

「2021

ENVIRONMENTAL,  
SOCIAL &  
GOVERNANCE  
REPORT

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“Dorman’s culture encourages curiosity that drives product innovation, embraces diversity and inclusion, and is underpinned by our commitment to operate with ethics and integrity. We are pleased to share all that our Contributors have accomplished, and look forward to continuing to serve our customers.”

**Kevin M. Olsen**  
President & CEO



# MESSAGE FROM THE CEO

Welcome to the Dorman 2021 Environmental, Social & Governance (ESG) report. Here, we share our mission and actions, demonstrating how we are Driving New Solutions™ by serving our workforce and customers.

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84%

OF OUR CONTRIBUTORS  
SAID THAT DORMAN  
IS A GREAT PLACE  
TO WORK

The foundation of Dorman's successful past and vision for the future is our ability to innovate. For more than a century, customers have looked to us for reliable direct replacement parts and, increasingly, innovative repair solutions engineered to save technicians and vehicle owners time, money, and frustration. Everything we do is centered around providing customer value, both in the quality of our products and the creativity of our solutions. We cultivate strong communication channels with our customers and directly respond to the needs of technicians around the country through customized products, training, and support. We innovate both consciously and conscientiously, recognizing we can only be successful if we are meeting our customers' needs, but understanding we have an obligation to act responsibly while doing so.

Contributors—our employees—are valued and appreciated for their distinct contributions to the growth and sustainability of our business. We empower our Contributors to do their best work through our Culture of Contribution. We believe that investing in our Contributors, providing them valuable training and development opportunities, and promoting a culture where they feel valued and empowered is a win-win. We strive to develop talented, successful people that will drive the long-term success of our business. We are proud of the resilience of our Contributors and how despite the challenges of the pandemic, our Contributors persevered and helped Dorman achieve record net

sales for fiscal 2021. Dorman's Contributors are the heart of all we accomplish, and we value their inputs every day.

Being a responsible member of the communities in which we operate and being an employer of choice includes a commitment to sustainability. Our business helps drive sustainability by reducing the need for additional resources. Our products extend the lives of existing vehicles, thereby helping eliminate the waste created when vehicles are prematurely brought to the end of their useful lives.

Dorman's culture encourages curiosity that drives product innovation, embraces diversity and inclusion, and is underpinned by our commitment to operate with ethics and integrity. We are pleased to share all that our Contributors have accomplished, and look forward to continuing to serve our customers.

Thank you for your interest in Dorman and for learning more about our company values.



A stylized, handwritten signature in black ink, appearing to read 'K. Olsen'.

**Kevin M. Olsen**

President & CEO



## INDUSTRY RECOGNITION

Dorman takes pride in being a valuable supplier to the automotive aftermarket industry. We are equally proud of the recognition we have earned from many of our partners, including prestigious accolades for achievements in innovation and partner relationship development. Some recent examples include:

- **Auto Value**  
Aftermarket Jackpot 'People's Choice Award' & Technology Support Award
- **NAPA Auto Parts**  
Innovation Award
- **AutoPlus**  
Outstanding Growth Award
- **Automotive Parts Headquarters (APH)**  
Technology Support
- **O'Reilly Auto Parts**  
Supply Line Award
- **Hahn Automotive**  
Vendor of the Year & Best Website
- **Federated Auto Parts**  
Vendor of the Year – Electronic Cataloging
- **Bond Auto Parts**  
Technology Award

# ABOUT DORMAN

Founded in 1918, Dorman Products, Inc. (NASDAQ: DORM) is one of the leading suppliers of replacement parts and fasteners for passenger cars and light-, medium-, and heavy-duty trucks in the automotive aftermarket industry. Headquartered in Colmar, Pennsylvania, our operations and supply chain teams span the globe and consist of 3,360<sup>1</sup> valued employees, or, as we refer to them, Contributors. U.S. operations include locations in Pennsylvania, Kentucky, Tennessee, Missouri, Oklahoma, Illinois, North Carolina, Virginia, Nevada, and Texas. We also operate office facilities and warehouses in Canada, China, Taiwan, and India.

Our elite status in a crowded market results from our dedication to Driving New Solutions. For over a century, Dorman has been a pioneer in responding to the needs of professional service technicians and dedicated do-it-yourselfers. With over 118,000 distinct<sup>1</sup> aftermarket products for millions of cars, trucks, heavy-duty vehicles, and off-highway equipment, we are among the leaders in the North American automotive aftermarket industry.

What is key to our continued success is our foundation for growth—our **IDEAS**—and the five core values each letter of that word represents:

- 1. Ideation and Innovation:** From products that directly replace original equipment designs to engineering innovations that provide upgraded repair solutions to customers, Dorman is committed to constant innovation.
- 2. Deliver Customer Value:** Our culture is rooted in our commitment to our customers' success and vitality. Our steady growth and high level of customer satisfaction underscore the economic value and importance of a vehicle owner's fundamental right to have their vehicles repaired wherever they wish. We diligently respond to customer needs and address even their most complex repair challenges with high-quality solutions.
- 3. Empower Our Contributors:** Dorman fosters an environment of trust and open communication. We provide our team members with the tools and resources to succeed, as well as opportunities to learn, test, improve, sometimes fail, and influence outcomes. We promote and reward curiosity, courage, and the relentless pursuit of new ideas.
- 4. Accountability for Results:** We take responsibility for setting ambitious goals and standards that continuously improve outcomes in all areas of our business.
- 5. Strive for Excellence:** "Good enough" is never enough for Dorman. We work tirelessly to improve upon yesterday's results.

These values are integral to Dorman's four Strategic Pillars — Growth, Contributors, Customers, and Operations. Inarguably, the accomplishments and dedication of our Contributors are essential to excellence in each pillar. Our customer-first mindset and participative culture enable us to achieve and expand our vision and differentiate us from our competitors.

Dorman's culture is one of the most substantive topics in our ESG focus. The priority this report places on nurturing our **Culture of Contribution** is reflective of our day-to-day approach to work. Dorman values diverse ideas, backgrounds, and life experiences, and appreciates the varying perspectives of every Contributor. Our Culture of Contribution, which is centered around valuing the critical roles our Contributors play in the success of our business, is the engine that powers Dorman. Following is a summary of our total Contributors by function and geographic location:

	2021		
	USA	Non-USA	Total
<b>Operations</b>	2,534	78	2,612
<b>Product Development</b>	162	2	164
<b>Quality and Engineering</b>	162	39	201
<b>Sales</b>	161	14	175
<b>Administration</b>	208	–	208
<b>Total Contributors</b>	<b>3,227</b>	<b>133</b>	<b>3,360</b>

1. As of December 25, 2021, and includes Dayton Parts.

# OUR ESG PRIORITIES

For this inaugural reporting year, our ESG program focused on an initial materiality assessment and ESG report. To conduct our ESG materiality assessment, we focused on key external stakeholders, such as investors, customers, non-governmental organizations (NGOs), and regulators. We also focused on our internal stakeholders, such as our Contributors, our senior leadership team, and members of our Board. For our external stakeholders, we used interviews and research to collect their perspectives and understand their perceptions of Dorman's ESG priorities. For our internal stakeholders, we gathered information through frank discussions and surveys. We also considered the results of a 2021 Enterprise Risk Management survey we conducted with leadership as part of the ESG materiality assessment. The contents of this year's ESG report are based on the results of the assessment.

In 2022 and subsequent years, we plan to continue formalizing and enhancing our ESG program with additional governance and goals.



# PEOPLE

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# PEOPLE

We call ourselves “Contributors” to reinforce that we are a team of innovators, collaborators, and problem-solvers, all working toward meaningful and common goals. Dorman Contributors are fueled by a drive for superior customer service and product quality, and our reputation as a leader in the automotive aftermarket industry is the direct result of the diverse backgrounds, viewpoints, and life experiences of our valued workforce. We empower and celebrate new ideas throughout our organization because new ideas are the lifeblood of our product development process and our evolution as a company.

We believe our Contributors are our most valuable asset and are committed to providing training and development opportunities to advance the skills and experiences of every member of our team. We believe that investing in our Contributors and promoting a culture where they feel valued and empowered is a win-win; developing talented, successful people drives the long-term performance of our business.

The ongoing COVID-19 pandemic imposed unprecedented challenges on our workforce. Our team was, and continues to be, characteristically resilient in the face of the pandemic, adapting as necessary to support Dorman and one another. As a business, we adapted too. In response to restrictions on travel and to help provide flexible work schedules for our Contributors, we installed and integrated new communications technology in almost every department and location to permit team members to be virtually present and available for collaboration as needed. Rather than cancel signature Contributor events important to Dorman’s culture, such as our annual corporate barbecue and annual holiday party, we redesigned them to accommodate social distancing while allowing the team some well-deserved time to relax and have fun.

## COMMUNITY ENGAGEMENT

Our Culture of Contribution extends beyond our walls. Community engagement and volunteering are crucial elements of our culture. We are committed to ensuring and enhancing the social and economic vitality of our local communities. We donate almost \$500,000 each year to local and national nonprofit organizations and provide our Contributors up to eight hours of paid time off per year to volunteer in their local communities.

In 2021, Dorman committed to hosting an annual giving campaign that supports causes most meaningful to our Contributors. To determine these causes, we conducted a survey whose results identified the development of youth and children and cancer research, prevention, and support as key topics of importance. Therefore, in the subsequent inaugural campaign, Dorman raised \$50,000 for St. Jude's Research Hospital.

In 2022, we will begin an annual recognition of Juneteenth as Dorman's National Day of Service.

## THINKING GLOBALLY; ACTING LOCALLY

Since 2013, Dorman has hosted an annual car show for Manna on Main, a Pennsylvania nonprofit that provides food, emergency financial aid, education, and other social services to those in need, though the event was not held in 2020 or 2021 due to COVID-19. Since 2015, Dorman has donated an aggregate of \$50,000 to the organization, including a 2021 contribution to Manna's Race to End Hunger.

In 2021, our efforts to support local families served by Manna on Main included purchasing and stocking 118 children's backpacks with school supplies and donating funds to purchase 50 Thanksgiving turkeys.

“Dorman is one of Manna's strongest, most reliable local business partners. Their support comes in many forms, including volunteering, financially contributing to Manna programming, providing in-kind food donations like turkeys and pies during the holidays, and hosting the Dorman Car Show to benefit Manna. On behalf of everyone at Manna and those we serve, thank you!”

**Sheldon C. Good**

Director of Development and Strategic  
Direction, Manna on Main Street





# DIVERSITY & INCLUSION

Our Culture of Contribution helps maintain a strong sense of community that promotes trust, respect, and collaboration. Our vision is to foster a diverse and inclusive work environment where all Contributors are valued and respected. As a global innovator, we thrive on diversity of thought and continually strive to leverage the experiences and backgrounds of all Contributors. We strive to cultivate a culture that enhances our ability to recruit, develop, and retain diverse talent at every level.

