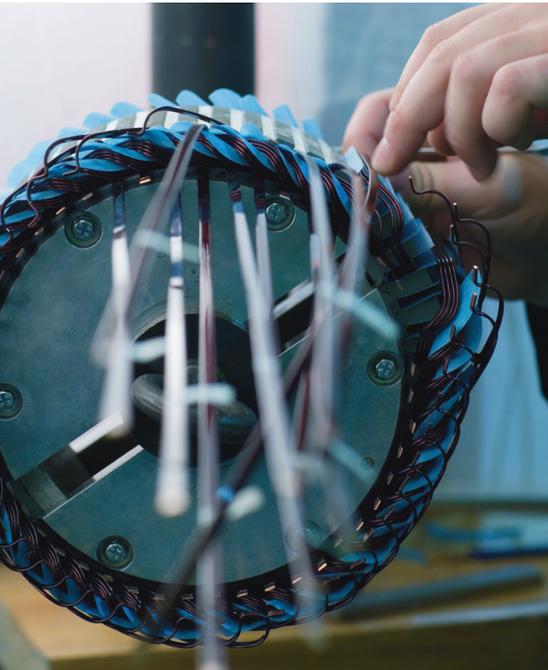




# Sustainability Report 2017



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# What sustainability means to us

Dear Fellow Stakeholders:

*Dana has a long, proud history of supplying the mobility and industrial markets with class-leading innovation that meets the ever-changing demands of a global marketplace. By being on the forefront of technology, we are able to provide our customers with real-world, highly-engineered solutions that reduce weight, improve efficiency, and decrease overall emissions – all critical components to delivering value to our customers and shareholders while protecting our environment.*

*As our end-markets continue to rapidly evolve, our commitment to sustainability reaches beyond the products we make into the lives of the people we employ and the communities we call home.*

*Being a good corporate citizen is one of Dana's foundational values. With more than 140 major facilities in 33 countries, serving nearly 10,000 customers around the world, it is imperative that we build strong relationships with our communities to ensure they are positively impacted by our presence.*

*Dana recognizes that sustainable operations require a balanced approach among our people, products, and the planet. We strive to attain our sustainability measures by implementing an Environmental Management System that factors in the related social and financial aspects of our business to ensure our technology solutions are truly beneficial to and sustainable for all Dana stakeholders, including our customers, shareholders, employees, suppliers, governmental agencies, and neighbors.*

*Furthermore, achieving our sustainability, operational, and financial targets could not be achieved without empowering Dana's most important asset – our people – to find new and innovative ways to make our products and processes better. Dana is committed to advancing and protecting our employees, enabling them to be ambassadors for positive change across the organization and our communities. We also place a strong emphasis on diversity and inclusion so that we can leverage their perspectives and opinions sourced from different cultures, backgrounds, and experiences.*

*Our industry is changing rapidly. As advancements in sustainable technologies continue to evolve, Dana remains committed to being the global leader in power conveyance and energy-management so our customers can achieve their sustainability objectives. Collectively, we can all make this a safer, cleaner planet for future generations to come.*

*My personal best,*



James Kamsickas  
President and Chief Executive Officer



# Dana: At a Glance



## Our Mission

Our talented people power a customercentric organization that is continuously improving the performance and efficiency of vehicles and machines around the globe. We will consistently deliver superior products and services to our customers and will generate exceptional value for our shareholders.

## Our Vision

To be the global technology leader in efficient power conveyance and energy-management solutions that enable our customers to achieve their sustainability objectives.

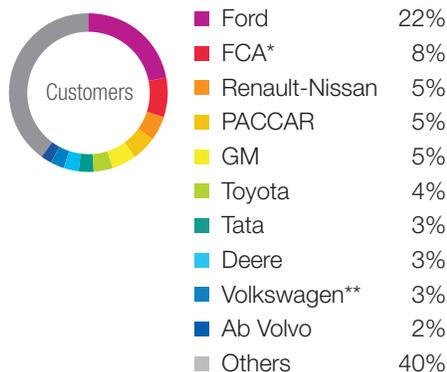


## People Finding A Better Way®

In 1992, Dana introduced the tagline “People Finding A Better Way.” It captioned a culture that had been with the company from the very beginning. The statement leads with people because they are our most important asset, and those people are “finding a better way,” which demonstrates the persistence and resilience of our workforce. It encourages ideas to be brought forward and rewarded. It is the foundation of a collaborative, diverse, and inclusive workforce.

