

2023 Fighting Against Forced Labour and Child Labour in Supply Chains Act Report

This inaugural Annual Report (the “**Report**”) is prepared pursuant to the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “**Supply Chains Act**” or the “**Act**”) and has been filed with the Canadian Minister of Public Safety and Emergency Preparedness (for the following entities, each a member of the Dorman Products, Inc. (“**Dorman**”) group of companies (the “**Dorman Group**”):

- Dorman;
- Eagle Dallas Spring Investors ULC (“**Eagle Dallas Spring**”);
- EDS Acquisition Corporation (“**EDSA**”); and
- RB Distribution, Inc. (“**RBD**”).

(each a “**Reporting Entity**” and collectively, the “**Reporting Entities**”, “**we**”, “**us**” or “**our**”) covering the twelve-month financial year ended December 31, 2023 (the “**Reporting Period**”).

The Report has been prepared by Dorman on behalf of itself and each of the Reporting Entities. At this time, the Reporting Entities do not currently have reporting obligations related to modern slavery¹ and more specifically to forced labor and child labor except under the Act.

Forward-looking Statements

This Report may contain forward-looking statements, which may generally be identified by the use of the words “anticipates,” “hopes,” “expects,” “intends,” “plans,” “should,” “could,” “would,” “may,” “believe,” “estimates,” “potential,” “target,” or “continue” and variations or similar expressions, including statements regarding steps which may be taken with respect to forced labor and child labor and modern slavery in general and the expected results thereof. These statements are based upon the current expectations and beliefs of management and are subject to certain risks and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. These risks and uncertainties include, but are not limited to, the risks and uncertainties discussed in Dorman Products, Inc.’s filings with the U.S. Securities and Exchange Commission, which factors are incorporated herein by reference. Readers are cautioned not to place undue reliance on any of these forward-looking statements. These forward-looking statements speak only as of the date hereof. Neither the Dorman Group nor any of the Reporting Entities undertakes any obligation to update any of these forward-looking statements to reflect events or circumstances after the date of this Report or to reflect actual outcomes, unless required by law.

1. Our Structure, Operations and Supply Chains

Dorman is the ultimate parent company of the Dorman Group, and it is publicly traded on the Nasdaq Stock Market (NASDAQ: DORM). Dorman is incorporated under the laws of the Commonwealth of Pennsylvania, United States, and its headquarters are located in Colmar, Pennsylvania. Dorman is one of the leading suppliers of replacement and upgrade parts in the motor vehicle aftermarket industry, serving passenger cars, light-, medium-, and heavy-duty trucks, as well as specialty vehicles, including utility terrain vehicles and all-terrain vehicles.

RBD is a direct, wholly owned subsidiary of Dorman, and it is incorporated under the laws of the Commonwealth of Pennsylvania, United States. RBD primarily focuses on sales of parts for the

¹ The term “modern slavery” includes slavery and slavery-like practices, servitude, compulsory, forced and child labour which all have in common a deprivation of a person’s liberty by another in order to exploit them for personal or commercial gain.

light duty sector of the motor vehicle aftermarket industry. RBD is an importer of its products into Canada for certain of its customers.

EDSA is an indirect wholly-owned subsidiary of Dorman, and it is incorporated under the laws of the State of Delaware, United States. EDSA is a holding company with no operations of its own.

Eagle Dallas Spring is incorporated under the *Business Corporations Act* (British Columbia). It is a direct wholly owned subsidiary of EDSA. Eagle Dallas Spring is a manufacturer and distributor of leaf springs for the heavy duty sector of the motor vehicle aftermarket industry. Eagle Dallas Spring sells goods in Canada, distributes goods in Canada, and imports into Canada goods produced outside of Canada.

As of December 31, 2023, the Reportable Entities had 53 employees in Canada. In addition, Eagle Dallas Spring had three warehouse/distribution locations in Canada. None of the other Reportable Entities have locations in Canada.