## APPROACH

While our Board of Directors maintains oversight of our diversity and inclusion initiatives, our CEO has the highest level of management responsibility for these efforts. Our CEO and our Chief Human Resources Officer are supported by our Vice President of Diversity and Inclusion, who was appointed to that role in 2021. Our approach to achieving a diverse and inclusive workforce is centered around our prioritization of the following four cornerstones:

- 1. Talent:** Attract, recruit, develop, and retain the best talent with diverse backgrounds and perspectives by utilizing a robust diversity recruiting strategy.
- 2. Environment:** Educate, promote, and increase our awareness and understanding of the value of differences, developing our competence in inclusive behaviors, and embedding diversity and inclusion into all our business practices.
- 3. Market:** Strive for recognition as the preferred brand in the markets we serve by building relationships with diverse customers, suppliers, and business partners.
- 4. Community Engagement:** Advance our diversity and inclusion efforts in the communities we serve by engaging with our customers and communities through partnerships and philanthropy.

## 2021 HIGHLIGHTS

Our commitment to diversity and inclusion starts at the top, and over the last several years, we have made progress by increasing the level of diversity on our Board. We are pleased to report that 50% of our independent Directors standing for election at our 2022 annual meeting of shareholders are racially or gender diverse.

In 2021, we formalized our commitment to diversity and inclusion by focusing on various initiatives. Diversity and inclusion training was a key area of focus. All Contributors were required to participate in a company-wide training program, and we launched specialized training courses in how to create an inclusive environment that all director-level and above Contributors were required to attend.

In 2021, we launched a diversity and inclusion page on our Contributor web portal to further educate our workforce on how they can help build a diverse and inclusive environment. We also expanded our presence on social media. We partnered with community and professional organizations to share and learn best practices, and we actively engaged with organizations in our industry that share our vision for diversity and inclusion, such as the Women in Auto Care Association (WIAC) and the Center for Automotive Diversity, Inclusion and Advancement (CADIA).

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# 50%

OF OUR INDEPENDENT DIRECTOR NOMINEES FOR  
ELECTION IN 2022 ARE RACIALLY OR GENDER DIVERSE





## DORMAN ALL IN

In 2021, all Dorman diversity and inclusion efforts were organized under an initiative named **ALL IN**. This initiative is designed to raise awareness and encourage all our Contributors to engage in diverse and inclusive behaviors. Our leadership team resourced this bold and major new project to ensure that Dorman delivers on the promise of Driving New Solutions. That promise positions our Company as an innovator now and in the future—a future that can only be brighter and better by being *ALL IN* on diversity and inclusion.

Our first-ever *ALL IN* Summit took place in October 2021 and was open to all our Contributors. The event was filled with presentations by guest speakers from inside and outside our industry, carefully chosen to spark interest and excitement around the initiative. Highlights of the event included our CEO confirming Dorman's commitment to *ALL IN*, recognition of many Contributors who were among the first to step up and drive many of our diversity and inclusion efforts, and presentations from two members of our Board of Directors on the importance of diversity and inclusion and their own personal experiences in this area.

In 2022, we will establish an *ALL IN* Council, chaired by our CEO and composed of leaders from throughout the company. The Council will:

- Establish and promote *ALL IN* initiatives.
- Promote company-wide communication on progress made in diversity and inclusion efforts.
- Integrate diversity and inclusion initiatives with Dorman's mission, operations, strategies and business objectives.
- Provide governance and oversight of our Contributor Resource Groups.

We plan to host an *ALL IN* Summit again in 2022 to ensure we are keeping our commitments and messages visible and prioritized among our Contributors.

“Through diversity of backgrounds and perspectives and promoting inclusion, we can drive innovative breakthroughs for our customers and provide engaging experiences for our Contributors.”

**Kevin Olsen**  
President and CEO





## CONTRIBUTOR RESOURCE GROUPS

We continue to engage as many Contributors as possible and build momentum in our diversity and inclusion efforts through our Contributor Resource Groups (CRGs).

The **Dorman Women's Network** was formed to drive professional growth and a measurable increase in diversity at all levels of the organization. In the first year of the CRG launch, Dorman sponsored memberships in the Elevate Network, a global community of women committed to fostering and promoting gender equality in the workplace. Dorman Women's Network 2021 highlights included:

- Provided scholarships for female technicians at Pennco Tech and the American Diesel Training Center.
- Hosted the first Dorman 5K Race, which raised over \$20,000 for the Jefferson Health Sidney Kimmel Cancer Center Mobile Cancer Screening Unit.
- Supported members through *Thoughtful Thursday* discussions and a new Networking Fishbowl Program that provides CRG members the opportunity to connect with the broader organization.

The **Dorman Veteran's Network** is a community supporting the transition, hiring, retention, and professional development of military veterans. It is dedicated to fostering and advancing the inclusion of veterans in the workplace and within our communities. Dorman Veteran's Network 2021 highlights included:

- Supported Operation Gratitude, a group that forges relationships between military members and first responders through service projects.
- Engaged in recruiting partnerships to support individuals transitioning into civilian life.

Two new CRGs, the **Dorman Multi-Cultural Network** and **Casual Contributor Network (C3N)**, were introduced and announced at the *ALL IN* Summit in October 2021 and formally launched in 2022. The Multi-Cultural Network organization provides opportunities for networking, sharing, and providing information on current issues facing minority populations. The Casual Contributor Network (C3N) supports professionals early in their career who want to grow and learn in the Dorman organization.

## NEXT STEPS

To foster more perspectives on how we can continue to engage and inspire more Contributors, we plan to continue to seek more opportunities to add other worthwhile CRGs. In addition, in 2022, we plan to integrate diversity and inclusion initiatives into our Talent Strategy and will strive to include diverse candidates on each new hire candidate slate for any director-level and above positions. We will also continue to provide informational sessions for our Contributors so they can continue to develop a growth mindset and explore ways to connect with *ALL IN* within the workplace.



# CONTRIBUTOR DEVELOPMENT, **ATTRACTION & RETENTION**

Dorman's global team of Contributors is our competitive advantage and most important asset, which means that retaining and nurturing top talent and advancing the skills and experiences of every member of our team is a high priority. We are committed to investing in the next generation of talent, and to educating and encouraging all Contributors to actively seek opportunities across the enterprise.

Dorman has a responsibility to actively seek the most qualified candidates for our career opportunities. To fulfill that responsibility as a diverse and inclusive employer, we partner with organizations that not only advance our recruiting strategy, but also connect us to ways we can reciprocate or provide a service to underserved populations.

We launched our Co-Op Engineering program in 2009 and our Summer Internship program in 2019, and have since transitioned several of those interns into full-time hires. Dorman has also regularly participated in several campus hiring events, as well as local high school and community college events that establish early talent pipelines and provide students a lens into a career in the automotive aftermarket industry.

Preserving institutional knowledge starts with retaining the human talent that retains and enhances it. Accordingly, Dorman conducts semi-annual talent reviews of our salaried Contributors. Results of Talent Reviews are presented semi-annually to the CEO and annually to the Board, and directly influence the learning and development investment and strategy each year.



We provide growth opportunities for Dorman Contributors at every level to help ensure a continuing flow of evolving talent. To support that effort, starting in 2020 we introduced a series of development programs aimed at building an even deeper, stronger, more diverse pool of leadership talent. These development programs are designed to engage, develop, and retain our top talent through formal learning, mentorship, and membership. Examples of these programs include:

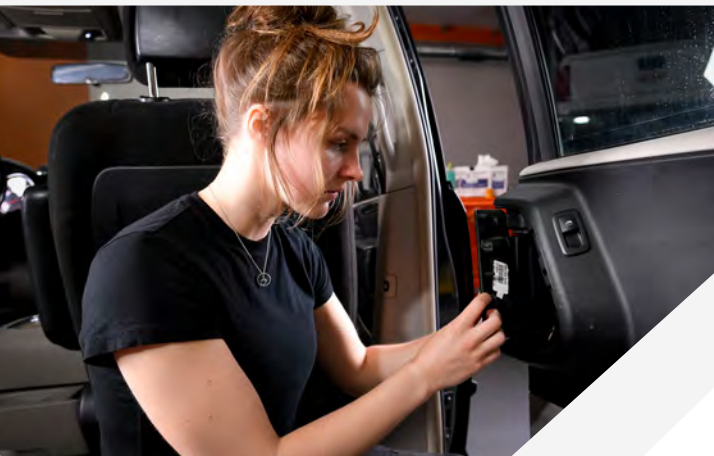
- We partner with Northwood University to bring their **Automotive 101** course to Dorman. This program bridges the gap between business, aftermarket, and automotive knowledge for our interns, Assistant Product Manager (APM) Pipeline program, and new Contributors.
- Our **Early Career Development Program** targets Contributors at manager-level and below who are in the early stages of their professional career.
- Our **Breakthrough Leading Program** targets leaders who have not yet received formal training, as well as first-time leaders. *Our Essentials of Leadership* program is an online program available to any manager with direct reports that wants to enhance his or her skills. Subjects include emotional intelligence, trust-building, and embracing change.

As was the case for many businesses in 2020, the pandemic unfortunately impacted the advancement of these programs. We adapted by adopting new instructional methods that focused on hands-on learning opportunities and project-based work in 2021.



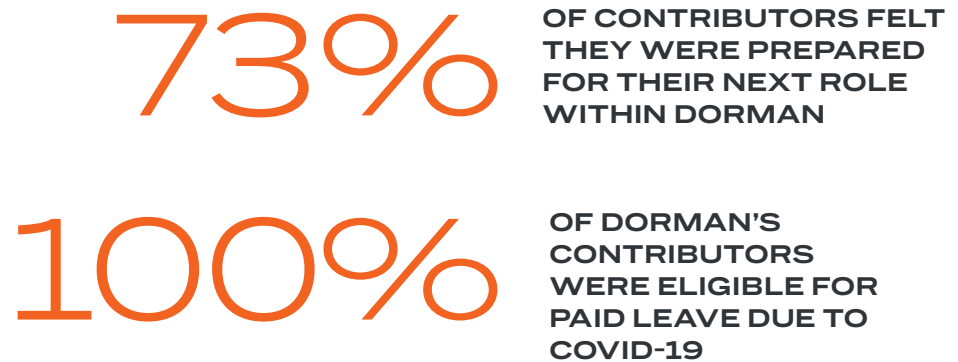
## DEVELOPING TOP TALENT

As part of our continuing effort to prepare future leaders for a more inclusive, diverse, and sustainable Dorman Products, our **Top Talent Program** launched in February 2020, with participants selected via our Talent Review process. The program's cohort completed the *Leading Strategic Growth* program offered by Columbia Business School and the *Leading Through Personal Excellence* course offered by the Stanford Graduate School of Business. The inaugural class continued their formal leadership development training by participating in experiential learning opportunities such as our **Mergers and Acquisitions Rotation Program** and in our Dorman "Give Back" programs, including Fishbowl Networking Discussions and mentoring participants in our **Early Career Program**. One third of Top Talent participants have since been either promoted or placed in roles with expanded responsibilities.