### Global Sales

As of December 31, 2017 - Consolidated sales only



\* Sales to Fiat Chrysler Automobiles include sales to Hyundai Mobis.

\*\* Sales to Volkswagen include sales to MAN AG, a majority owned subsidiary of Volkswagen AG.

### Business Units

#### Light Vehicle Driveline

Dana is a leading supplier of traditional and electrified light-vehicle driveline technologies, including complete drivetrain systems and components for passenger cars, crossovers, SUVs, vans, and light trucks. Dana works collaboratively with original-equipment manufacturers and the aftermarket to deliver Dana axles, Spicer® propshafts, VariGlide® planetary variator technology, and other driveline components with best-in-class efficiency.

#### Commercial Vehicle Driveline

Dana is one of the world’s premier providers of drivetrain and tire-pressure management systems, as well as genuine service parts, for medium- and heavy-duty commercial vehicles. Our cutting-edge Spicer® innovations increase fuel efficiency and decrease weight while reducing maintenance and total cost of ownership.

#### Off-highway Drive and Motion

Dana delivers fully optimized Spicer® drivetrain systems and individual product solutions to mobile off-highway customers in construction, agriculture, material-handling, and undergroundmining markets, as well as Brevini® motion systems for associated machine working functions and stationary industrial equipment. We bring our global expertise to the local level with technologies customized to individual requirements through a network of strategically located technology centers, manufacturing locations, and distribution facilities.

#### Power Technologies

Dana delivers Victor Reinz® sealing solutions and Long® thermal-management technologies to help reduce fuel consumption and emissions while improving vehicle durability and performance. Our engineers anticipate industry trends to provide innovation, value, and quality in every technology, and our strong engineering knowhow leads to high product performance, flexibility, and speed to market. Further, we are advancing technology that optimizes the performance of hybrid and electric vehicles in all end markets.



# Empowering People



## Dana in India Reaches 10 Million-hour Safety Milestone

Safety is a critical part of Dana's culture and remains the first and most important priority for the company's teams across the globe. Dana's people were recently recognized for their work in Chakan, India, where they achieved 10 million working hours without a lost-time incident.

In addition to achieving this milestone, the team was honored by receiving the 2017 Shrestha Suraksha Puraskar (silver trophy and certificate) safety award at the National Safety Council India Safety Awards in New Dehli.

The award was presented to Dana by the Minister of State with independent charge in the Ministry of Labor and Employment in the Government of India.



Dana's commitment to safety is built on a strong community environment at Chakan, which helps reinforce the importance of a safe work environment. Employees are quick to acknowledge that safety is their first priority.

## Workplace Safety

Dana is committed to the safety of its employees. Our vision for workplace safety is "Safety First: All Day Every Day." This vision is guided by our safety policy, which applies to all employees, visitors, and contractors working at our sites. We believe in providing a safe working environment for all stakeholders and are committed to continuous improvement in our occupational health and safety performance. Dana's safety policy provides organizational commitments that are core to our business focus on safety as committed by the highest levels of our organization.

As a part of its safety focus, Dana recently began requiring all manufacturing facilities to achieve certification to the health and safety standard ISO 45001 or equivalent. Facilities have made commitments to meet these requirements over the next few years.



Dana ensures its targets for safety are being met by auditing safety standards and performance. We conduct periodic safety assessments at all locations and share results with local leadership teams. The local leadership team addresses all deficiencies and opportunities for improvement.

## Health and Wellness

Dana believes in the wellness of our people and the foundation for an effective wellness initiative is participation. Being aware of one's health status and the risks is empowering and crucial on the journey to improving overall well being.