The majority of the Dorman Group's light-duty vehicle products are manufactured by third parties, as are the majority of its heavy-duty vehicle products. The majority of the Dorman Group's specialty vehicle products are manufactured in its facilities in the United States and China. The Dorman Group engages third-party manufacturers around the world to develop and manufacture products according to its performance and design requirements, oftentimes using tooling that it owns. During the Reporting Period, as a percentage of its total dollar volume of purchases, approximately 30% of its products were purchased from third-party suppliers throughout the United States and the balance of its purchases were from third-party suppliers outside of the United States. Approximately 50% of its products were purchased from third-party suppliers located in China and Taiwan during the Reporting Period. The Dorman Group's global supplier network provides access to a broad array of manufacturing capabilities and technologies while limiting its dependency on any single source of supply. While the Dorman Group's supplier selection and sourcing programs will continue to leverage its strategic manufacturers for a substantial portion of its product portfolio, it also continues to qualify alternative sources available to provide additional support and capacity, if needed. The Dorman Group makes a concerted effort to build and nurture strong, healthy relationships with its suppliers. During the Reporting Period, the Dorman Group purchased automotive products in substantial volumes from over 300 suppliers, and no single supplier accounted for more than 10% of its total product purchases.

2. The Steps We Have Taken during the Reporting Period to Prevent and Reduce the Risk of Forced Labour and Child Labour

The Dorman Group has committed to certain environmental, social and governance ("**ESG**") principles and initiatives. In 2024, the Dorman Group published its 2023 ESG Report ("**2023 ESG Report**"), which is designed to provide an update on the progress made against its ESG initiatives as outlined in its 2022 ESG Report published in 2023 ("**2022 ESG Report**"). The 2023 ESG Report incorporates by reference much of the information in the 2022 ESG Report and is discussed in greater detail in section 3(f) of this Report.

During the Reporting Period, the Dorman Group also:

- enhanced training for certain members of the Product and Procurement teams within the Dorman Group to include topics of forced labor and child labor, which training is further detailed in section 9 of this Report;
- performed audits of over 24 suppliers, which audits included an assessment of those suppliers' employment standards, including with respect to compliance with applicable laws prohibiting forced labor and child labor; and

- received letters from over 65 new suppliers of parts and materials confirming that:
 - the merchandise or other components supplied to the Dorman Group did not utilize forced labor, including child, involuntary, indentured and prison labor; and
 - they will comply or use commercially reasonable efforts to comply with the Dorman Group's Supplier Code of Conduct, which makes clear that any use of forced, bonded, indentured, trafficked or prison labor is prohibited, as further detailed in section 3 of this Report.

3. Policies, Due Diligence and Controls

The Dorman Group has developed several codes of conduct and policies addressing forced labour and child labour, which codes and policies apply to Dorman and each of its subsidiaries, including the Reporting Entities.

(a) Code of Ethics and Business Conduct

The Dorman Group's Code of Ethics and Business Conduct (the "**Code**") is at the heart of its compliance program, and it guides the Dorman Group's behavior and operational integrity. It codifies the Dorman Group's values as an organization, its culture of contribution, its success measures, and its four strategic pillars, which are employees (known as "**Contributors**"), customers, operations and growth. Key topics covered by the Code include workplace conduct, harassment, conflicts of interest, social media use, protection of Dorman Group information, data privacy, information security, insider trading, anti-bribery, anti-corruption and protection of human rights.

All Contributors of the Dorman Group, including corporate officers and members of the Board of Directors of Dorman (the "**Board**"), are required to read, understand, and meet the standards and obligations in the Code. Moreover, the Dorman Group expects its suppliers and vendors, and other third parties with whom it works, to follow principles like those in the Code, both when working on the Dorman Group's behalf and in their own work.

All Contributors are required to annually review and certify compliance with the Code. In addition, the Dorman Group provides compliance training to educate team members about a variety of risks and topics covered by the Code, including respect in the workplace, information security, anti-bribery, and anti-corruption. The Dorman Group supplements this training with training in other areas targeted to specific audiences. It customizes the training to Contributors based on their roles and responsibilities and adapts training based on new regulations as well as industry trends

Contributors are expected to report concerns about possible violations of the Code, other Dorman Group policies, or the law to their supervisors, an executive, or any of the resources listed in the Code. If this not feasible or effective, Contributors are expected to contact the Dorman Group's Human Resources Department or use the Ethics Hotline as described in section 3(e) of this Report.

Our Code sets out that all business must be conducted in a manner that respects the human rights and dignity of all. This includes an absolute opposition to slavery and human trafficking. All of our Contributors are encouraged to support efforts to eliminate child labor, forced labor, slavery, and human trafficking.

Contributors should report any suspicion or evidence of human rights abuses in our operations or in the operations of our suppliers. Regardless of whether Contributors are working with a

customer or supplier, they should demonstrate the Dorman Group's commitment to protecting the rights and dignity of everyone with whom the Dorman Group does business.