## CONTRIBUTOR ENGAGEMENT

Our first Engagement Survey in 2020 indicated 38% of our Contributors felt they were prepared for their next role. In 2021, this percentage increased to 73%. We attribute the increase in confidence to programs like the **Top Talent, Essentials of Leadership**, and **Breakthrough Leading Programs**, as well as our mid-year performance check-ins and enhanced talent review and succession planning processes.



## CONTRIBUTOR PAY AND BENEFITS

We take pride in offering competitive benefits that provide Contributors options to meet their needs. We conduct an executive compensation benchmarking review annually to help ensure we are providing market-based compensation, including base salary, short-term incentive, and long-term incentives. We also participate in annual compensation surveys for all positions and strive to compensate our top talent and key roles competitively.

Contributors that are regularly scheduled at least 30 hours a week are eligible for all benefits, and we consider full-time to be 30 hours and above.

To alleviate the financial burden of health care insurance, we designed our Keys to Well-Being wellness program, which offers Contributors an opportunity to save \$600 on their annual medical insurance premiums by completing an annual online health assessment, biometric screening, and one preventative care visit. Other offers include onsite annual flu shot clinics, COVID-19 vaccination clinics, health fairs, and breast cancer and cardiovascular disease screening events.

### Other benefits include:

- **Tuition Assistance:** Dorman provides tuition reimbursement for undergraduate and graduate education for Contributors through our tuition assistance program.
- The **Dorman Employee Stock Purchase Plan** allows Contributors to purchase Dorman Stock at a 15% discount.
- Dorman provides Contributors a **401(k) match and annual profit-sharing contributions**.
- Throughout 2020 and 2021, Dorman provided hundreds of Contributors 100% paid COVID-19 leave.

## NEXT STEPS

Plans for 2022 include hosting our inaugural Leadership Week Conference for our Contributors, during which we intend to spotlight Dorman leaders who will share their experiences and insights. In 2022, we will conduct a series of informational sessions on what professional development and growth looks like within Dorman. These sessions will shift focus from tactical managing with a focus on day-to-day results to also leading with vision, inspiration, and authenticity. Our hope is to retain our very best talent and to fulfill the career aspirations of all our Contributors.

In 2022, we will also expand our Internship Program into a year-round initiative and introduce new partnerships with historically black colleges and universities.

We will continue developing high-performing and engaged Contributors and teams, advancing talent acquisition strategies and pipeline programs. We aim to ensure even greater and more agile Contributor development, promote internal talent mobility, and optimize career paths for our workforce members.



# CONTRIBUTOR HEALTH & **SAFETY**

We are committed to the health and safety of our Contributors, contractors, and communities. Dorman's leadership team inspires the active participation of all parties to ensure that we continue to improve on Dorman's programs and processes that keep workplaces safe.



## APPROACH

Health and safety are paramount in our daily operations and are a key element in evaluating the operating performance of our sites as well as the performance of our site leaders. Our health and safety programs across the Company's operating facilities are managed by Dorman's Senior Vice President of Operations and its Safety Director. Our approach to health and safety includes:

1. **On-site safety leaders** providing training and education to Contributors as part of our regular safety program, including new Contributors as part of our onboarding program.
2. **Safety leaders engaging in regular collaboration** across sites to share best practices and lessons learned.
3. **Operating facilities having assigned safety goals** and leaders from those sites tracking and reporting safety performance to our Senior Vice President of Operations on a regular basis.
4. **Site leaders reporting on safety performance** against their goals to our executive leadership team as part of our regular operating reviews.
5. **Providing updates to our Board of Directors** on our health and safety data and trends.

The Dorman **Environmental, Health and Safety (EHS) Policy** details our commitment to comply with EHS regulations and requirements and our prioritization of maintaining safe workplaces. This EHS policy, created in 2021, communicates our objective to have Contributors, contractors, and guests work or visit safely and in an environmentally responsible manner, while achieving our business goals.

Further, our **Code of Ethics and Business Conduct** includes methods of reporting safety issues without reprisal. Contributors can use our ethics hotline to anonymously report safety concerns. Safety is a must, and we expect the commitment of each Director, Officer, and Contributor to make Dorman an accident-free workplace.

## PROGRAMS

Dorman's *Safety Champion* program rewards Contributor behaviors that help ensure a safe workplace. Team members can nominate fellow Contributors who exceed standards. Conversely, any safety or environmental incidents are quickly reviewed to help prevent reoccurrence.

Dorman strives for zero work-related injuries and illnesses. Each of our facilities sets a site-specific target to improve our safety metrics, such as Lost Time Accidents (LTA); Days Away, Restricted Transfer (DART); and Recordables. We plan to continue growing our health and safety program to reinforce and encourage safe behaviors, including increasing the number of Contributors on our health and safety teams.

Responding to the recent pandemic, our COVID-19 policies were designed with safety in mind, with generous leave and work from home policies to reduce the potential for COVID-19 exposure in the office. For workers who could not work from home, we implemented temperature screenings, social distancing, and robust sanitization practices at all our facilities.

	2021 Data
Total Recordable Incident Rate	2.61%
Restricted Transfer (DART) Rate	1.71%
Lost Time Accidents (LTA)	0.60%

# PRODUCTS & CUSTOMERS

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# INNOVATION

The lives and livelihoods of people depend upon cars and trucks. Dorman gives people greater freedom to fix these vehicles by constantly developing new repair solutions that prioritize owners and installers. What distinguishes us from other automotive aftermarket companies is our customer-first mindset and our commitment to innovation. Our engineers and designers are laser-focused on solutions that can save repair technicians time and save vehicle owners money.



## MAKING PARTS BETTER

Some of our solutions address issues with the original manufacturer's repair solution. We call these Dorman® OE FIX™ products. Some OE FIX parts have been redesigned by Dorman experts to save installation time or improve reliability. Manufacturer-centric concerns, like weight reduction and ease of factory assembly, sometimes lead to products that are failure-prone and frustrating to replace. We put installers' and owners' concerns first, changing the design, components, or materials of parts to reduce the likelihood of future failures.

Other OE FIX parts are those that cannot be purchased from the original equipment manufacturer (OEM). When it comes to supplying replacement parts, OEMs are not always customer friendly. Frequently, customers must buy an entire part assembly just to fix a failed single component, or they must separately buy and assemble multiple parts. We routinely develop direct replacements for the most failure-prone components, often enabling customers to replace only the failed piece rather than the whole assembly. We also pre-assemble certain products to save installation time.



## NEW IDEA GENERATION

Dorman produces hundreds of new automotive replacement parts every month, a testament to its focus on a business asset unrivaled in our industry: inspiring, generating, collecting, and bringing to reality *ideas for better repair solutions*. We have dedicated, well-resourced teams devoted solely to ideation and innovation in support of that asset.

Our teams of researchers, field analysts, and product specialists constantly visit repair shop technicians to listen to and understand their repair challenges. Often, the Dorman solution is a direct aftermarket replacement for the factory part, providing consumers with an alternative to the original equipment manufacturer. Sometimes our experts and engineers take it a step further, identifying what made the original part problematic and developing a solution that increases reliability, reduces repair time, and saves money.

We take a three-pronged approach to this ideation process:

- 1. Field Research:** We visit shops and garages throughout North America to learn what repair issues technicians are encountering. Our product teams use that intelligence to build our pipeline of solutions.
- 2. Data and Analysis:** Our product experts are constantly examining data from various sources to identify opportunities to provide better solutions. We utilize highly sophisticated data analytics to detect patterns of problems, building forecasts of future part failures and soliciting feedback from thousands of professionals.
- 3. Idea Submissions:** We welcome customers' best ideas. We have earned a reputation for solving our industry's problems and created an open door to repair professionals, backyard mechanics, and automotive enthusiasts of every kind. They regularly communicate their ideas and repair challenges to us, and we have established channels for us to get this valuable input through our website, social media channels, and directly to our Technical Support Team.



## OUR SOLUTION DEVELOPMENT PROCESS

Once successful ideas are generated, Dorman leverages a cross-functional, multi-phased business process that helps Contributors manage ongoing technical and commercial risks through a series of key development milestones.

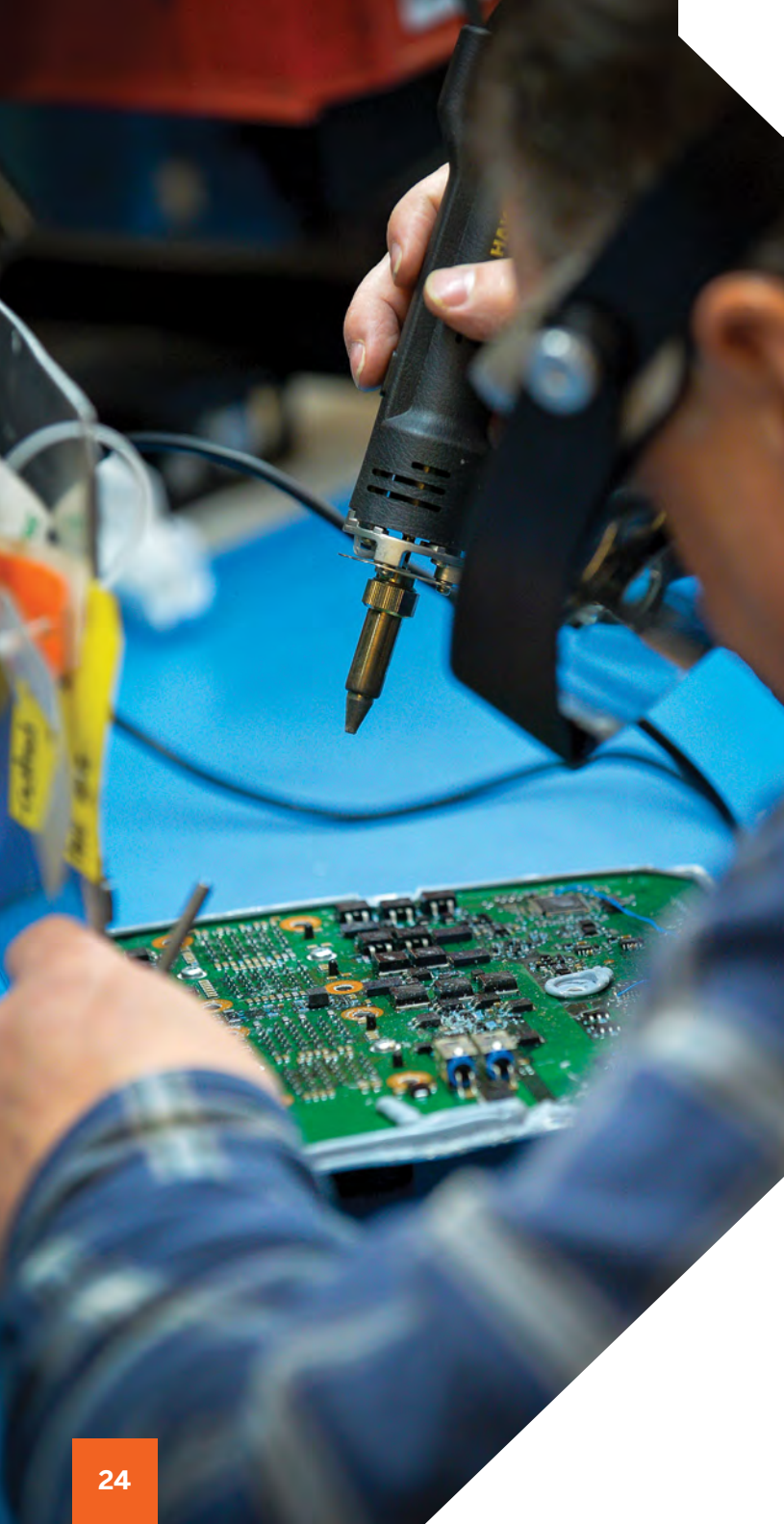
Throughout our solutions development process, teams work through several key subprocesses, including intellectual property assessment, specification package creation, Production Part Approval Process (PPAP) development and review, and part attribute syndication for customer commerce systems and solutions training.