Dana provides opportunities throughout the year to keep employees engaged in their personal health journey and in driving people toward healthy outcomes. Each year, Dana employees are asked to participate in health evaluations as part of annual enrollment for healthcare benefits.

In 2017, **Dana was named one of the Healthiest Companies in America** by Interactive Health, a leading wellness provider of health management solutions for the workplace. The criteria for this award is based on data from individual health evaluations and includes: a participation rate of 70 percent or more; at least 40 percent of high-risk individuals migrating to a lower-risk category; at least 42 percent of moderate-risk individuals improving health status; and a low aggregate company health score.

Individuals must choose their path to overall well being, and Dana recognizes that one size does not fit all. Therefore, a variety of engagement opportunities throughout the year are available. These include monthly wellness activities, vendor support, education, and access to personal health coaches. Dana also offers tools to empower employees to be smarter healthcare consumers and provides incentives for participating in preventive care.

These opportunities address the individual approach to personal health and well being. Dana continues to evolve and increase opportunities to proactively connect and engage employees in overall well being. Breaking down barriers and building a culture of wellness will lead to healthier outcomes.

## Development

Dana believes that the individual should have a major role in their development at both a professional and personal level. Dana offers on-demand eLearning programs through its training platform, Dana SkillPort and it also provides instructor-led, in-person, programs such as Leadership Foundations and First-line Supervisor programs intended for soon-to-be leaders, new leaders, and new-to-Dana leaders. For more experienced managers, 360 assessment and coaching programs are available.

Dana SkillPort also has eLearning programs for non-managers to enhance professional and personal growth, as well as online and in-person programs covering inclusion, increasing self-awareness, language, culture, and mentoring programs so that all Dana people can contribute their best.

Dana encourages employees to participate in employee-created resource groups to enhance the company's ability to attract, retain, and develop employees of varied backgrounds. The groups are employee-led initiatives with the mission to inspire growth and innovation and foster diversity for all employees. Groups include: African American Resource Group, Dana Women's Network (DAWN), LGBTQA, Green Team, and New to Dana (NTD).

**A.A.R.G.** African American Resource Group

**DAWN**

**LGBT**  
**+ALLIES**

**Green Team**



All of these approaches and programs address the various needs and learning styles of Dana people to better understand Dana's values and provide an environment for professional growth and interpersonal behaviors that help create the high-performance, inclusive, collaborative, and engaged culture Dana continuously strives for.

## Highlights

### Pamplona, Spain

Dana hosted children on a facility tour for a lesson in workplace safety. Equipped with safety glasses, shoes, and vests, the children were taken to stations throughout the plant and shown how Dana focuses on the safety of its people. Parents were even able to show their children the steps they take to stay safe every single day.

### Gravataí, Rio Grande Do Sul, Brazil

Dana's team in Brazil was recently recognized as one of the Best Companies for Disabled Workers by the government of the state of São Paulo. The award recognizes 15 large companies in Brazil for their practices of employability for workers with disabilities. The team at Dana Brazil launched a social inclusion project at Dana's Gravataí facility. The 800-hour program trains students from 18 to 45 years in subjects such as etiquette, expedition, quality, and safety, and provides them a 440-hour practical internship. This approach is aimed to promote social and economic inclusion in a sustainable way for people with disabilities, helping to further the important value they bring to society.

### Fort Wayne, Indiana, USA

Dana was one of three companies globally to be recognized by Rockwell Automation with its Manufacturing Safety Excellence Award. The award recognizes outstanding safety programs based on factors that include fostering a strong safety culture, maintaining well-executed compliance procedures, and the effectively utilizing contemporary safeguarding and automation technology through capital investments.

# Innovative Products

## Dana Delivers Best-in-Class Axle Efficiency

The mobility industry continues to push for innovations that improve fuel efficiency and reduce overall emissions. While many car manufacturers have looked to engines and transmissions for these improvements, they have largely overlooked other areas, such as drivelines.

