



World Headquarters
43850 Plymouth Oaks Blvd.
Plymouth, MI 48170
Tel.: (734) 207-1100
Fax: (734) 207-2222
www.dadco.net

**Annual Report on Supply Chain and Forced Labor for
Financial Year ended December 31, 2023
DADCO, Inc.**

This is the first report filed by DADCO to comply with requirements under Canadian Bill S-211 *An Act to enact the Fighting Against Forced Labour and Child Labour in Supply Chains Act and to amend the Customs Tariff (Act)*. DADCO, Inc. is an entity, meeting the asset and revenue criteria outlined in the Act, located in the USA, doing business in Canada. This report outlines the policies and procedures of DADCO, Inc. (DADCO) to identify and reduce risks of forced labor and child labor in DADCO's business operations and supply chain during the financial year ended December 31, 2023.

DADCO is committed to ethical and responsible business practices both in its direct business operations and throughout DADCO's supply chain. DADCO and its employees must comply with all federal, state and local laws and DADCO sets the expectation that all of their suppliers will do the same in any location in which they operate. DADCO respects human rights and expects all suppliers to share that same commitment, forced labor or child labor in any business operations or in DADCO's supply chain will not be tolerated. DADCO is committed to providing a safe and healthy working environment in compliance with all relevant local environmental, health and safety standards, with the expectation that all suppliers will comply as well.

DADCO was established in 1958. DADCO is a privately held corporation with headquarters and manufacturing operations located in the township of Plymouth, in the state of Michigan, in the United States. DADCO manufactures nitrogen gas springs and gas spring accessory items for use in stamping tools. DADCO sells its products to manufacturing customers and distributors in the metal stamping industry globally.

To mitigate potential risks in the supply chain, DADCO endeavors to keep its supply chain as direct and limited as possible. DADCO employees are expected to follow the tenants described in DADCO's *Code of Conduct and Business Ethics*. Review of the *Code of Conduct and Business Ethics* is conducted during employee orientation training in order to familiarize employees with DADCO's policies and procedures. DADCO's suppliers are informed of DADCO's position on preserving human rights and maintaining ethical business operations through DADCO's Purchase Order Terms and Conditions, provided with purchase orders and found on DADCO's website. DADCO continues to monitor the supply chain for potential risks through DADCO's operating procedures and instructions, found in DADCO's Quality Policy and Business Operating System Work Instructions. Continual supplier reviews and audits (when deemed necessary) of DADCO

suppliers may include assessment of supply chain risk with each vendor. DADCO is committed to respecting human rights and expects its suppliers to respect human rights as well.

DADCO can be considered to be at reasonably low risk for forced labor and child labor due to the fact that DADCO's supply chain is limited to suppliers in North America and Europe. While DADCO recognizes the potential for forced labor and child labor in the manufacturing sector, DADCO's supply chain is comprised of trusted vendors subject to local rules and regulations designed to protect workers against exploitation in addition to expected compliance with DADCO's own Purchase Order Terms and Conditions. All DADCO nitrogen gas springs are manufactured and assembled at DADCO's headquarters in Plymouth, Michigan, USA. All goods are packaged at DADCO's headquarters in Plymouth, Michigan, USA. Vendors are reviewed by DADCO's purchasing team prior to approval. Review may include review of operations, supplier policies, and occasional audits when deemed necessary. All suppliers are informed of DADCO's Purchase Order Terms and Conditions which outline DADCO's commitment and the expectation that suppliers respect human rights and object to forced labor and child labor in the supply chain. DADCO's Purchase Order Terms and Conditions reflecting these values have been in place since 2009.

In the event that any human rights violations or illegal business practices are discovered within the supply chain, immediate remediation measures would be implemented including termination of relationship with supplier and reporting to appropriate authorities. In addition, when appropriate, information on training resources for supplier to implement steps to remediate conditions within their organization would be provided. No incidences of forced labor or child labor were discovered in the DADCO supply chain in financial year ended December 31, 2023 or prior.

In the next financial year, DADCO will monitor the effectiveness of our compliance strategy through DADCO's Business Operating System. DADCO is committed to ensuring that actions taken to prevent and reduce the risk of forced labor and child labor in the supply chain are effective.

This report is approved by DADCO. In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

I have the authority to bind DADCO, Inc.

Signed:
Kimberly Wadowski
Vice President



Date: May 30, 2024
