

# Handling of Human Rights

Respecting human rights is part of the Danfoss DNA, and we safeguard this value. We believe that human rights are about decency, and it is part of our responsibility as a global company to respect human rights.

We firmly support the principles of the UN Global Compact, of which we have been a member since 2002. Furthermore, we are committed to the UN Guiding Principles on Business and Human Rights, which outline the corporate responsibility to conduct due diligence for human rights along their value chains. This includes identifying, preventing, mitigating, and communicating about adverse human rights effects.



Danfoss' due diligence process is risk-based and is focused on embedding human rights considerations in the regions where we operate. The regional top management oversees the process and approves local mitigation plans. Regular follow-up ensures progress and

the regions with the highest risk of negative impacts on human rights are prioritized.

One outcome of the human rights due diligence process is the identification of our salient human rights, rights which we can potentially impact most severely.

One of the pillars of the UN Guiding Principles is to give access to remedy in case of adverse negative impacts on human rights, labor rights, or the environment. Danfoss has a process for how to handle such complaints.

To prepare for upcoming regulation on sustainability due diligence, in 2023, we initiated a human rights risk assessment pilot to revise and strengthen our human rights risk identification processes across the organization.

# Handling Human Rights Complaints

# 1

## Initial procedures

If you decide to file a complaint, we ask you to include a description of the relevant facts (including names of alleged victims or otherwise adverse negatively impacted parties, dates, location and other evidence), with as much detail as possible.

Shortly after you've filed a complaint, we will send you confirmation, that we've received your complaint.

The goal for the initial proceedings is to reach a mutual understanding of the complaint and ensure, that all formal legal requirements to handle the complaint are met.

# 2

## Collecting information

Danfoss will in co-operation with the affected parties work to collect all available and relevant information.

You can expect to be asked to send all relevant information that will shed light on facts or identify information, which needs to be collected.

The collected information will be presented to you before it is decided which actions Danfoss will take to address your complaint.

# 3

## Remediation of adverse human rights impacts

In situations where Danfoss has caused or contributed to an adverse impact, Danfoss is committed to providing reparation for harm suffered to redress any violations.

The reparation will be assessed on a case-by-case basis to ensure that it is proportional to the gravity of the violations and the specific circumstances of each case.