Dana engineers looked at axle design differently and introduced a breakthrough solution that far exceeds the efficiency and performance of anything currently on the market, setting a new benchmark for best-in-class axle efficiency – a full 30 percent better.

Dana's ultra-efficient AdvanTEK® axle system was specifically designed to address energy losses related to oil churning and gear and bearing friction. The team's axle design achieves a substantial 45 percent reduction in energy loss compared with a typical axle, as measured by

the World Harmonized Light-Vehicle Test Procedure Drive Cycle and helps to deliver an approximately 2 percent fuel economy improvement across all torques, speeds, and temperatures. These achievements come without sacrificing durability and noise, vibration, and harshness performance, the mainstays of any axle's harsh existence.

This new axle technology is especially beneficial in all-wheel-drive applications, which remain in high demand among consumers.

Typically, when selecting an AWD vehicle over a two-wheel drive vehicle, consumers lose fuel economy, but by utilizing Dana's AdvanTEK® technology with a disconnect, Dana has helped automakers minimize the impact by bringing the AWD vehicles' fuel consumption to similar levels of a non-AWD vehicle.

**+ 30%**  
efficiency

**45%** reduction  
in energy loss

**+ 2%**  
fuel economy



Dana 44™ AdvanTEK® axle

## Product Safety and Quality

In today's global marketplace, sustainability and technological advancement are mutually achievable initiatives for supporting economic development and an improved quality of life. Dana is delivering technologies that enhance the stability, mobility, and maneuverability of today's vehicles. The quality of our products is of utmost importance. All necessary safety measures must be taken in connection with the design, manufacture, and distribution of Dana products. Dana's quality management system, including product safety and field action process, must be followed by all Dana employees and operations.

Dana is committed to meeting all customer and industry quality requirements and has secured IATF 16949 and/or ISO 9001 quality certifications, as appropriate to each facility. Our teams have a strong functional expertise and operate under a common global Quality Operating System (QOS), which has been established to reinforce customer and industry requirements, implement best practices, and ensure continuous improvement.

Dana's functional safety standards are aligned to meet the requirements for ISO 26262 across the light-vehicle, commercial-vehicle, and off-highway markets.

In the future, ISO 26262 will need to be applied to all the parts related to vehicle movement, rather than individual motion sub-systems. Dana has already begun to think about how research and development work will need to meet the challenges of functional safety even before new regulations have been developed.

### Stability

Dana's Spicer® Smart Suite™ intelligent load monitoring system (ILMS) for telehandlers and aerial work platforms uses patented and proprietary data-collecting technologies across the vehicle to prevent tip-over incidents, estimate static loads, and supply intelligent calibration management. The technology is designed to alert the operator of potential tipping situations, reduce the risk of vehicle breakdowns, improve productivity and precision, and enhance the long-term durability of powertrain systems.

Spicer Smart Suite ILMS transforms the axle frame into an active system that uses highly integrated electronics and intelligent algorithms to improve performance and enhance safety.

### Mobility

When correct tire inflation is automatically maintained in linehaul trucking, the life of tires is extended by up to 15 percent, providing increased safety and mobility for drivers. Dana effectively meets this need of the linehaul trucking industry with the Spicer® optimized tire pressure management system. It is designed to give the driver complete control over tire pressures. At the push of a button, the driver can select empty or full load and either highway or emergency mode to accommodate all linehaul trucking operations, eliminating the need for manual tire-pressure checks.

### Maneuverability

Dana has introduced the Spicer® SmartConnect™ disconnecting AWD technology. Improving the fuel efficiency of SUVs, crossovers, and passenger vehicles, Spicer SmartConnect technology helps global vehicle manufacturers address evolving emissions regulations while maintaining the safety and control that are key advantages for AWD vehicles. The system configures the drivetrain to work in fuel-efficient front-wheel-drive mode for the vast majority of driving conditions and engages AWD mode only as needed.

## Product Design and Function

Dana engineers are taking on some of the automotive industries toughest challenges to design products that offer maximum strength and durability while helping to achieve sustainability objectives, such as improved fuel efficiency, lightweighting, and emissions reduction.

