority and female news media, and providing written notification to and discussing Contractor's EEO policy with other Contractors and Subcontractors with whom JOHNSON BROS CORP A SOUTHLAND CO does or anticipates doing business, as required by 41 CFR 60-4.3(a) 7.h.

- b. Progress Report 2: Due on March 31, 2024 covering the period of September 1, 2023 through February 29, 2024.

Pursuant to Violation 1:

- i) Applicant tracking data of all job seekers during the relevant review period. This log will include name, race, gender and ethnic group; recruitment source; disposition; job group, position applied for; and position hired into, if applicable.
- ii) The total number of applicants and hires by job group, race, gender, and ethnicity during the reporting period, including part-time workers;
- iii) For each job group, the results of Johnson's analysis as to whether its total selection process has an adverse impact, as defined in 41 CFR § 60-3.4D, on those members of groups set forth in 41 CFR § 60-3.4B. Johnson must combine the data for the current report with the data from the previous report(s) to analyze at least a 12-month period;
- iv) For each case where the total selection process has an adverse impact, as defined in 41 CFR § 60-3.4D, the results of Johnson's evaluation of the individual components of the selection process for adverse impact; and/ or
- v) The corrective actions Johnson implemented upon determining that any component of the selection process has an adverse impact on a particular race, gender or ethnic group.

Contractor will submit reports to Rachel M. Woods, District Director, OFCCP New Orleans District Office, 600 S. Maestri Street, Suite 341, New Orleans, LA 70130 and

(b) (6), (b) (7)(C) 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 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 to the extent possible under the law.

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 Section II, Paragraph 9 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.

IV. 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 Johnson Bros. Corporation a Southland Company, 1100 Kubota Drive, Grapevine, Texas 76051.

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

Frank Renda
President, CEO
Southland Holdings
Grapevine, Texas

DATE: 3-27-2023

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

Rachel M. Woods
New Orleans District Direct
SWARM

DATE: April 4, 2023

(b) (6), (b) (7)(C)
Compliance Officer
SWARM

DATE: _____