



Energy Management Policy extracted from Danfoss Business Conduct

Issue 3,0

Approved: 2025-02-24

Strategic Owner: CEO/CFO

Content owner: CF-L, Group Legal

Approved by: Kim Fausing

Energy Management Policy



At Danfoss, we are committed to responsible energy management, focusing on reducing energy use, increase energy efficiency and transitioning towards renewable energy sources. Our goal is to minimize our carbon footprint and contribute to global efforts by combating climate change, while ensuring comfort and proper working conditions for our employees. Additionally, we prioritize energy security across all our operations, ensuring our energy use aligns with our sustainability goals and regulatory requirements.

This means that we:

- strive to reduce energy consumption across all operations by implementing innovative solutions and best practices
- seek opportunities to capture and repurpose waste energy
- prioritize investments in renewable energy sources to decrease reliance on fossil fuels
- assess energy supply risks and implement measures to safeguard stable, cost-effective, and sustainable energy access.
- promote awareness and engagement among employees to foster a culture of energy responsibility
- track energy consumption and continuously refine our strategies to meet and exceed efficiency targets
- have external stakeholder engagement to get input and understand good practices in the industry

This policy outlines our commitment to:

- **Energy Efficiency**

Danfoss is dedicated to reducing energy consumption and improving energy efficiency across all our operations. We will deploy energy efficient technologies and promote behaviors that optimize energy use and reduce our overall energy footprint. Additionally, we will raise awareness of energy related environmental impacts and advocate for actions to mitigate them.

- **Renewable Energy Adoption**

Danfoss is committed to transitioning towards renewable energy sources, to decrease greenhouse gas emissions. We will prioritize the use of solar, wind & other renewable energy sources across our operations, and invest in solutions to improve energy efficiency & enhance energy security and resilience.

- **Compliance and accountability**

Danfoss ensures compliance with all prevailing energy regulations, laws, and standards across our global operations. We will also align our energy management practices with international standards such as ISO 50.001 to ensure continuous improvement in energy performance.

- **Risk assessment and mitigation**

Danfoss aims to perform risk assessments to identify potential energy-related risks to its operations, such as energy supply disruptions or price volatility, in a structured and formalized approach during 2025, following the standard implementation. Following the assessments, we will implement appropriate mitigation measures to minimize these risks and ensure stable, environmentally acceptable and cost-effective energy supply.

This policy is implemented in accordance with the [policy implementation and governance document for Energy management](#)