### Efficiency

Dana has a sophisticated understanding of energy needs surrounding hybrid and electric vehicles. The company's thermal management systems apply to a wide variety of battery pack designs, allowing vehicle designers to rest secure knowing the cell temperature is constrained within a narrow window. Optimum temperatures help to ensure a safe and efficient battery pack. The team also supplies bi-polar plates for the support of fuel cell vehicles to maximize efficiency and minimizing impact.

### Lightweighting

Dana is optimizing the weight of its products by using process that help to place materials only where it is need. Nextrusion™ hollow shaft technologies are known for their light tubular design, optimized cross-section, and superior tuning for stiffness and weight. The Nextrusion cold extrusion process delivers a variable wall tubing with superior strength where it is needed, along with considerable weight savings (up to 35 percent) when compared with traditional manufacturing options.

### Emissions Reduction

Reduced-emission internal combustion engines are critical to clean urban environments. Air-oil separation technologies remove small particles of oil within the crankcase ventilation system, preventing their combustion and instead, delivering them back to the oil pump. This efficient system improves oil usage and reduces emissions.



#### Dana earned the **Green Pillar Award from Ford Motor Company**, which is presented

to top supplier parent companies that demonstrate excellence in the delivery of **fuel-efficient technologies** in support of Ford's drive to become a global leader in environmentally sustainable and socially responsible products. **Dana was one of four companies selected to receive the award among thousands of Ford suppliers globally.**



# Protecting the Planet

## Dana Earns Climate Protection Award

For Dana's facility in Columbia, Missouri, USA, protecting the planet means using less while achieving more. In 2017, the company received the Mayor's Climate Protection Award for Best Innovative Practices. The award recognizes companies and their employees for implementing innovative solutions that have successfully reduced energy consumption, promoted recycling and waste minimization, and greatly improved air quality.

### Efficiency and Energy Savings = Cost Savings

In order to reduce energy usage, Dana's team in Columbia focused on three projects. The first was to install a heat-reclamation system that captured heat from two industrial air compressors and dissipated the heat inside the plant during colder months, which resulted in a reduction of natural gas required for heating by 10 percent. The second project turned toward reducing energy usage from lighting. The team replaced existing fixtures with LED bulbs and compatible fixtures for an estimated savings of 115-thousand kilowatt hours annually. Lastly, the team conducted regular inspections and repair of air leaks at the facility, which has saved an estimated \$4,000 in annual energy costs.



**\$4,000**

annual energy savings  
from air leak repair



**115,000**

kilowatt hours saved



**10%**

reduction in natural  
gas usage

### Waste Minimization and Recycling

Eliminating land-fill waste and turning to recycling is an important way for companies to reduce their environmental impact. Dana's Columbia team was given a target of 25 percent waste reduction. The team quickly went to work and implemented a system for recycling cardboard, paper, plastic, and pallets — diverting 100.32 tons of material from landfills and achieving a 71.94 percent waste —diversion rate. They were even able to donate T8 lighting replaced during the LED installation project to a local school district to enable reuse (and saving the school money).

### Reduction of Toxic Materials

Special permits are often required by automotive facilities using paint due to the chemicals that can be placed into the air. The team switched from solvent-based to water-based paints, which reduced the plant's VOC emissions to the extent that an air quality permit for the operation is no longer required.

## Highlights

### Chihuahua and Querétaro, Mexico

Dana's Chihuahua and two Querétaro, Mexico, sites have obtained the Clean Industry Certification. Fewer than 20 percent of all facilities in Mexico have earned the certification. Dana is among a small group of companies in Mexico that have voluntarily committed to the highest standards of environmental stewardship. Through the certifications, Dana's objective is to safeguard the ecological balance and allow the environmental agency to focus its attention, primarily, on those industries that could have the most potentially adverse effects on Mexico's environment.

### Oakville, Ontario, Canada

Dana's Kerr Street location was certified as a silver recipient of 3RCertified by the Recycling Council of Ontario. 3RCertified recognizes organizations that take a leadership position in waste reduction and diversion. Properties are awarded certification on the basis of total points earned and verified through an onsite third-party evaluation.