“Without a doubt, the engine behind OE FIX solutions is the community of shops and techs who are constantly telling us what’s breaking, so that we can help find a better way.”

**Lester Kovacs**

Product Ideation Director





## INVESTMENT IN THE FUTURE

Automotive technology is evolving rapidly and shows no signs of slowing down. Dorman is keeping pace with new technologies as they emerge, developing solutions in categories that did not even exist a decade ago for the aftermarket. At the same time, we are standing up for the rights of both mechanics and motorists to maintain and repair automobiles independently from their manufacturers. Dorman has invested over \$100M in research and development (R&D) over the past five years to ensure we stay in sync and, in some cases, ahead of the broader automotive aftermarket industry. Some recent examples of Dorman R&D investments include:

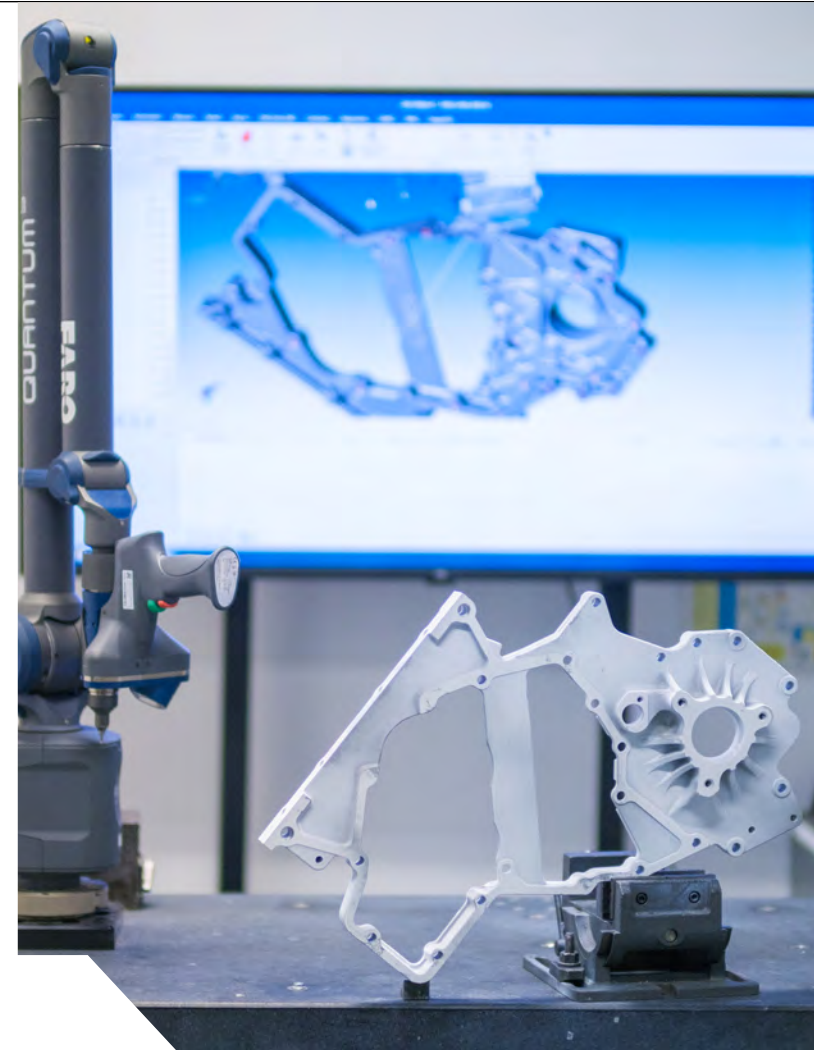
- **Electrification:** As vehicles become increasingly electrified, Dorman is adapting to meet new service demands. We are continuously improving our hybrid battery remanufacturing process to ensure more reliable, longer-lasting power storage for hybrid vehicles in preparation for the coming wave of fully electric cars and trucks. These vehicles will introduce entirely new systems that do not rely on an internal combustion engine. Dorman will be ready for a future that includes a mix of combustion, electric, and hybrid automobiles.
- **Advanced Driver Assistance Systems (ADAS):** Technologies to increase active vehicle safety continue to work their way from high-end luxury vehicles to the mainstream. Advanced driver assistance systems like lane-departure and blind-spot monitoring, active cruise control, collision avoidance, and reversing cameras depend on accurate sensors, control units, and actuators to inform drivers of potential hazards and even take corrective action when drivers fail to respond. We are steadily expanding our offering in this area to lead the aftermarket in these new technologies.

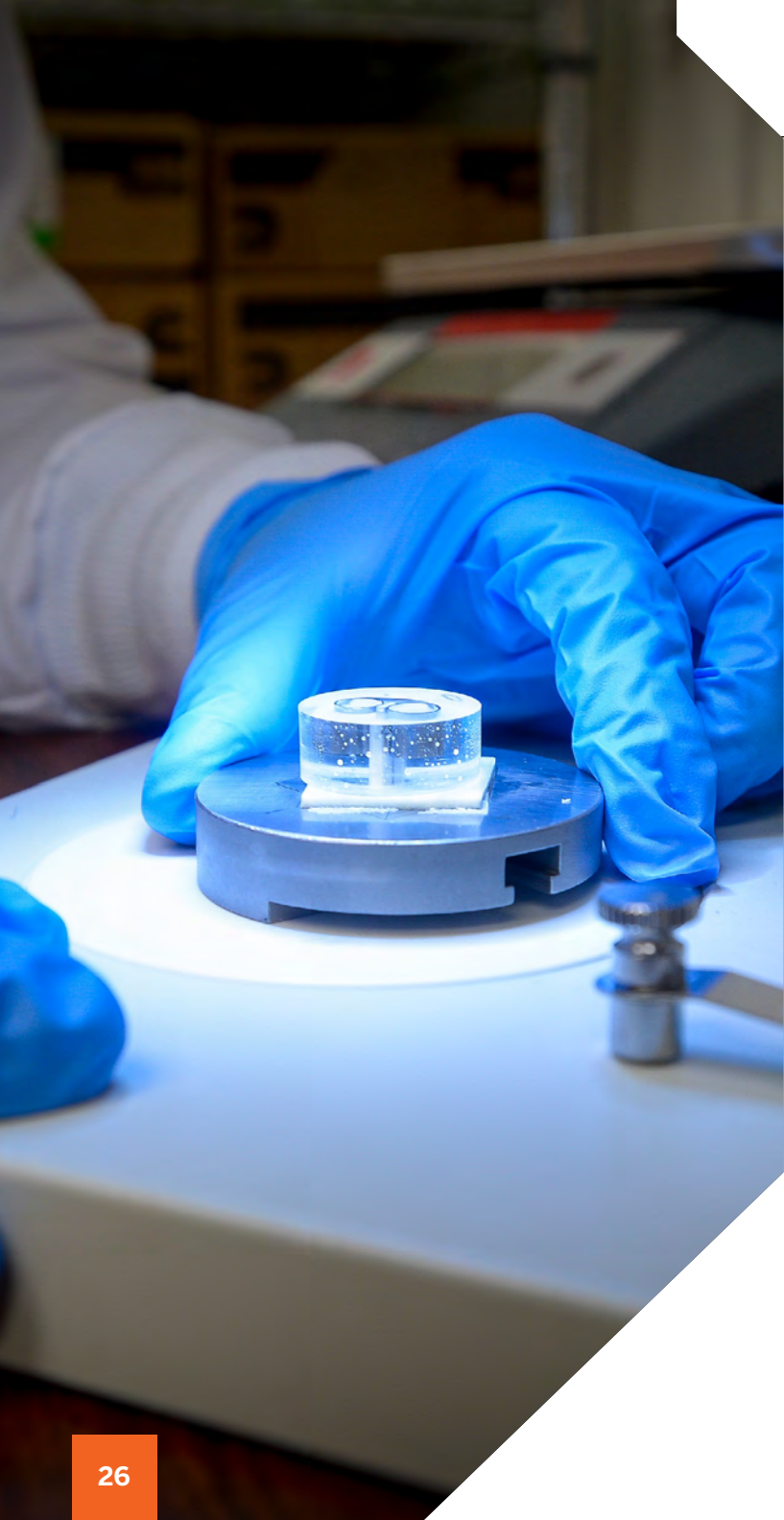
- **Mechatronics:** Increasingly, traditional mechanical systems are evolving to include electronic drive and control units. These electromechanical technologies – or mechatronics – increase vehicle efficiency, reduce weight, and allow for more compact component packaging. From electric power-assisted steering (EPAS) to transmission electro-hydraulic control modules (TEHCM), these systems rely on sensors, actuators, controllers, and mechanical components to work properly. Dorman's expertise in both complex electronic and mechanical systems keeps us at the leading edge of the aftermarket, and often the first to develop new solutions.
- **Laser Scanning, 3D Part Design, Advanced Software Modeling:** Because exact replacements are critical to installers, our process begins with capturing every shape and surface detail of the original design with three-dimensional scanning technology. OEM parts are scanned using our digital coordinate-measuring machines, which allow for precise dimensional analysis and accurate tooling inputs. Building on data gathered from these scans, our design engineers create a unique digital 3D model. Because repair professionals need solutions fast, we perform rapid prototyping of new designs in our 3D printing lab to accelerate innovation. Using several additive manufacturing technologies, we quickly generate prototype parts with the accuracy and integrity required to perform on-vehicle fit and functional testing. To further accelerate our speed to market, our engineers use powerful computer-aided design software to design and test improvements in a virtual environment. Designs are optimized using finite element analysis tools to alter attributes like material type, physical dimensions, and other specifications.