(b) Supplier Code of Conduct

Our Supplier Code of Conduct applies to all suppliers of the Dorman Group, including the Reporting Entities. Our Supplier Code of Conduct also applies to all subcontractors, agents, and other third parties that are engaged by a supplier to assist in the provision of goods to the Dorman Group.

The Dorman Group requires all new strategic suppliers of parts and raw materials to acknowledge their commitment to comply with our Supplier Code of Conduct. Existing parts and raw material suppliers are required to acknowledge their commitment as part of the Dorman Group's supplier audit process. In addition, the Dorman Group requires those new parts and raw material suppliers to provide a copy of the Supplier Code of Conduct to the supplier's subcontractors prior to their start of work on behalf of the Dorman Group. The Dorman Group expects to only do business with suppliers that meet its standards and behave consistent with the Dorman Group's values. If a supplier violates the Supplier Code of Conduct or fails to implement an appropriate compliance program, the Dorman Group may review its business relationship and may investigate, audit, and/or take corrective actions up to and including termination of the Dorman Group's business relationship with that supplier.

Suppliers are also responsible for reporting on a timely basis any actual or suspected violation of the Supplier Code of Conduct or applicable laws by anyone acting on the suppliers' or the Dorman Group's behalf in connection with work for the Dorman Group, including any actual or suspected violations by the Dorman Group's Contributors, officers, agents, subcontractors or representatives. Such reports may be made through the Ethics Hotline described in section 3(e) of this Report or through other means.

The Supplier Code of Conduct states that suppliers may not use any form of involuntary labor, including slavery or forced, bonded, indentured, trafficked or prison labor. Moreover, it provides that Suppliers must ensure that all of their employees understand the terms of their employment and that they have the right to engage in work willingly, without surrendering identity documents, and without the payment of fees. The Supplier Code of Conduct also stipulates that suppliers are not permitted to engage, directly or indirectly, in human trafficking.

If it is necessary for a supplier to use a labor broker, then the Supplier Code of Conduct indicates that the supplier must ensure that the broker employs ethical recruitment practices, complies with applicable laws, and does not withhold identity documents.

Moreover, the Supplier Code of Conduct states that suppliers must comply with all age-related working restrictions in the countries in which they operate. The Dorman Group expects suppliers to employ a workforce who are at or over the legal minimum working age in the countries in which they operate and comply with all age-related working restrictions as required by local laws.

(c) Human Rights Policy

The Dorman Group Human Rights Policy applies to all member companies of the Dorman Group and its Contributors globally. The policy details the Dorman Group's commitment to supporting internationally recognized human rights standards. The Human Rights Policy is informed by international human rights principles encompassed by the United Nations Guiding Principles on Business and Human Rights and the Universal Declaration of Human Rights, including the International Bill of Human Rights, as well as the International Labour Organization Declaration on Fundamental Principles and Rights at Work. The Human Rights Policy was adopted by the

Board of Directors of Dorman, and the Chief Executive Officer and Chief Human Resources Officer of Dorman are responsible for oversight of the policy.

The Human Rights Policy reiterates the fact that we prohibit the use of all forms of forced labor, including prison labor, indentured labor, bonded labor, military labor, modern forms of slavery and any form of human trafficking. The policy also makes clear that the Dorman Group prohibits the hiring of individuals that are under 18 years of age for positions in which hazardous work is required.

(d) Whistleblower Policy

The Dorman Group's Whistleblower Policy supports the reporting obligations set forth in the Code. Contributors, shareholders and other interested parties may use the Whistleblower Policy to file complaints and concerns in regards to possible non-compliance with the Code or legal and regulatory requirements.

In addition to the reporting procedure set out in the Code, a person lodging a report can contact the Dorman's Board of Directors, Audit Committee or General Counsel. This can be done openly or anonymously by using the Ethics Hotline described in section 3(e) of this Report or by mail at the address provided in the Whistleblower Policy.

Therefore, if a Contributor suspects that forced labor or child labor may be occurring at any Reporting Entity or any supplier, the Contributor can file a report for violation of the Code and/or local laws. The report will be treated in a manner set out in the Whistleblower Policy further described in section 7 of this Report.

(e) Ethics Hotline

The Dorman Group's Ethics Hotline web portal and phone line are available 24 hours a day, seven days a week. Trained specialists from an independent third party provider of corporate compliance services are available to answer Contributors' calls, document their concerns and forward a written report to the Dorman Group for further investigation.

When a Contributor contacts the Ethics Hotline, they may choose to remain anonymous where allowed by local law. All reports are treated equally whether they are submitted anonymously or not.