### Gravatá, Rio Grande Do Sul, Brazil

Dana deployed a water-treatment process to remove ammoniacal nitrogen, phosphorus, and potassium from the waste water and sewage produced by plant operations. The process was licensed by the local environmental protection agency as contributing to the recovery of the nearby Gravataí River and helping to improve the overall water cycle. After treatment, the waste water is redirected to Dana's campus and used to irrigate nine land areas in the Gravataí industrial complex. Gravataí operations spread across 16 acres, creating a large, green campus with five major plants.

## Environment

Dana's commitment to the environment is detailed within its global Standards of Business Conduct, which emphasize Dana's view that a profitable industrial enterprise and environmental protection are mutually achievable objectives. The company's Environmental Management System (EMS) factors in social and financial impacts in addition to environmental protection to ensure our solutions are truly beneficial and sustainable for all stakeholders, including customers, shareholders, employees, suppliers, governmental agencies, and neighbors.

As the cornerstone of Dana's EMS, the Environmental Policy commits to:

**1. Efficient natural resource consumption and pollution prevention**

Dana operations conduct focused workshops to map manufacturing processes; assess inputs into the processes in terms of environmental solids, water, energy, air emissions, and toxics (chemicals); and challenge the existing processes to remove, reduce, reuse, and/or recycle the process outputs to remove costs and minimize the associated environmental footprint.

**2. Compliance with applicable rules and regulations**

Dana operations undergo a rigorous internal environmental compliance assessment to review federal, state, provincial, and local requirements, as well as a robust internal corrective action system to remediate any deficiencies identified within the assessment.

**3. Conformance to customer and company expectations**

Dana manufacturing and assembly operations are required to obtain and maintain a certificated ISO 14001 EMS that includes pertinent EMS risk/opportunity assessments, operational control documentation, awareness and training, internal audits, management review, and external verification assessments.

### Highlights

**Fort Wayne, Indiana, USA**

A series of projects have reduced the overall consumption of water from 2014 to 2017 by 44 million gallons.

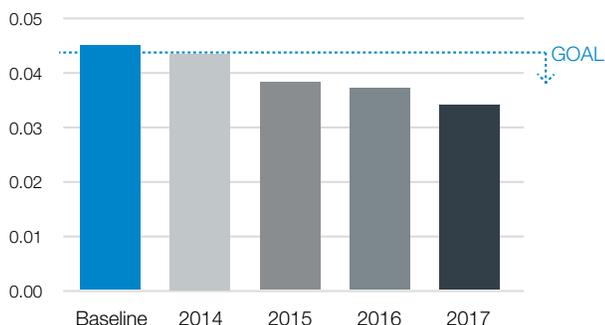
The volume of water savings is enough to fill 67 Olympic-sized swimming pools.



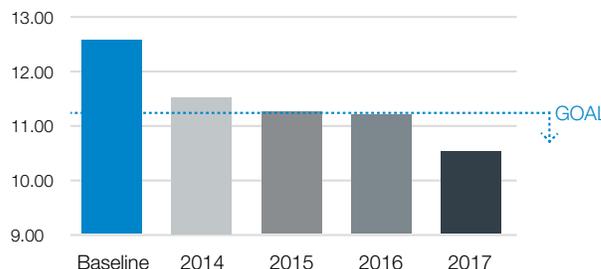
Dana's EMS provides the framework for establishing environmental continual improvement objectives to reduce energy (greenhouse gas emissions), reduce water consumption, and minimize wastes disposed within landfills.

The following graphs depict the enterprise view of Dana's progress toward greenhouse gas emission and water reduction goals.

Water Consumption (m<sup>3</sup> per Manhour)



GHG Emissions (kg CO<sup>2</sup>-e per Manhour)



## Community

Dana's commitment to protecting the planet means building strong communities with a focus on improving the quality of life in the places where we do business.

Founded in 1956, the Dana Foundation is a U.S.-based charitable organization that makes grants in the areas of education, health and human services, arts and culture, and neighborhood reinvestment.

