



Prevention of modern slavery progress report **2020**

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innovate

GRUNDFOS 

Foreword

Despite increasing legislation targeting its eradication, modern slavery, unfortunately, remains a problem.

[The International Labour Organisation \(ILO\)](#) estimates that 40+ million people are enslaved worldwide, including 24.9 million in forced labour, of which 16 million are in the private sector.

At Grundfos, we believe in the importance of freedom for all individuals, and we are committed to preventing all forms of modern slavery that could potentially be linked to our business.

As a global company, we acknowledge our obligation to better understand the impact we have on people. Together with our business partners, we will continuously work to increase

transparency throughout our supply chain, because we believe that coordinated, international collaboration is one of the most effective ways to tackle an important issue like modern slavery.

This statement gives an overview of our journey so far and the steps taken to strengthen our approach from January 1 to December 31, 2020. This report not only responds to our ambition to increase transparency, but also to fulfil the requirements of modern slavery legislation, including Australia's Modern Slavery Act 2018 and the UK Modern Slavery Act 2015.

This statement covers Grundfos' Parent Company, Grundfos Holding A/S and its subsidiaries. A list of covered entities can be found at the end of this document.

This report was reviewed and approved by the Grundfos Holding A/S Board of Directors on June 1, 2021.



Jens Winther Moberg
Chairman
Grundfos Holding A/S Board of Directors



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We are Grundfos

Since the very beginning, Grundfos has attached great importance to developing sustainable solutions and initiatives for the benefit of people and the environment.

Our journey began in 1945 when company founder Poul Due Jensen was asked to provide a small, automated solution for a local farmer's water supply. Due Jensen met the challenge, and in doing so, he designed the very first Grundfos pump. This turned out to be the first step towards building one of the world's leading water technology companies.

During the last 75 years, we've been working towards sustainability to meet the needs of our customers by developing the

most energy-efficient solutions for every aspect of water use, from drinking water and water treatment to sanitation, temperature control and digital ecosystems.

Currently, we produce more than 16 million pump units per year. Our day-to-day operations take place at our headquarters in Bjerringbro, Denmark, where our board of directors and Group Management also reside. Both bodies work together closely to ensure that we prosper as a company whilst staying true

to our core values and beliefs. [More on our governance structure.](#)

Our corporate values are present in all of our business activities, with our Code of Conduct as guidance for healthy business ethics. Additionally, our Human Rights Policy defines what we stand for and what we expect from our business partners. Together, these documents form the basis of our approach to modern slavery.

Our purpose

We pioneer solutions to the world's water and climate challenges and improve quality of life for people.

OUR VALUES



SUSTAINABLE

Grundfos runs its business in a responsible and ever more sustainable way. We make products and solutions that help our customers save natural resources and reduce climate impact. We take an active role in the society around us. Grundfos is a socially responsible company. We take care of our people, particularly those with special needs.



OPEN AND TRUSTWORTHY

In Grundfos we do what we say, and we say what we do. Our communication is open and honest among ourselves and with the world around us. We put the facts on the table – even when it is not pleasant.



RELENTLESSLY AMBITIOUS

In Grundfos we never stop challenging ourselves to create better solutions faster. We take pride in delivering premium quality in everything we do. We show leadership and innovate the future.



FOCUSED ON PEOPLE

Grundfos is our people. We develop the individual. Everyone in Grundfos has passion and potential. Everyone has the power to influence. Everyone must feel respected and valued.



INDEPENDENT

The main shareholder of Grundfos – now and in the future – is the Poul Due Jensen Foundation. Profit is a means to growth – not a goal in itself. We ensure a healthy financial foundation at all times.



PARTNERSHIP

Grundfos creates value through close relations with customers, suppliers and other stakeholders. We are a global company building on local entrepreneurship. We believe that diversity drives innovation and growth.

Our business & supply chain

In 1945, Grundfos was born in the basement of Poul Due Jensen's home in Bjerringbro, Denmark, the town in which our corporate headquarters remain located today.