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# \$100M

INVESTED IN RESEARCH AND DEVELOPMENT  
OVER THE PAST FIVE YEARS





# PRODUCT QUALITY & **SAFETY**

Our success in the automotive aftermarket parts industry is connected to our uncompromising commitment to product quality and customer satisfaction. We maintain our leadership position in the automotive aftermarket industry through strict application of Advanced Product Quality Planning (APQP) and development, supervision of our internal and external manufacturing partners, and ensuring high product performance.



To provide reliability and protect customer safety, we implement thorough quality standards and leverage opportunities for continuous improvement. We have systems in place to help ensure that our products meet or exceed our performance and quality standards throughout their lifecycle.

## QUALITY MANAGEMENT

We have implemented and continue to enhance quality management systems that represent leading practices and guide our processes to maintain quality and safety in our operations. Our formal Quality Management System (QMS) is aligned with International Organization for Standardization (ISO) 9001 criteria with one manufacturing operation adhering to the International Automotive Task Force (IATF) 16949 standards, and VDA 6.3 for supplier performance criteria as part of our Supplier Quality audits. These industry standards outline established, widely recognized procedures and direct our approach to quality management.

Our product groups perform individual risk assessments to identify risks and present options for controls to reduce the chance of failure. Safety assessments at each phase of our quality management process help maintain our standards and help keep customers safe. Following product launch, we incorporate customer feedback to continuously improve products for the length of their production run. This cycle of continuous improvement enables our thorough approach to quality and the continued delivery of reliable products.

## PRODUCT QUALITY

We use internal and external measurements of quality and a comprehensive Voice of the Customer (VoC) process to assess our performance and decide where we can make improvements. We use VoC data and warranty repairs during the first twelve months in service as a key metric to measure initial quality, and we monitor longer-term warranty claims for inclusion into future preventative design improvements.

Warranty and VoC data are constantly monitored at Dorman to promote a cross-functional approach and manage escalation of any product warranty issues. This cross-functional team includes executives and leaders from our Product, Engineering, Quality, Manufacturing, Operations, and Legal departments. Our structured problem-solving process identifies potential areas of improvement and initiates solutions intended to better the user experience, while driving those solutions into future product development. This corporate-level activity prioritizes communication and collaboration between functions to holistically address risks, improve future designs, and ensure long-term customer satisfaction.

## TRACEABILITY

We also strive to monitor traceability of products as part of our compliance with quality regulations. We maintain traceability by reporting raw materials in our products to the International Material Data System (IMDS) to comply with quality requirements for our components. Our Restricted Substance Management Standard (RSMS) also supports our commitment that parts fully meet applicable legal and customer standards for materials in our products. This standard informs our suppliers of the materials excluded from Dorman's products and of limits on the use and amounts of certain materials. We continue to update our process and monitor compliance with regulations as needed.



## SUPPLIER MONITORING – QUALITY AUDITS

Dorman is routinely setting expectations in both manufacturing ability and social responsibility requirements of our manufacturing partners. We are committed to using suppliers that meet or exceed the expectations defined in our [Supplier Code of Conduct](#). We also expect the quality management systems of our direct material suppliers to align to the ISO 9001 standard. During the supplier approval process, we audit new direct material suppliers on quality management, as well as social and environmental criteria to confirm conformance with our requirements.

## TESTING AND QUALITY

We leverage Advanced Product Quality Planning (APQP) processes throughout the product planning, design and execution phases of our development process. Production prototypes, pre-production samples, and finally first run product samples are rigorously tested to our internal performance standards before our customers ever see a first delivery. Many of these tests are designed specifically by Dorman engineers by combining Federal Motor Vehicle Safety Standards (FMVSS) and SAE International requirements with internal benchmarking of the OE part to ensure that our products meet or exceed our expectations for real-world performance.

To test and validate each part in real vehicles, we have also invested in the Dorman Proving Grounds Garage, our own advanced testing facility. Equipped with the latest industry tools and equipment, this 4,000-square-foot controlled environment is an extension of our engineering labs, allowing our Automotive Service Excellence (ASE)-certified technicians and engineers to test-fit parts, log data, and perform testing on their own schedules, without the need to depend on third parties.

We operate several of our own manufacturing and remanufacturing facilities in the United States. We also work with a network of advanced manufacturers around the world. Dedicated teams of Dorman specialists routinely visit, evaluate, and validate these partners to ensure they operate to our own high standards.

## PRODUCT SAFETY

Our innovation process includes various critical review steps to evaluate safety-critical aspects of parts in development. We provide our customers with safe products that meet or exceed our expectations for quality and safety and are designed to comply with key industry statutory and voluntary standards and regulations. External data is consistently monitored through the National Highway Transportation Association (NHTSA) for emerging market trends and potential impact to current in-field products.

Our goal is to ensure the safety of end customers who purchase and use our products through our use of tools such as Design and Process Failure Mode Effects Analysis (FMEA) in the design and validation process steps, combined with a robust Product Part Approval Process (PPAP) for product execution. Tools like these are designed to assure quality and safety attributes are understood and appropriately controlled and future potential risks mitigated accordingly. In 2021, Dorman also added extra assurance through a dedicated cross-functional Safety Review Board that reviews and addresses products with higher safety risk potential.

# 4,000 ft<sup>2</sup>

**OF CONTROLLED ENVIRONMENT ALLOWS  
OUR AUTOMOTIVE SERVICE EXCELLENCE  
TECHNICIANS AND ENGINEERS TO MAINTAIN  
A HIGH STANDARD THROUGH TESTING AND  
QUALITY CHECKS**







# SUPPLY CHAIN MANAGEMENT

Dorman is routinely adjusting and raising the bar of the expectations of our external supply partners in both manufacturing ability and social responsibility requirements. We encourage our suppliers to meet or exceed the standards we have set for our own operations.



We bring our repair solutions to market through a well-honed and extensive global network of manufacturing and development partners. A responsible sourcing program is essential to ensuring our business relationships are aligned with our values and comply with all applicable regulations and policies. Our [Supplier Code of Conduct](#) sets minimum standards and expectations for our external manufacturers and is designed to promote safe and fair working conditions, and the responsible management of social, ethical, and environmental issues in our supply chain.

## SOURCING RESPONSIBLY AND ETHICALLY

As Dorman's supply chain continues to expand and evolve in a rapidly changing business climate, our focus on sustainability, business ethics and respect for human rights is grounded in our company policies and practices. Our [Code of Ethics and Business Conduct](#) and [Supplier Code of Conduct](#) specify the important guidelines and expectations for our Contributors and suppliers alike. In simple terms, they explain what is right and fair when doing business with and for Dorman. We seek to conduct business with companies that meet our high standards and share our commitment to integrity and ethical conduct. We choose our suppliers thoughtfully, making sure they can meet or exceed expected design parameters along with our quality and service expectations. In addition, our processes are designed to ensure they not only meet our contractual requirements and follow the law, but also share our respect for the environment, workplace health and safety, and human rights. Routine audits and measurements help assure continued compliance with Dorman's expectations. We also include the ability for suppliers to report concerns in the [Supplier Code of Conduct](#) published on our website.

## CONFLICT MATERIALS

It is our goal to manufacture products that contain only conflict-free materials, particularly tantalum, tin, tungsten, and gold. Dorman is committed to complying with the Dodd-Frank Wall Street Reform and Consumer Protection Act. Dorman will not knowingly purchase or sell any product that contains conflict minerals. We expect our manufacturers to adopt a conflict-minerals free sourcing policy that is consistent with our own and in accordance with the Organization for Economic Cooperation and Development (OECD) guidance. We support the humanitarian goal of ending the human rights violations and violence in the Conflict Region of the Democratic Republic of the Congo and adjoining countries. We actively survey the sources of these minerals used in our products to avoid those that may come from conflict sources. We comply with applicable disclosure rules of the U.S. Securities and Exchange Commission regarding conflict minerals, and our findings are published in our annual SEC filings.

## SUPPLIER DIVERSITY

Dorman recognizes the value of diversity across our business, and we embrace our responsibility to act as a positive influence within the communities in which we operate. We aim to provide equal access to procurement opportunities for diverse and underrepresented businesses and to increase our engagement with these firms through the development of mutually beneficial business relationships.

# CUSTOMER SATISFACTION

At Dorman, our customers are at the heart of everything we do. We view ourselves as a service organization, making our customers' jobs easier and helping cars and trucks get back on the road. Throughout 2021, Contributors at all levels of our organization engaged with customers to identify growth opportunities for their business. Using product innovation, world-class marketing support, and deep category management analytics, we believe we are meeting our customers' needs and driving the aftermarket.

## ENGAGING WITH CUSTOMERS

Our Brand Ambassador council and field innovation analysts prioritized our connection to technicians and counter professionals as well. Every year, we receive thousands of product innovation ideas aimed at resolving critical pain points, increasing reliability, and improving the ease of installation. Many of these are launched as aftermarket-exclusive solutions, including as signature OE FIX innovations.

In service to technicians, we are focused on both innovation as well as providing critical diagnostic and installation training. The Dorman Training Center, in partnership with our top customers, is committed to supporting technicians and ensuring the aftermarket is equipped to make the most complex repairs. In 2021, we provided training to over 50,000 automotive repair technicians and look to build on that in 2022.

Evidence of our high level of customer satisfaction accumulates each year, and in recent years we have received prestigious awards for achievements in new product development, cataloging, product data and content, technology utilization, website quality, and overall vendor service and collaboration.



BRAND / AMBASSADOR / FORUM

# PLANET

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# PLANET

## OUR OPERATIONS

At Dorman, we aim to protect our planet and the communities in which we operate. We are committed to environmental protection and compliance with legal requirements. The Senior Vice President of Operations is responsible for oversight of all aspects of our manufacturing and distribution facilities, which includes environmental matters, such as climate change. Site leaders report up to Dorman's Senior Vice President of Operations on operating matters, including environmental matters. Our Senior Vice President of Operations reports directly to the CEO. The Corporate Governance and Nominating Committee of our Board oversees our ESG program and related risks and opportunities, including with respect to environmental matters, such as climate change.