In addition to the grants made from the Dana Foundation, the company encourages its facilities and employees to volunteer and participate in meaningful ways to support their local communities.

### Academic Support

Dana believes in collaborating with the academic communities to advance both the automotive industry and improve the educational opportunities of students interested in science, technology, engineering, and math careers.

Dana achieves this by offering scholarships, mentoring and sponsorships, as well as research collaborations with local universities.

### Scholarships and Internships

Dana Excelling into Engineering Scholarship Program is a partnership between the University of Toledo College of Engineering, Dana Incorporated, and Toledo Excel. The program is designed to give motivated students with an expressed interest in engineering the opportunity to increase their knowledge of and exposure to a variety of engineering careers and to enhance their academic preparation. The four-stage program begins after the completion of 11th grade and continues through the completion of a degree from the College of Engineering at the University of Toledo.

At the University of Modena and Reggio Emilia Italy, Dana's Off-Highway fluid power group partners with students to develop internships focused on research activities associated with the students' degree projects. The students come to Dana Reggio Emilia as interns and work in the engineering department or test lab to develop research on areas they will discuss in their thesis.

This collaboration enables students to learn more about fluid power.

## Highlights

### Pune and Chennai, India

Dana employees have engaged with rural communities by supporting women empowerment, community healthcare, and infrastructure development. Rural health camps organized by Dana volunteers were attended by more than 200 women and children in the village of Katarkhadak. A team of medical professionals, along with Dana volunteers, conducted medical check-ups and health awareness sessions. Medicine was distributed to those in need. The team says they are thrilled with their initial success to empower women, which was made evident by the people of Katarkhadak village electing a woman from the community as village head for the first time in history. Dana also erected a water filtration plant and is creating a pipeline for distribution to villagers.

### Chongqing, China

Dana's team in China supported remote rural schools by donating laptops and books in cooperation with Meng Foundation of Fudan University. The donated laptops are computers no longer in use by Dana and were sent to a national-level poverty-stricken county of Sichuan province.

## Matching Gifts Program



The Dana Foundation matches \$0.50 of every dollar for employee charitable giving up to \$5,000 for accredited educational institutions.

### Mentoring and Sponsorships

Dana partnered with SAE International and the SAE Foundation to bring the A World In Motion program to more than 1,800 elementary students in the Springfield Schools and Toledo Public Schools district.

Engineers from Dana assist teachers each week in the classroom as they work through activities geared toward learning important principles in science, technology, engineering, arts, mathematics (STEAM). Dana also sponsors FIRST robotics teams at local high schools to help develop the skills of students interested in STEM-related careers.

### Research Collaborations

Dana has developed strong strategic research collaborations with local universities across the globe. The company has engaged its engineering team at the Dana Mechatronic Technology Center in a research collaboration with the Mechatronics Research Group of the Industrial Engineering Department at the University of Trento in Italy with an emphasis on developing controls for hybrid transmissions, as well as off-highway vehicle dynamics.



# Governance, Compliance and Ethics

## Governance

All employees at Dana Incorporated – from our officers and directors to every individual at any of our operations around the world – hold themselves to the highest standards of business conduct. We are both obligated and committed to always conducting business in a legal, ethical, and responsible manner, with a respect for human rights, just as we expect our employees to work together with mutual respect and in a spirit of collaboration.

We simply don't compromise when it comes to conducting business with integrity and honesty. Thereby we can ensure that all our dealings are in compliance with all applicable legal requirements.

As a global company, we've translated [Dana's Standards of Business Conduct](#) into many languages, which is a required reading for all employees. These standards are the fundamental principles that guide all of us at Dana.

Link: [Standards of Business Conduct \(English\)](#)

## Stakeholders

All internal and external stakeholders benefit from Dana's robust ethics and compliance program.

Dana's Standards of Business Conduct are the backbone of its business conduct, ethics, and compliance program. The standards provide guidance to Dana people with regard to specific legal and business conduct risk areas and consequences of failure to satisfy our expectations.