Today, we are more than 19,000 employees worldwide. We are present in 59 countries through 34 Grundfos plants, 17 plants producing non-Grundfos-branded products, and 15 assembly sites. In addition, our products are sold in even more countries by our broad network of partners, distributors and sub-dealers. Grundfos Group also owns other companies that operate independently but in alignment with our global policies.

With the world constantly undergoing rapid changes and ever-growing challenges when it comes to climate change, the need for innovative water solutions has increased. This encouraged us to redefine our position from being a pump manufacturer to a water solutions

company. This is how we can make a greater difference.

We use cutting-edge technology to continuously build efficient solutions that move water to where it is needed. Grundfos' operations focuses on product design, research and development, procurement, manufacturing, marketing, sales, distribution and service.

We are a foundation-owned company. To this day, the Poul Due Jensens Foundation maintains primary ownership of the Grundfos Group (88.2%), with the remaining shares held by employees and the founder's family.

The Poul Due Jensens Foundation exists to ensure and support healthy



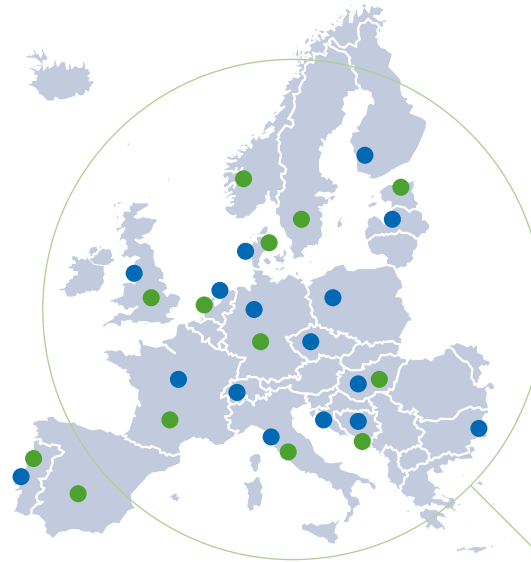
economic growth and development. The two entities are connected but maintain managerial distance and have separate governance bodies. This unique ownership structure allows us to maintain a high degree of independence

and a long-term perspective. At Grundfos, we are directed by six members of our top management team that set our strategic direction in close collaboration with an extended leadership team and the Board of Directors.

