

California Transparency in Supply Chains Act of 2010

On January 1, 2012, the California Transparency in Supply Chains Act of 2010 went into effect in the State of California. This law requires large retailers and manufacturers conducting business in California to disclose their efforts to eliminate slavery and human trafficking in their supply chain. The purpose of the law is to allow citizens to make informed consumer choices based on the information retailers and manufactures publicly disclose regarding their efforts to address slavery and human trafficking.

Please read further to learn about Dana's commitment to address the issue of slavery and human trafficking in our supply chain.

Dana's Standards of Business Conduct

Dana's Standards of Business Conduct (in place since 2002) expressly prohibit the use of forced or involuntary labor, including child labor. Dana also has a Suppliers' Business Conduct Guide to clarify to Dana suppliers our expectation that they abide by applicable employment laws and not use any forced or involuntary labor, including child labor, in the provision of goods and services to Dana. This Business Conduct Guide is part of our agreements with suppliers.

Dana's Compliance Measures

We undertake the following measures to assure compliance to our business standards:

1. Supply Chain Verification

We have established a Supplier System Assessment procedure to evaluate and verify that new Dana suppliers understand and operate in compliance with our Suppliers' Business Conduct Guide. Failure to meet our Suppliers' Business Conduct Guide may constitute grounds to reject a company as a Dana supplier.

2. Supplier Audits

Trained Dana employees perform on-site audits of various new suppliers and periodic on-site audits of existing suppliers to assure compliance with our Suppliers' Business Conduct Guide.

3. Certification of Materials Incorporated into Products

We require direct suppliers to comply with our Supplier's Business Conduct Guide, which prohibits the use of forced or involuntary labor, including child labor, in the production of goods and materials supplied to Dana. Our Supplier's Guide also states that we expect our suppliers to comply with local laws.

4. Internal Accountability Standards

Dana employees and contractors are required to comply with our Standards of Business Conduct that prohibit the use of forced and involuntary labor, including child labor. Dana's Ethics and Compliance program maintains a helpline and website for Dana employees to report potential violations of law and company policy. Reports of potential misconduct are investigated, outcomes are reported to Dana management, and violations are subject to disciplinary measures.

5. Training on Human Trafficking and Slavery

At training sessions, we provide our employees and managers directly responsible for supply chain management with information on the requirements of the California Transparency in Supply Chains Act.

We will continue to evaluate our policies and practices with respect to the elimination of human trafficking and slavery in our supply chain and update this disclosure as developments take place.