## OUR ESG RESPONSIBILITY

We recognize our responsibility to reduce our carbon emissions and our impact on climate change. We strive to continuously improve the efficiency of our operations to serve our customers, while minimizing our environmental impact. For example, to reduce our energy footprint, some of our facilities have converted to all-electric warehouse vehicles. Among the challenges we face are the effects of climate change, including extreme weather conditions and natural disasters, which can create significant financial or operational challenges to our business, as well as longer-term shifts in climate patterns, which could affect the demand for our products. Furthermore, public concern regarding the effects of greenhouse gases on the Earth's climate may result in changes in governmental regulations and policies that directly affect the production, distribution, or use of automotive parts. We anticipate continuing to monitor climate risk, as well as strengthening our governance approach to climate matters.

Only two of our facilities have operations that require storm water and air quality permits, and throughout our footprint we maintain our operations in compliance with the relevant legal requirements. Universal waste and scrap metal are managed and tracked at our sites with local waste management. We continually consider methods that enhance the performance of our operations and reduce our impact to the environment.

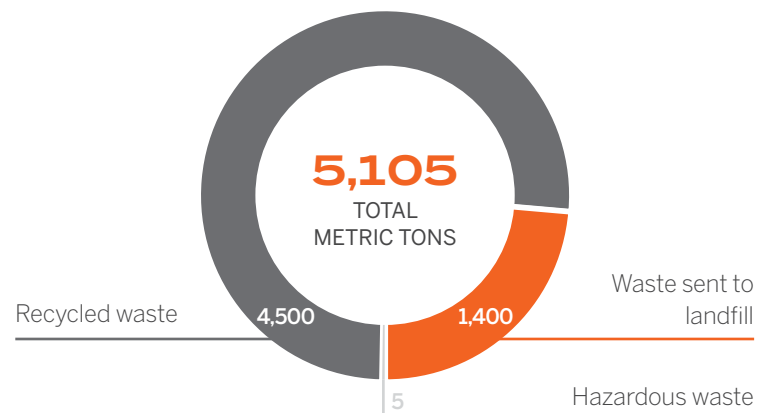
## ENVIRONMENTAL, HEALTH AND SAFETY POLICY

We have adopted an **Environmental, Health and Safety Policy** to help ensure compliance with environmental, health, and safety laws and regulations. In addition to our commitment to innovation, we are committed to the health and safety of our Contributors, contractors, and the community, as well as the protection of the environment in the communities where we operate.

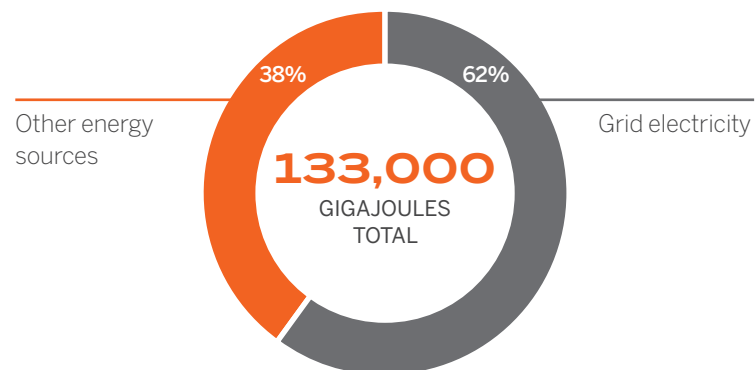




## WASTE: LANDFILL VS. DIVERTED, 2021 FY (IN METRIC TONS)



## ENERGY CONSUMPTION, 2021 FY



## OUR PRODUCTS

We believe the production and distribution of our products should not impede the freedom to live in a safe, healthy, beautiful world. Our products extend the lives of existing vehicles and, as a result, we help eliminate the waste created when vehicles are prematurely brought to the end of their useful life, as well as reduce the need for raw materials associated with new production. We also believe our opportunity for positive impact will continue to grow as vehicle owners generally are operating their current vehicles longer than they did several years ago, performing necessary repairs and maintenance to keep those vehicles well maintained.

We support several initiatives intended to promote a more environmentally-friendly car parc. Dorman is a leader in remanufacturing technology—investing heavily in new techniques and technologies to divert used automotive parts from the waste stream—and restoration, adding several years and thousands of miles to original parts. These processes also help conserve raw materials and reduce energy consumption as compared to manufacturing new materials from scratch. Our remanufactured products include electronic control modules, hybrid batteries, and complex mechatronics. We believe our remanufactured parts offer end-users an economical and safe way to maintain their cars on the road, while also reducing the impact on the environment.

We also produce emission control system products, which are designed to reduce emissions and improve fuel economy during vehicle operation. Other replacement parts we produce that promote a more environmentally-friendly car parc include alternative energy products, which utilize cleaner burning fuels or are designed for electric or hybrid electric vehicles.

## OUR SUSTAINABILITY FIGURES

### WE KEPT

**938,000 LBS**

**OF PART WASTE OUT OF LANDFILLS BY REMANUFACTURING 232,000 PRODUCT UNITS IN 2021**

### WE RECYCLED

**88,000**

**BATTERY CELLS WITH A WEIGHT OF 252,000 LBS (114 METRIC TONS) IN 2021**

### WE KEPT

**494,000 LBS**

**(225 METRIC TONS) OF PART WASTE OUT OF LANDFILLS BY REMANUFACTURING BATTERIES IN 2021**

# GOVERNANCE

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- 39 Corporate Responsibility  
& Governance
- 44 Data Privacy & Cybersecurity



# CORPORATE RESPONSIBILITY & GOVERNANCE

Good corporate governance is fundamental to Dorman's business. It allows us to maintain oversight of matters that could impact our financial performance, strategy, risk management, and compliance. We seek to provide comprehensive and effective management of our corporate governance practices that benefit our shareholders, Contributors, customers, and other stakeholders.



## APPROACH

The Company maintains several policies and procedures intended to support the Board in its oversight role with respect to corporate governance. Some of our key policies include our:

- [Code of Ethics and Business Conduct](#)
- [Code of Ethics for Senior Financial Officers](#)
- [Corporate Governance Guidelines](#)
- [Stock Ownership Guidelines](#)
- [Whistleblower Policy](#)

Our [Code of Ethics and Business Conduct](#), referred to as our Code, is at the heart of our compliance program, and we use it to guide our behavior and to operate with integrity. Our Code identifies our values as an organization, our Culture of Contribution, our success measures, and our Strategic Pillars. Key topics covered by our Code include workplace conduct, harassment, conflicts of interest, social media use, protection of Company information, data privacy, information security, insider trading, anti-bribery, and anti-corruption.

All Contributors of Dorman and its subsidiaries, including corporate officers and members of our Board, are required to read, understand, and meet the standards and obligations in our Code. Moreover, we expect our suppliers and vendors, and other third parties with whom we work, to follow principles like those in our Code, both when working on our behalf and in their own work. More information on our policies can be found on our [website](#).

All Contributors are required to annually review and certify compliance with our Code. In addition, we provide online compliance training to educate team members about a variety of risks and topics, such as respect in the workplace, information security, and anti-bribery and anti-corruption. We also use in-person training for key topics or to target key audiences. We customize our training to cater to audiences and trends that we observe in our business and in the market overall.

## BOARD OF DIRECTORS

Our Board plays an important oversight role with respect to our corporate governance. As of April 1, 2022, our Board is composed of nine individuals, seven of whom are independent under applicable SEC regulations and NASDAQ listing standards (the two exceptions being our Executive Chairman and our CEO). Each Director brings valuable skills and years of experience to the Board, providing his or her own unique perspective to the Company. The names and experience of each of the members of our Board are described on our [website](#) and in our most recent proxy statement filed with the SEC.

The Board performs its oversight role with the help of three standing committees: The Audit Committee, the Compensation Committee and the Corporate Governance and Nominating Committee. Each committee operates under a written charter that can also be found on our [website](#).

When nominating candidates to become a Director, the Board considers the current composition and diversity of the Board (including diversity with respect to race, gender, national origin, and ethnicity) and the extent to which a candidate's particular expertise and experience will complement the competencies and experiences of other Directors.

	As of December 25, 2021*
<b>Independent Lead Director</b>	YES
<b>Roles of Executive Chairman and Chief Executive Officer split</b>	YES
<b>Standing Board Committees comprised solely of independent directors</b>	YES
<b>Annual Election of Directors</b>	YES
<b>Non-Management Executive sessions regularly conducted with the Board</b>	YES
<b>Majority vote standard and Director resignation policy in uncontested Director elections</b>	YES
<b>Annual Board and Committee self-evaluations</b>	YES

\*Please note that at our 2022 annual meeting of shareholders to be held in May 2022 the size of the Board is expected to be reduced to eight (8) members, six (6) of whom, or 75%, are independent Director nominees. 50% of those independent Director nominees are racially or gender diverse.

**77%** OF OUR DIRECTORS ARE INDEPENDENT\*

**43%** OF OUR DIRECTORS ARE DIVERSE IN RACE/ GENDER\*

## ENTERPRISE RISK MANAGEMENT (ERM) PROGRAM

Our ERM program effectively drives risk prioritization and actions. The activities of the ERM program entail the identification, prioritization, and assessment of a broad range of risks (e.g., strategic, operational, cybersecurity and information security, financial, legal/regulatory, reputational, and market) and the formulation of plans to mitigate their effects.

The ERM program is supported by a Risk Committee made up of members of senior management that perform detailed reviews of the Company's risks and monitor the Company's compliance with applicable laws, regulations, and frameworks. Our Internal Audit team facilitates the flow of information supporting the ERM program and reviews select risk mitigation activities on a periodic basis.

## ESG OVERSIGHT

The Board, through the Corporate Governance and Nominating Committee, oversees the Company's initiatives with respect to environmental, social, and governance (ESG) matters. Our senior leadership team holds ultimate responsibility for the development of our ESG program and will be responsible for reviewing and updating our future ESG goals and key performance indicators.

## RISK MANAGEMENT

The Board maintains an active role, as a whole and at the committee level, in overseeing the management of the Company's risks.