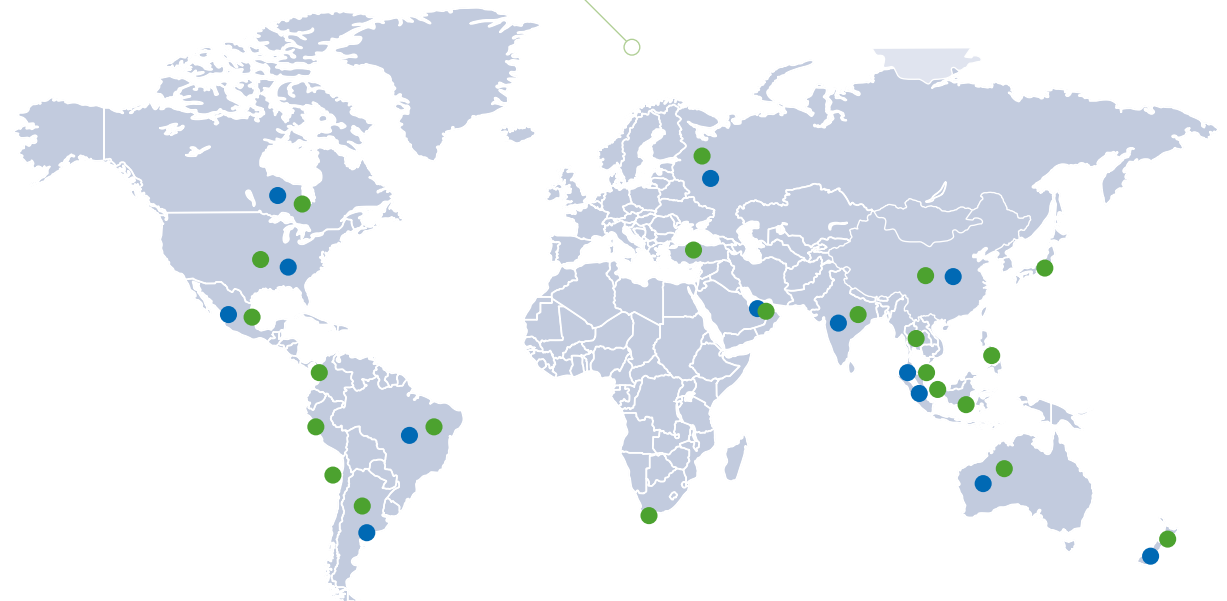
OUR SUPPLY CHAIN

At Grundfos, we source materials, products, and services from over 33,000 suppliers globally. Our suppliers provide numerous parts for our products including castings, engines, valves, electronics, fasteners, metal parts, wiring, packaging and much more. Like most organisations, we outsource some services to keep our operations running, such as consultancies, cleaning, logistics, insurance, IT and maintenance services.

Our suppliers are sourced from different geographic locations according to the convenience of delivery and proximity to our production sites. Our approach to procurement is based on lasting relationships with our suppliers. In its majority, we maintain long-term agreements to provide goods or services to all of our production companies globally.



In this illustration, the castings and electromechanics purchasing categories are used to exemplify how our suppliers can be present in different geographies.



Castings

Purchased from 518 suppliers

United Arab Emirates, Argentina, Australia, Bulgaria, Brazil, Canada, Switzerland, China, Czech Republic, Germany, Denmark, Finland, France, United Kingdom, Hungary, India, Italy, Korea, Latvia, Mexico, Malaysia, Netherlands, New Zealand, Poland, Portugal, Serbia, Russia, Singapore, Taiwan, United States



Electromechanics

Purchased from 231 suppliers

United Arab Emirates, Argentina, Australia, Brazil, Canada, Chile, China, Colombia, Germany, Denmark, Estonia, Spain, France, United Kingdom, Hong Kong, Hungary, Indonesia, India, Italy, Japan, Korea, Mexico, Malaysia, Netherlands, Norway, New Zealand, Peru, Philippines, Portugal, Russia, Sweden, Singapore, Thailand, Turkey, Taiwan, United States, South Africa

All our production plants around the globe source goods from our active list of global suppliers. Nevertheless, there is a minor percentage of products and services being sourced domestically in each country. The supply chain and type of goods sourced domestically by our plants in different countries are very similar to Australia's supply chain described below.