After a Contributor makes a report, they will receive an identification number so they can follow up on their concern. Following up is especially important if they have submitted a report anonymously, as the Dorman Group may need additional information in order to conduct an effective investigation. This identification number will also enable the Contributor to track the resolution of the case. However, out of respect for privacy, the Dorman Group will not inform a Contributor about individual disciplinary actions. Any report a Contributor makes will, to the extent consistent with applicable law, be kept confidential by all individuals involved with reviewing and, if necessary, investigating it.

As indicated above, use of the hotline is not restricted to Contributors. Third parties, including suppliers, are permitted to use the Ethics Hotline to report possible violations of Dorman Group policies or applicable laws.

(f) Annual ESG Report

Beginning with its inaugural report covering fiscal 2021, which was published in 2022, the Dorman Group has published an ESG Report annually. Each ESG Report serves as a reminder to the

Dorman Group's Contributors, customers, and other stakeholders that the Dorman Group is committed to operating with ethics and integrity and in compliance with applicable laws and that the Dorman Group seeks to partner with companies that meet its high standards and share that commitment.

4. Risk Assessment Methodology and Results of Assessment

In 2022, the Dorman Group instituted a Qualification Review Board ("**QRB**"), which cross-functionally reviews supplier information and performance periodically to ascertain whether its raw material and parts suppliers are meeting its standards. The QRB reviews the results of supplier audits to assess compliance with the Dorman Group's requirements. Among other things, the QRB assesses a supplier for compliance with local laws for child labor and forced labor.

To assess the risks associated with forced labor and child labor among its suppliers, the Dorman Group has implemented a risk-based mapping process. This process starts with third-party screening software, which includes checks against the Uyghur Forced Labor Prevention Act Entity List and U.S. Customs and Border Protection Withhold Release Orders. New potential suppliers are also screened to determine whether the supplier would present an increased risk for the use of forced labor and child labor due to operations being in a high-risk country or region. The process also includes assessing the type of goods or materials being supplied based on factors such as high-risk Harmonized Tariff Schedule codes or "HTS codes" identified by the U.S. Department of Labor.

Since 2022, Dorman's internal supplier audit team has assessed the compliance of child labor and forced labor of over 100 new suppliers as part of its new supplier onboarding process.

5. Risks of Forced Labour and Child Labour in our Operations and Supply Chains

As indicated in the response to section 1, during the Reporting Period, as a percentage of its total dollar volume of purchases, approximately 30% of the Dorman Group's products were purchased from third-party suppliers throughout the United States and the balance of its purchases were from third-party suppliers outside of the United States. Of the approximately 70% purchased from third-party suppliers outside of the United States, approximately 50% of the products were purchased from third-party suppliers located in China and Taiwan.

The Dorman Group maintains policies and practices to help mitigate the risks associated with forced labor and child labor, but the laws of jurisdictions outside of the United States may not be as stringent or may not be reasonably designed to prevent and deter such conduct from occurring.

Notwithstanding the foregoing, during the Reporting Period the Dorman Group has not identified instances of forced labor or child labor in its operations or supply chain.

6. Remedial Action Taken during the Reporting Period

Because the Dorman Group has not identified any forced labor or child labor in its operations or supply chain, the Dorman Group has not taken any remediation measures during the Reporting Period.

7. Our remediation processes

Once whistleblowing reports are filed, whether through the Ethics Hotline discussed in section 3(e) or through other reporting means described in section 3(d) of this Report, they are reviewed by Dorman's General Counsel. Any report pertaining to a violation of laws or regulations that could have a material adverse effect on the Reporting Entities' reputation or financial statements, which

may encompass instances of forced labor and child labor, are forwarded to the Audit Committee of the Board (the “**Audit Committee**”).

For reports not forwarded to the Audit Committee, the General Counsel will determine, based on the provided information and the credibility of the report, whether an investigation should be performed. If it is determined an investigation should take place, the Dorman Group Legal Department will commence one.

For reports forwarded to the Audit Committee, the Audit Committee will also decide whether they should be investigated by the Legal Department or by an outside third party. Regardless of whether the Legal Department is asked to investigate by the General Counsel or the Audit Committee, it will be able to engage independent counsel and experts to assist and analyze.

When the investigation yields results, the Audit Committee or the General Counsel will decide what appropriate corrective action should be taken, if any.

