

Waste Management policy extracted from Danfoss Business Conduct

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Manufacturing Waste Policy

Danfoss aims to minimize the amount of solid waste generated from manufacturing processes to the extent technically and financially feasible and considers waste a resource that can be reused or recycled.

This means that we focus on:

- rethinking innovative strategies and solutions to minimize or limit the quantity and/or toxicity from the waste generated across the business operations. Very often waste can be considered a design flaw
- reducing the volume of waste generated in our facilities, which can go hand in hand with resource and financial gains.
- recirculating the waste by increasing the amount of waste for reuse or recycling and minimizing the waste sent to landfill.

By following this approach we ensure that the waste hierarchy is maintained and we prioritize actions related to **waste minimization and prevention first** and then reusing, repairing or recycling.



More specifically, Danfoss commits to the following:

- The assessment of waste related regulation is an integrated part of the site's environmental management systems.
- The waste management system, part of the environmental management system, includes plans to continuously monitor and prevent or minimize waste generation thus reducing a site's waste disposal footprint.
- All affected employees (including Waste reporting responsible and employees handling waste and generating waste) receive relevant training for their job function. The training must be regularly refreshed and documented, when developments occur and at least once every 4 years.
- All waste is handled, stored and transported in a safe manner and must include processes where relevant for storage, handling and transport of waste are developed

- The principles of circular economy are incorporated (Rethink-Reduce-Recirculate) and the waste being sent for incineration or disposal in landfills is minimized with recycling being the first priority.
- Reporting on waste is done
 according to European and national
 regulation. Waste reporting is done
 internally on a monthly basis and
 annual figures are externally
 disclosed in the annual report.
 When possible, targets for waste
 reduction, recycling, and reuse etc.
 are set and monitored regularly
- Benchmarking against the industry best practices is done to establish and continuously improve waste management systems.
- This policy is implemented in accordance with the <u>policy</u> <u>implementation and governance</u> <u>document for Manufacturing Waste</u>