OUR OPERATIONS AND SUPPLY CHAIN IN AUSTRALIA

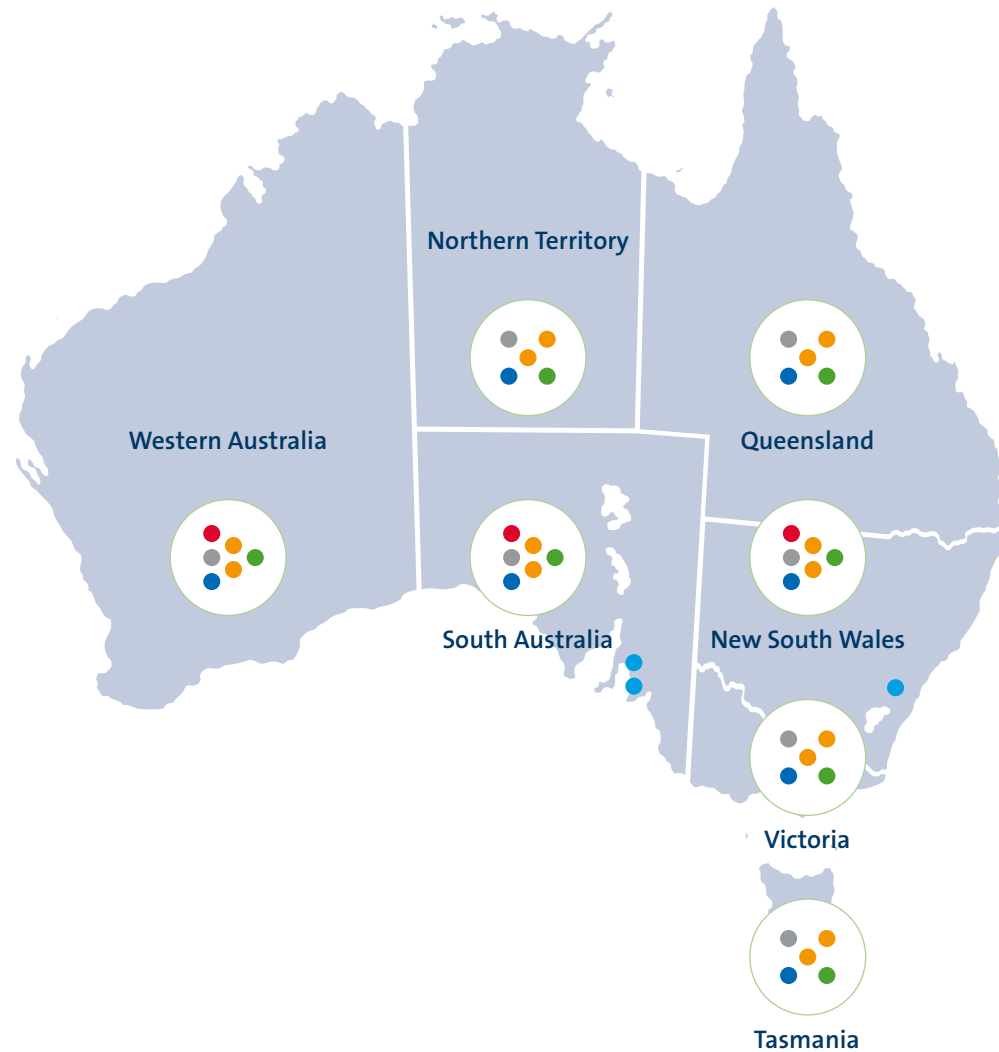
Grundfos Pumps Pty Ltd is a proprietary limited company with company no. 007920765 based in Adelaide, South Australia. The Australian operations are focused on pump manufacturing, pump delivery and service, and its effectiveness is thanks to the collaboration of 153 colleagues working in areas including production, administration and sales.

Our global supply chain and a large majority of our suppliers are the same for all our sites, including Australia. However, we also have a number of local suppliers who, to a great extent, act as service providers.

In Australia, 88% of all pump supplies and components are provided by global suppliers, and only 12% of the total amount are sourced locally.

In addition to service providers, local suppliers provide packaging, motors, steel, electrical cabinets, electrical components and cabling, used in production to assemble pumps and pumping systems.

A list and description of our local service providers and their locations in Australia:



Type of service providers:

-  1 cleaning service – located in all states
-  1 provider of office supplies – located in all states
-  1 logistics service – located in SA, NSW and WA
-  3 recruitment and employment agencies –
2 located in Adelaide, 1 national
-  1 transportation service – located in all states
-  2 car leasing services – located in all states

Assessment of risks & focus areas

We are committed to respecting all human rights and through our due diligence programme, we continuously assess our impact and identify ways to prevent and address modern slavery within our operations.

Respect for human rights is one of the 15 core principles of the Grundfos Code of Conduct and an essential part of how we put our values into practice in our daily business activities.