Dana also maintains other core corporate, operational, and functional policies that are required of all employees. The on-boarding process for new hires involves a written acknowledgment of the receipt of the Standards of Business Conduct and other policies.

In addition, salaried employees at a manager level and above are expected to complete an annual questionnaire designed to identify any business conduct concerns.

Dana has a specific policy for handling internal investigations of possible business conduct and ethics violations and other matters involving fraud, theft, ethics, or financial reporting concerns. This policy establishes an affirmative obligation for employees to report ethics and business conduct matters that come to their attention. It also identifies the process for handling investigations, oversight, reporting, and related issues. Dana maintains a global Ethics and Compliance Helpline. The Helpline is a communication tool (both telephone and e-mail) that Dana people may use anonymously to raise concerns related to ethics or business conduct outside of their normal reporting channel.

Dana's policy expectations are reinforced through systemic training and education programs. All salaried employees are expected to complete a core curriculum of ethics and compliance training programs upon entry into the company, along with additional programs that are assigned each year.

Specialty programs covering particular risk topics are presented to target audiences on an on-going basis.

Senior Dana leaders participate in a video program called "Ethics Matters," in which the leader addresses topical subjects related to ethics and compliance on a practical, real-life manner.

Ethics and compliance is regularly integrated into other training programs such as, for example, Dana's "Leadership Foundations" program, in which key performers participate in thought provoking discussions and exercises on topics critical to leadership.

## Human Rights

A respect for human rights is a fundamental Dana policy. Dana's Standards of Business Conduct state, "Each Dana person is obligated to conduct Dana's business in a legal, ethical, and responsible manner with a respect for human rights." In addition, Dana's policy on corporate social responsibility and human rights sets forth Dana's

commitment to respect people, respect communities, respect the environment, and to respect law, ethics, and fairness. Dana also maintains policies and procedures that prohibit and guard against human trafficking and utilization of conflict minerals.

## Conflict Minerals

As a company with sales and manufacturing operations throughout the world, Dana supports the sourcing of minerals responsibly, as set out in the Standards of Business Conduct.

We support ending the violence and human rights violations in the mining of certain minerals from a location described as the “Conflict Region,” which is in the Democratic Republic of the Congo (“DRC”) and neighboring countries. We support these requirements to further the humanitarian goal of ending violent conflict in the DRC and in surrounding countries, which has been partially financed by the exploitation and trade of conflict minerals.

We are committed to:

- Supporting the aims and objectives of U.S. legislation regarding the supply of conflict minerals;
- Not knowingly procure specified metals that originate from facilities in the “Conflict Region” that are not certified as “conflict free”; and
- Ensure compliance with these requirements, and ask our suppliers to undertake reasonable due diligence within their supply chains to assure that specified metals are being sourced only from:
  - Mines and smelters outside the “Conflict Region” or
  - Mines and smelters which have been certified by an independent third party as “conflict free” if sourced within the “Conflict Region.”

If we discover the use of these minerals produced in facilities that are considered to be “non-conflict free,” in any material, parts, or components we procure, we will take appropriate actions to transition the product to be “conflict free.”

## Human Trafficking

Dana is committed to carrying out business responsibly, sustainably and ethically. This includes ensuring that modern slavery and human trafficking is not taking place in any part of our business or supply chain. Our commitment includes:

- Actions to combat modern slavery and human trafficking,
- Doing business in an ethical manner and with respect for our people and the communities in which they live, and

- Respect for human rights issues, including combatting abuses of them, and taking those issues seriously, whether through human trafficking, modern slavery, child labor or otherwise.

## Labor

Dana has long been committed to the principles of freedom of association for its employees and maintaining an open and productive relationship with unions who represent our employees in the various countries where we conduct business. This respect for the rights of our employees also extends to a recognition of the employee’s right to communicate their views on wages, hours, and working conditions. Further, in the U.S. and Canada, we have maintained a neutrality agreement with our major unions for many years regarding efforts to organize plant locations.



*People Finding A Better Way<sup>®</sup>*