- **Enterprise Risk:** The Company's Audit Committee supervises the management of financial risks and potential conflicts of interests. To assist with the management and oversight of risk, Dorman has implemented an enterprise risk management (ERM) program to identify, evaluate, and manage risks that may affect our ability to execute our corporate strategy and fulfill our business objectives.
- **Information Security Risks:** The Audit Committee reviews and discusses the Company's information security risks directly with the Company's Chief Information and Digital Officer. These reviews include a discussion of significant threats, risk mitigation strategies, any IT security program assessments, and identified improvements.
- **Compensation-Related Risks:** Dorman's Compensation Committee is responsible for overseeing the management of risks associated with the Company's executive compensation plans and arrangements. In designing and implementing our executive compensation program, the Compensation Committee takes into consideration our operating and financial objectives, including our risk profile, and considers executive compensation decisions based in part on incentivizing our executive officers to take appropriate business risk consistent with our overall goals and risk tolerance.
- **Governance Risks:** The Corporate Governance and Nominating Committee manages risks associated with the independence of the Board and the duties and responsibilities of its members.

While each committee is responsible for evaluating the risks discussed above, and overseeing the management of such risks, the entire Board is regularly informed at committee meetings or through committee reports about risks.



## 2021 INITIATIVES

For Dorman, success starts and ends with integrity. We are committed to compliance with all laws, rules, and regulations that apply to our business. In 2021, we assessed our corporate compliance program with the assistance of a third-party compliance vendor. The assessment included an evaluation of the overall structure and governance of our corporate compliance program. The third-party concluded that our compliance program was mature and identified several opportunities for us to enhance the program, which we have actioned throughout 2021.

### Key initiatives undertaken in 2021 in support of this compliance assessment included:

- ✓ Updating our Code to reflect changes in laws and applicable regulations and to enhance readability.
- ✓ Revising our **Supplier Code of Conduct**.
- ✓ Adopting an **Environmental, Health and Safety Policy**.
- ✓ Adopting a **Human Rights Policy**.
- ✓ Adopting an Anti-Bribery and Anti-Corruption Policy.
- ✓ Updating our Stock Trading Policy.
- ✓ Revising our **Stock Ownership Guidelines** for our Directors and Executive Officers.

We will continue to evaluate the effectiveness of our corporate compliance program and adjust where we deem necessary or appropriate.

## REPORTING POTENTIAL VIOLATIONS

We provide several avenues through which Contributors and others can seek assistance regarding ethics and compliance matters and report suspected violations of our Code or other corporate policies. In addition to in-house resources in the Legal and Human Resource departments, we have an ethics web portal and phone hotline that are available 24 hours a day, seven days a week. Trained specialists from an independent third-party corporate compliance provider answer calls, document concerns, and forward written reports to the Company's Chief Compliance Officer for further investigation. Reports can be made anonymously where allowed by local law. All reports are treated equally whether they are submitted anonymously or not. To encourage Contributors and other individuals to report suspected violations, we maintain a non-retaliation policy to protect anyone who, in good faith, raises a concern, reports misconduct, or participates in an investigation. If team members are suspected of retaliation, we enforce strict discipline measures, up to and including termination.

## GOVERNMENT RELATIONS AND PUBLIC POLICY

We support consumer rights and engage with government officials through our work with industry associations. We are members of several organizations in our industry, including:

- **AASA** (Automotive Aftermarket Suppliers Association)
- **HDMA** (Heavy Duty Manufacturers Association)
- **AutoCare Association**
- **Commercial Vehicle Solutions Network**
- **Technology and Maintenance Council**

We are also Lifetime Trustees of the University of the Aftermarket foundation, which provides funding for aftermarket education programs and research.



# DATA PRIVACY & CYBER- SECURITY

## INFORMATION SECURITY PROGRAM OVERSIGHT

The Audit Committee of Dorman's Board oversees Dorman's Information Security Program. A cyber risk report, which highlights program governance, risks, and opportunities, is provided regularly to the Audit Committee and the full Board.

## PROTECTION

Dorman's Security Committee, which is led by our Chief Information and Digital Officer, meets monthly to review program governance and key performance indicators. These typically include the number of events, number of investigations, mean response time, and cyber trends. This committee oversees our security roadmap and ensures monitoring of policies and procedures including but not limited to:

- Acceptable Use Policy
- Information Security Master Policy
- IT Backup and Retention Policy
- Disaster Recovery Policy
- Incident Management Policy
- Password Policy

### Our risk mitigation strategies include:

- Annual maturity audits covering network penetration and vulnerability assessments.
- Biannual cyber assessments of our Information Security Program by a third party expert.

## EDUCATION

The success of the Information Security Program relies not only on IT ownership, but also an active and collaborative relationship within the business. With an increase in remote work and the overall rise in cyber threats, we must ensure our Contributors remain vigilant. Dorman requires all Contributors to complete cyber training annually. In 2022, we are expanding our program to include a security learning management system with targeted training for specific roles of those Contributors who may be susceptible to attacks from repeat phishing offenses. Additionally, we leverage communications, policies, videos, and visuals to continuously raise awareness.

### TOTAL NUMBER OF SUBSTANTIATED COMPLAINTS REGARDING BREACH IN CUSTOMER PRIVACY AND DATA LOSS

	2021
Complaints from outside parties	0
Complaints from regulatory organizations	0
Losses, thefts, or leaks of customer data	0

# APPENDIX

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54	Performance Data Table



# GRI CONTENT INDEX

GRI Topic	Disclosure	Disclosure Response	Page
<b>GRI 102 General Disclosures</b>			
<b>Organization Profile</b>	102-1: Name of organization	Dorman Products, Inc.	
	102-2: Activities, brands, products, and services	<a href="#">About Dorman; 2021 Annual Report on Form 10K</a>	4
	102-3: Location of headquarters	<a href="#">About Dorman; 2021 Annual Report on Form 10K</a>	4
	102-4: Location of operations	<a href="#">About Dorman; 2021 Annual Report on Form 10K</a>	4
	102-5: Ownership and legal form	<a href="#">2021 Annual Report on Form 10K</a>	
	102-6: Markets served	<a href="#">About Dorman; 2021 Annual Report on Form 10K</a>	4
	102-7: Scale of organization	<a href="#">About Dorman; 2021 Annual Report on Form 10K</a>	4
	102-8: Information on employees and other workers	<a href="#">Contributor Development, Attraction &amp; Retention; 2021 Annual Report on Form 10K</a>	14
	102-9: Supply chain	<a href="#">Supply Chain Management; 2021 Annual Report on Form 10K</a>	30
	102-10: Significant changes to the organization and its supply chain	<a href="#">About Dorman; 2021 Annual Report on Form 10K</a>	4
	102-11: Precautionary principle or approach	We do not follow a precautionary principle. We have an Enterprise Risk Management system in place.	
	102-12: External initiatives	<a href="#">Governance</a>	38
	102-13: Membership of associations	<a href="#">Governance</a>	38

## GRI CONTENT INDEX CONTINUED

GRI Topic	Disclosure	Disclosure Response	Page
<b>GRI 102 General Disclosures Continued</b>			
<b>Strategy</b>	102-14: Statement from senior decision-makers	<a href="#">CEO Letter</a>	<b>2</b>
	102-15: Key impacts, risks, and opportunities	<a href="#">2021 Annual Report on Form 10K</a>	
<b>Ethics &amp; Integrity</b>	102-16: Values, principles, standards, and norms of behavior	<a href="#">About Dorman</a>	<b>4</b>
	102-17: Mechanisms for advice and concerns about ethics	<a href="#">Corporate Responsibility &amp; Governance; 2021 Annual Report on Form 10K</a>	<b>39</b>
<b>Governance</b>	102-18: Governance structure	<a href="#">Corporate Responsibility &amp; Governance; Proxy Statement</a>	<b>39</b>
	102-19: Delegating authority	<a href="#">Corporate Responsibility &amp; Governance; Proxy Statement</a>	<b>39</b>
	102-20: Executive-level responsibility for economic, environmental, and social topics	<a href="#">ESG Oversight</a>	<b>42</b>
	102-21: Consulting of the highest governance body and its committees	Quarterly updates to investors; SEC filings; annual ESG Report	
	102-22: Composition of the highest governance body	<a href="#">Proxy Statement</a>	
	102-23: Chair of the highest governance body	<a href="#">Proxy Statement</a>	
	102-24: Nominating and selecting the highest governance body	<a href="#">Corporate Responsibility &amp; Governance</a>	<b>39</b>
	102-26: Role of highest governance body in setting purpose, values, and strategy	<a href="#">Proxy Statement</a>	
	102-27: Collective knowledge of highest governance body	Our annually elected board of directors is comprised entirely of independent directors, other than our Executive Chairman and our Chief Executive Officer. Each director brings valuable skills and years of experience to the board, providing his or her own unique perspective to the Company. See our <a href="#">Proxy Statement</a>	

## GRI CONTENT INDEX CONTINUED

GRI Topic	Disclosure	Disclosure Response	Page
<b>GRI 102 General Disclosures Continued</b>			
<b>Governance cont.</b>	102-30: Effectiveness of risk management process	<a href="#">Proxy Statement</a>	42
	102-32: Highest governance body's role in sustainability reporting	<a href="#">ESG Oversight</a>	
	102-33: Communicating critical concerns	<a href="#">Code of Ethics and Business Conduct</a>	
	102-34: Nature and total number of critical concerns	<a href="#">2021 Annual Report on Form 10K</a>	
	102-35: Remuneration policies	<a href="#">Proxy Statement</a>	
	102-36: Process for determining remuneration	<a href="#">Proxy Statement</a>	
	102-37: Stakeholder's Involvement in remuneration	<a href="#">Proxy Statement</a>	
	102-38: Annual total compensation ratio	<a href="#">Proxy Statement</a>	
<b>Reporting Practices</b>	102-45: Entities included in the consolidated financial statement	<a href="#">2021 Annual Report on Form 10K</a>	
	102-47: List of material topics	<ul style="list-style-type: none"> <li>• Community Engagement</li> <li>• Company Culture</li> <li>• Contributor Development, Attraction &amp; Retention</li> <li>• Contributor Health &amp; Safety</li> <li>• Corporate Governance and Business Ethics</li> <li>• Customer Satisfaction</li> <li>• Data Privacy &amp; Cybersecurity</li> <li>• Diversity &amp; Inclusion</li> <li>• Environmental Stewardship</li> <li>• GHG emissions &amp; climate change</li> <li>• Innovation</li> <li>• Supply Chain Management</li> <li>• Product Quality &amp; Safety</li> </ul>	
	102-48: Restatements of information	N/A	
	102-49: Changes in reporting	N/A	