CODE OF CONDUCT

The Grundfos [Code of Conduct](#) is our commitment to doing business ethically and responsibly. It is an important global standard that everyone at Grundfos is expected to carry out and live by. Through ongoing training, we equip our employees with the necessary knowledge and skills to manage any ethical dilemmas they may encounter in their daily business activities. Our deep commitment to the corporate values described earlier and to the code of conduct extends to our supply chain through the Grundfos [Supplier Code of Conduct](#) and the Grundfos [Human Rights Policy](#).

SUPPLIER CODE OF CONDUCT

We continuously work with suppliers throughout our supply chain to ensure their compliance with the standards outlined in our Supplier Code of Conduct, which includes a section on forced labour:

Any form of forced labour is strictly prohibited. The supplier shall not use or benefit from any form of forced labour and/or human trafficking.

- Grundfos Supplier Code of Conduct

ASSESSMENTS OF RISKS AND IMPACTS

Grundfos has zero tolerance for any form of modern slavery.

We acknowledge that as our business evolves, our areas of impact also change. In 2015, we embarked on a journey to assess our salient issues with a company-wide human rights mapping exercise, engaging with representatives from different areas of our company with the support of Business for Social Responsibility (BSR) — a global nonprofit organisation that works with its network of more than 250 member companies and other partners to build a just and sustainable world. This mapping exercise also covered areas of potential impact in our external supply chain. It took into account the likelihood, severity, scale and

remediability of such impacts, and the results highlighted the potential risk of modern slavery in the shape of forced labour in our external supply chain.

Since 2017, we have conducted five site-based human rights impact assessments (HRIA) in different countries, with the support of BSR and British sustainability consultancy, 2050. The level of expertise combined by these two organisations throughout the different impact assessments provided us with important learnings that we continue to use for our work. The selection of countries was based on their human rights risk level (based on publicly available reputable sources) and the size of our operation, also ensuring regional representation and different types of business activities (manufacturing, new business model, assembly, etc.).

Our global policies, human rights due diligence and sustainable supply chain programme cover all our facilities worldwide. However, parts of our supply chain can be local, as we explained in the aforementioned section on Australia. Typically, our service providers are sourced locally.

Today, our service providers are not part of our global sustainable supply chain programme. Nevertheless, in order to better understand the potential impacts coming from local suppliers, we conducted a series of assessments in China and Mexico, focused on service providers.

Along with publicly available information from reliable sources, the findings of the impact assessments we have conducted so far have helped us identify the areas we need to focus on when it comes to modern slavery.

EXTERNAL SOURCES

1. The Bureau of International Labour Affairs (ILAB), an operating unit of the United States department of labour, maintains a list of goods and countries which it has reason to believe are produced by forced labour. Through this source, we have identified the potential occurrence of modern slavery practices in the sourcing of electronics and some raw materials that are included in the components we buy.
2. EcoVadis provides profiles on more than 150 countries. These profiles cover information on risks across four themes: Environment, health & social, human rights and governance. This helps us to assign a risk level to our supplier base and designate the type of assessment they will go through, such as a third-party audit or an online assessment in EcoVadis.

HRIAS

While the HRIAs we have conducted so far have shown that our supplier assessment programme has progressed significantly, it also highlights the need for us to widen its scope to cover employment agencies, where the potential occurrence of practices conducive to forced labour is likely. The same applies to some specific raw materials further down the supply chain.

This is an ongoing journey and we are continuously identifying potential and existing risks in our supply chain. We use a risk-based approach, prioritising our actions in high-risk areas with suppliers with whom we have a direct influence. But as we scale up, we will continue to work on ways to improve.

OUR RESPONSE TO COVID-19

In 2020, societies all over the world entered lockdowns, and several businesses were heavily impeded by the outbreak of COVID-19. This resulted in many small businesses having to seize operations or being forced to significantly slow down activities.

To help mitigate the challenges that arised from this situation, we engaged in a close dialogue with our suppliers to acknowledge and understand their challenging situations. To secure the provision of our customers and support our suppliers, we decided to offer preferential payment terms, including advanced payment and that had a positive effect on approximately 2,500 small and local suppliers



Our progress & remediation processes

Working to prevent modern slavery is a complex exercise. Therefore, we placed our initial focus where it was needed the most and started to work with our salient issues.