In addition to reports made through the Ethics Hotline, the Dorman Group may suspect or discover that forced labor or child labor was being used in its supply chain as a result of the Dorman Group’s supplier audit processes described above. In such an instance, the Dorman Group would engage with the applicable supplier and determine what corrective action is appropriate.

Regardless of the method by which the Dorman Group becomes aware of the use of forced labor or child labor in its supply chain (e.g., through Ethics Hotline complaints, investigations or supplier audits), the Dorman Group would take corrective action against the supplier that may include, but is not limited to, termination of the supplier relationship and referral for criminal prosecution.

8. Remediation actions for the loss of income to the most vulnerable families that results from any measure taken to eliminate forced labour and child labour from our operations and supply chains

Not applicable, we have not identified any loss of income to vulnerable families resulting from measures taken to eliminate the use of forced labor or child labor in our activities and supply chain.

9. Our training

During the Reporting Period, Contributors received compliance training across a variety of risks and topics covered by the Code, including respect in the workplace, information security, anti-bribery, and anti-corruption. The Dorman Group supplements this training with training in other areas targeted to specific audiences. It customizes the training to Contributors based on their roles and responsibilities and adapts training based on new regulations as well as industry trends.

In addition, during the Reporting Period, certain members of the Dorman Group’s Product and Procurement teams received training regarding forced labor and the United States Uyghur Forced Labor Prevention Act.

Additionally, during the Reporting Period, the Dorman Group provided training information and materials to certain parts and raw material suppliers identified as high-risk. The training covers the Dorman Group’s Supplier Code of Conduct, emphasizing the importance of ethics and business integrity in all operations. The training also addresses work conditions, highlighting health and safety requirements, and underscores the importance of maintaining a workplace that is free of forced, compulsory, and child labor.

10. Assessing our effectiveness

The Board of Directors of Dorman oversees the Dorman Group's initiatives with respect to ESG matters, and it does so with the assistance of the Corporate Governance and Nominating Committee of the Board. With respect to the Human Rights Policy in particular, the Board has assigned responsibility for its day-to-day oversight to the Dorman Group's Chief Executive Officer and Chief Human Resources Officer.

In fiscal 2021, the Dorman Group assessed its corporate compliance program with the assistance of a third-party compliance vendor. The assessment included an evaluation of the overall structure and governance of the Dorman Group's corporate compliance program. The third party concluded that the compliance program was mature and identified several opportunities for the Dorman Group to enhance the program, which the Dorman Group actioned throughout 2021. For example, following that assessment, the Dorman Group revised the Supplier Code of Conduct and adopted the Human Rights Policy.

In addition, the Dorman Group periodically reviews its corporate policies and procedures, including with respect to human rights. The Dorman Group's Legal Department and corporate compliance teams stay abreast of current legal requirements and strive to ensure that the due diligence processes of the Dorman Group remain up to date and in line with business operations, regulatory changes, industry norms, and best practices. This approach is designed to ensure compliance with applicable laws and regulations, including with respect to forced labor and child labor.

11. Our consultation and governance process

In preparing this Report, the Reporting Entities consulted with key areas within the Dorman Group, including Procurement, Human Resources, and the Legal Department, and they also conferred with external legal counsel. This consultation process has supported the Dorman Group's enterprise-wide approach to forced labor and child labor.

12. Approval

This Report was approved by the boards of directors of each Reporting Entity pursuant to Section 11(4)(b)(i) of the Act on May 30, 2024.

13. Conclusion

Each Reporting Entity is committed to preventing and reducing the risk of forced labor and child labor in its operations and in its supply chain. Accordingly, the Dorman Group expects to further improve and/or develop policies, procedures and practices to address these value chain risks in the future.

14. Attestation

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 or entities 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 make the above attestation in my capacity as a director of the Reporting Entities and on behalf of the respective Board of Directors and not in my personal capacity.


Dated this 30th day of May, 2024

Dorman Products, Inc.

Per: 
Kevin M Olsen (May 30, 2024 13:27 EDT)

Director and Chief Executive Officer, having
the authority to bind Dorman Products, Inc.

Eagle Dallas Spring Investors ULC

Per: 

Director, having the authority to bind Eagle
Dallas Spring Investors ULC

EDS Acquisition Corporation

Per: 

Director, having the authority to bind EDS
Acquisition Corporation

RB Distribution, Inc.

Per: 

Director, having the authority to bind RB
Distribution, Inc.










2023 Report - Fighting Forced and Child Labor (Final Execution Version)

Final Audit Report

2024-05-30

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