## GRI CONTENT INDEX CONTINUED

GRI Topic	Disclosure	Disclosure Response	Page
<b>GRI 102 General Disclosures Continued</b>			
<b>Reporting Practices cont.</b>	102-50: Reporting period	The report covers the time period of 12/27/2020-12/25/2021 unless otherwise stated.	
	102-51: Date of most recent report	This is our first annual ESG report.	
	102-52: Report cycle	Annual	
	102-53: Contact point for questions regarding the report	Legal@DormanProducts.com	
	102-55: GRI content index	<a href="#">GRI Content Index</a>	<b>47</b>
<b>Topic-Specific Disclosures</b>			
<b>Innovation (Non-GRI Topic)</b>			
<b>GRI 103: Management Approach</b>	103-1: Explanation of the material topic and its boundary	<a href="#">Innovation</a>	<b>21</b>
	103-2: The management approach and its components	<a href="#">Innovation</a>	<b>21</b>
	103-3: Evaluation of the management approach	<a href="#">Innovation</a>	<b>21</b>
<b>Self-selected Metric</b>	Waste diverted from landfills due to remanufacturing	<a href="#">Performance Data Table</a>	<b>54</b>
<b>Supply Chain Management</b>			
<b>GRI 103: Management Approach</b>	103-1: Explanation of the material topic and its boundary	<a href="#">Supply Chain Management</a>	<b>30</b>
	103-2: The management approach and its components	<a href="#">Supply Chain Management</a>	<b>30</b>
	103-3: Evaluation of the management approach	<a href="#">Supply Chain Management</a>	<b>30</b>
<b>Company Culture (Non-GRI Topic)</b>			
<b>GRI 103: Management Approach</b>	103-1: Explanation of the material topic and its boundary	<a href="#">People</a>	<b>8</b>
	103-2: The management approach and its components	<a href="#">People</a>	<b>8</b>
	103-3: Evaluation of the management approach	<a href="#">People</a>	<b>8</b>
<b>Self-selected Metric</b>	Donations to charitable causes	<a href="#">Performance Data Table</a>	<b>54</b>



## GRI CONTENT INDEX CONTINUED

GRI Topic	Disclosure	Disclosure Response	Page
Topic-Specific Disclosures Continued			
Training & Education			
GRI 103: Management Approach	103-1: Explanation of the material topic and its boundary	<a href="#">Contributor Development, Attraction &amp; Retention</a>	14
	103-2: The management approach and its components	<a href="#">Contributor Development, Attraction &amp; Retention</a>	14
	103-3: Evaluation of the management approach	<a href="#">Contributor Development, Attraction &amp; Retention</a>	14
GRI 404: Training & Education	404-3: Percentage of employees receiving regular performance and career development reviews	<a href="#">Performance Data Table</a>	54
Product Quality & Safety			
GRI 103: Management Approach	103-1: Explanation of the material topic and its boundary	<a href="#">Product Quality &amp; Safety</a>	26
	103-2: The management approach and its components	<a href="#">Product Quality &amp; Safety</a>	26
	103-3: Evaluation of the management approach	<a href="#">Product Quality &amp; Safety</a>	26
Customer Satisfaction			
GRI 103: Management Approach	103-1: Explanation of the material topic and its boundary	<a href="#">Customer Satisfaction</a>	32
	103-2: The management approach and its components	<a href="#">Customer Satisfaction</a>	32
	103-3: Evaluation of the management approach	<a href="#">Customer Satisfaction</a>	32
Customer Privacy			
GRI 103: Management Approach	103-1: Explanation of the material topic and its boundary	<a href="#">Data Privacy &amp; Cybersecurity</a>	44
GRI 418: Customer Privacy	418-1: Substantial complaints concerning breaches of customer privacy and losses of customer data	<a href="#">Performance Data Table</a>	54

## GRI CONTENT INDEX CONTINUED

GRI Topic	Disclosure	Disclosure Response	Page
Topic-Specific Disclosures			
Energy			
GRI 103: Management Approach	103-1: Explanation of the material topic and its boundary	<a href="#">Planet</a>	34
	103-2: The management approach and its components	<a href="#">Planet</a>	34
	103-3: Evaluation of the management approach	<a href="#">Planet</a>	34
GRI 302: Energy	302-1: Energy consumption within the organization	<a href="#">Performance Data Table</a>	54
Diversity & Equal Opportunity			
GRI 103: Management Approach	103-1: Explanation of the material topic and its boundary	<a href="#">Diversity &amp; Inclusion</a>	10
	103-2: The management approach and its components	<a href="#">Diversity &amp; Inclusion</a>	10
	103-3: Evaluation of the management approach	<a href="#">Diversity &amp; Inclusion</a>	10
Occupational Health and Safety			
GRI 103: Management Approach	103-1: Explanation of the material topic and its boundary	<a href="#">Contributor Health &amp; Safety</a>	18
	103-2: The management approach and its components	<a href="#">Contributor Health &amp; Safety</a>	18
	103-3: Evaluation of the management approach	<a href="#">Contributor Health &amp; Safety</a>	18
GRI 403: Occupational Health & Safety	403-9: Work-related injuries	<a href="#">Performance Data Table</a>	54

# SASB CONTENT INDEX

SASB Topic	SASB Metric	SASB Code	2021 Response	Page
<b>Energy Management</b>	(1) Total energy consumed (2) Percentage grid electricity (3) Percentage renewable	TR-AP-130a.1	<a href="#">Planet</a>	34
<b>Waste Management</b>	(1) Total amount of waste from manufacturing (2) Percentage hazardous (3) Percentage recycled	TR-AP-150a.1	<a href="#">Planet</a>	34
<b>Design for Fuel Efficiency</b>	Revenue from products designed to increase fuel efficiency and/or reduce emissions	TR-AP-410a.1	Dorman produces emission control system products, which are designed to reduce emissions and improve fuel economy during vehicle operation.	
<b>Material Sourcing</b>	Description of the management of risks associated with the use of critical materials	TR-AP-440a.1	<a href="#">Supply Chain Management</a>	30
<b>Competitive Behavior</b>	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	TR-AP-520a.1	\$0	

# PERFORMANCE DATA TABLE

Indicator	Descriptor	2021	Footnote
<b>People</b>			
<b>Contributor Development, Attraction, and Retention</b>	Employee headcount	3,360	As of December 25, 2021, and includes Dayton Parts
	Percentage of Contributors that received a performance review or career development	100%	All active Contributors
<b>Contributor Health and Safety</b>	Total recordable incident rate (TRIR)	2.61%	Represents data from our principal operating facilities
	Days away, restricted or transferred (DART)	1.71%	
	Lost time accident (LTA)	0.60%	
<b>Community Engagement</b>	Donations to charitable causes	\$466,000	
<b>Governance</b>			
<b>Data Privacy and Cybersecurity</b>	Total number of substantiated complaints concerning breaches of customer privacy and losses of customer data:		
	• Complaints from outside parties	0	
	• Complaints from regulatory organizations	0	
	• Losses, thefts, or leaks of customer data	0	
<b>Corporate Governance</b>	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	\$0	



Indicator	Descriptor	2021	Footnote
<b>Planet</b>			
<b>Waste</b>	Total waste (metric tons)	5,905	Represents data from our principal operating facilities
	Hazardous waste (metric tons)	5	
	Waste that is sent to landfill (metric tons)	1,400	
	Waste that is recycled (metric tons)	4,500	
<b>Innovation</b>	Total waste diverted due to remanufacturing (metric tons)	650	Includes 4,500 metric tons of recycled waste from our principal operating facilities
	Weight of remanufactured products (metric tons)	425	
	Weight of remanufactured batteries (metric tons)	225	
	Total waste diverted from landfill (both recycled waste and remanufactured)	5,150	
<b>Energy</b>	Total energy consumption (gigajoules)	133,300	Represents data from our principal operating facilities
	Electricity (gigajoules)	83,100	
	Natural gas (gigajoules)	47,500	
	Propane (gigajoules)	2,700	
	Total percentage of total grid electricity	62.0%	

# ABOUT THIS REPORT

This 2021 ESG Report of Dorman's active operations covers the fiscal year ending December 25, 2021, unless otherwise indicated. Except as expressly set forth herein, the scope of this report excludes Dayton Parts, which was acquired by Dorman in August 2021.

The report includes content about topics of interest to our stakeholders, including those topics identified through our ESG materiality assessment. We reference the Sustainability Accounting Standards Board (SASB) and Global Reporting Initiative (GRI) standards.

We welcome your feedback about this report. Please direct your comments or questions to [Legal@DormanProducts.com](mailto:Legal@DormanProducts.com).

This report contains the registered and unregistered trademarks, or service marks that are the property of Dorman Products, Inc. and/or its affiliates. This report also may contain additional trade names, trademarks, or service marks belonging to other companies. We do not intend our use or display of other parties' trademarks, trade names, or service marks to imply, and such use or display should not be construed to imply, a relationship with, or endorsement or sponsorship of us by these parties.

The information presented in this report is non-financial in nature and therefore has not been prepared in accordance with generally accepted accounting principles (GAAP), nor reviewed or evaluated using an established control framework. It has not been independently audited. Inclusion of information in this report is not an indication that we deem such information to be material or important to an understanding of our business or an investment decision with respect to our securities.

Information presented in this report, including performance or other metrics, may be based on estimates and assumptions that require a high degree of complex and subjective judgment, and may not necessarily be comparable with that presented by other companies or as calculated pursuant to all third-party standards of sustainability reporting. As with any projection or estimate, actual results or numbers may vary. Many of the standards and metrics used in preparing this report continue to evolve and are based on management assumptions believed to be reasonable at the time of preparation but should not be considered guarantees.

Unless expressly stated otherwise, this report (i) covers our wholly-owned and operated businesses in the US only and (ii) does not address the performance, conduct or operations of our suppliers, contractors, and partners.

This report contains references to our website. These references are for readers' convenience only and we are not incorporating by reference any information posted on <http://www.dormanproducts.com>.

## FORWARD-LOOKING STATEMENTS

This 2021 ESG Report contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Words such as “believe,” “demonstrate,” “expect,” “estimate,” “forecast,” “anticipate,” “should,” “will” and “likely” and similar expressions identify forward-looking statements. However, the absence of these words does not mean the statements are not forward-looking. In addition, statements that are not historical should also be considered forward-looking statements. Readers are cautioned not to place undue reliance on those forward-looking statements, which speak only as of the date the statement was made. Such forward-looking statements are based on current expectations that involve a number of known and unknown risks, uncertainties, and other factors (many of which are outside of our control) which may cause actual events to be materially different from those expressed or implied by such forward-looking statements. For additional information concerning factors that could cause actual results to differ materially from the information contained in this report, please see Dorman's prior press releases and filings with the U.S. Securities and Exchange Commission (“SEC”), including Dorman's most recent annual report on Form 10-K and its subsequent SEC filings. Dorman is under no obligation to (and expressly disclaims any such obligation to) update any of the information in this report if any forward-looking statement later turns out to be inaccurate whether as a result of new information, future events, or otherwise.

[www.dormanproducts.com](http://www.dormanproducts.com)



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