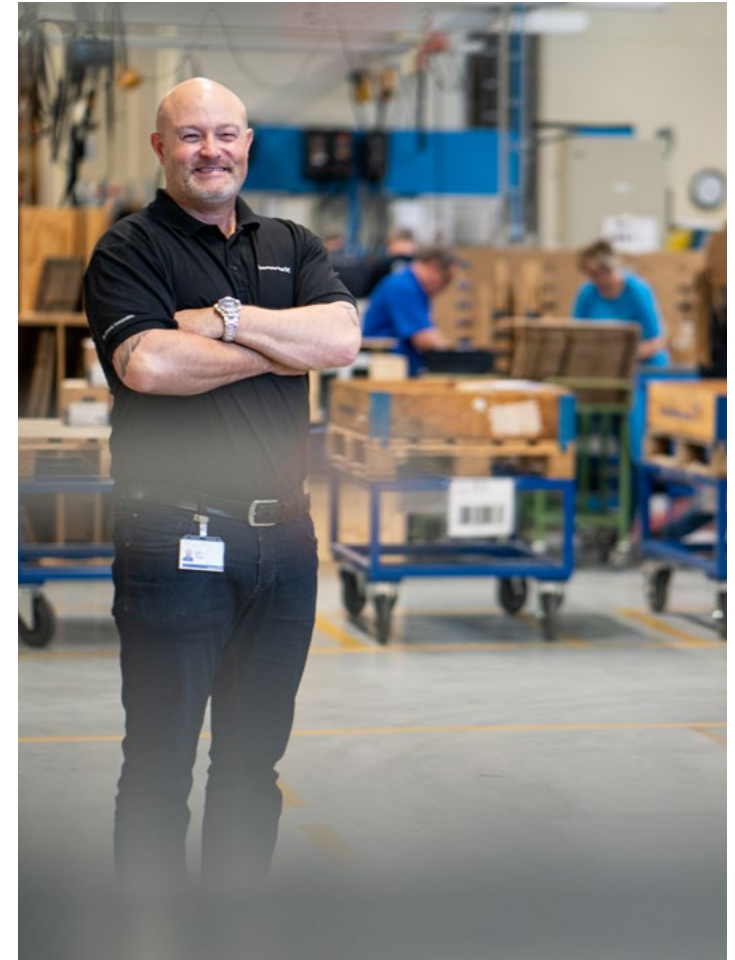
We conduct due diligence and we engage in different initiatives to ensure that every Grundfos employee lives up to our values and comply with our standards. The human rights due diligence programme is driven by the Sustainability Centre of Excellence in collaboration with business areas such as HR, Purchasing and Legal, as well as a variety of stakeholders at corporate and local level. We take every step necessary to prevent that we cause, contribute or are linked to any forms of modern slavery. We are aware that it is a

complex endeavour, particularly with the challenges that companies like ours can encounter as we engage deeper down the supply chain. Thus, we are improving our approach to better identify, prevent and remediate any rising issues that may occur.

In 2017, we committed to conducting five impact assessments by 2020: China (2017), India (2018), Serbia (2018), Mexico (2019), and Ghana (2020). Once the

HRIAs conclude, action plans focused on prevention and remediation are created to address all the identified issues. We work closely with our internal teams to complete them.

Our journey to prevent modern slavery in connection with our operations has provided us with learnings that guide our remediation and precautionary actions, but also encourage us to increase our knowledge.



Our journey



2014

We created the Grundfos Human Rights Policy, strengthening our commitment to Human Rights.

2016

We trained a group of employees in China, Denmark, India, Mexico and Russia in human rights basics.

We revised the Grundfos Code of Conduct to include additional topics such as discrimination.

We increased the number of supplier sustainability audits and defined the actions on which we should place primary focus.

