



Danfoss A/S
Group Sustainability

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Danfoss' Position on Conflict Minerals

The Dodd-Frank Act requires US listed companies to submit annual reports on their use of gold, tin, tantalum and tungsten from illegal mines in the Democratic Republic of the Congo and its neighboring countries. In Danfoss, these materials are present in our electronic products through the components we buy, but at the present time we don't have the full picture of the origin of the materials.

As a responsible business partner and global leader within efficient solutions within climate and energy Danfoss is focused on complying with our customers' expectations and requirements. We build our business on trust and we treasure sustainable results. Therefore we are taking active stance in the tracking of conflict minerals.

Danfoss is not a US listed company and not regulated by the US Securities and Exchange Commission (SEC). We are therefore not in the direct scope of the regulation, but being a supplier to many large companies who are regulated by SEC, we recognize that the Dodd-Frank Act will also affect our business and that our customers will expect us to be able to trace the respective minerals in our products and thereby facilitate our customers' disclosure obligations.

Danfoss has therefore taken the following actions:

- We have included the Conflict Minerals in our *Negative List for Substances and Materials* to make our suppliers aware of the new US requirements and let them help us in our Dodd-Frank compliance efforts.
- We have formed a group level project to ensure that Danfoss live up to our customers' expectations and requirements in regard to their Dodd-Frank compliance. We are highly supportive of applicable international database systems providing relevant disclosure of origin including the use of the EICC-GeSI Conflict Minerals Reporting Template.
- We use the iPoint Conflict Minerals Platform (www.conflict-minerals.com) for reporting of conflict minerals and we urge our customers and suppliers to do the same to ease the exchange of conflict minerals reports. Danfoss is registered in iPoint under iPCMP ID 2100 and DUNS number 305482259.
- We are in process of collecting information about the origin of conflict minerals from our supplier. This will be an ongoing task as the global supply chain is very complex. We keep the EICC template updated with relevant information about smelters and make this information available to our customers on request.

Information about Danfoss' position and our initiatives will be updated on our web site:

<http://www.danfoss.com/AboutUs/Sustainability>. Inquiries and questions related to conflict minerals can be sent to conflictminerals@danfoss.com.

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