2018

We conducted two HRIA's – this time in India and Serbia. We searched for ways to improve due diligence processes in the sourcing of minerals.

We provided every employee in the purchasing department with training on the updated Supplier Code of Conduct.

We identified three cases of forced labour through our third-party audits. All cases have since been fully remediated.

2020

We conducted an HRIA of a new business model in Ghana, where we also identified key social impact indicators.

We published the Grundfos Human Rights Progress Report, explaining in detail how we work with human rights.

We identified zero cases related to forced labour in this year's supplier assessments.

2015

We conducted a high-level corporate mapping in collaboration with BSR. During this exercise, we identified our salient human rights issues on a global scale. This included the potential risk of forced labour in our external supply chain.

2017

We conducted our first ever HRIA of one of our facilities in China.

We revised the Grundfos Supplier Code of Conduct, making it more specific with regard to the use of forced labour.

We also increased the number of supplier sustainability audits from 15 to 97.

2019

We conducted an HRIA of our manufacturing site in Mexico, confirming that we need to expand the scope of our sustainable supply chain management programme to include service providers.

In our supply chain, we identified two issues of forced labour through our third-party audits – both of which have been addressed.

We began using an online platform managed by a third party to assess key suppliers located in medium and low-risk countries.

OUR GUIDELINES

As a company with a global presence, we have global policies and practices. The following guidelines are the most relevant in terms of preventing modern slavery among our operations and our supply chain.



CODE OF CONDUCT

We believe that honesty and integrity are universal languages that align with our core values. The Code of Conduct applies to all employees of Grundfos in all positions and in all countries.



SUPPLIER CODE OF CONDUCT

We work with suppliers along the global supply chain to ensure that they comply with our standards. Our focus is on cooperation, accountability and sustainability audits.



HUMAN RIGHTS POLICY

Grundfos is committed to promote the development of a culture that supports the respect for human rights. Consequently, we expect business partners, such as suppliers and other parties directly linked to our operations, to adhere to this commitment.



HUMAN RIGHTS PAPER

Our work with human rights is an ongoing process, and our human rights due diligence programme ensures that we have the right mechanisms in place to respect and advance human rights.

Sustainable supplier management

Today, we assess compliance and have embedded certain elements of sustainability at different stages of the procurement process. This includes general pre-screenings of new suppliers, compliance clauses in some contracts, [third-party audits](#) of high-risk suppliers, and [EcoVadis](#) assessments.

In the last few years, we have significantly increased the number of third-party audits of suppliers, while we have also redesigned our entire programme and tools. Whenever a forced labour issue is found, we always give it the highest priority and work with our suppliers to remediate it.

In the past four years, we have conducted a total of 338 sustainability audits, including environmental and social areas. The compliance rate has increased from 17% in 2017 to 87% in 2020.

In 2020, we conducted 124 sustainability audits. In 51 of these cases, suppliers were rated C or D – 15 of these made improvements and were upgraded to A and B, while 36 suppliers kept their C or

D rating. This meant that they were not meeting the fundamental requirements of our code of conduct. Examples of these requirements include excessive working hours or failing to provide adequate emergency exits. We required the suppliers to provide an effective action plan to remedy the findings of the audits. Suppliers are given a deadline to remediate the issues and any repeated non-compliances or failure to complete the assigned action plan impacts our business collaboration and may lead to contract termination. More information is available in the [Sustainability Report 2020](#).

In 2020, we did not have any occurrence of forced labour practices in our assessment of suppliers.

However, our human rights due diligence programme has also revealed that, until now, we have not considered high-risk, non-product suppliers within the scope of our assessment programme. These suppliers may pose a higher likelihood of vulnerable groups, such as migrants. This circumstance may increase the likelihood of forced labour practices. Some of these suppliers include employment agencies and suppliers of raw materials. We do not buy raw materials directly, but are part of the materials used to produce the components we purchase.



10%

rated A: no issues.
No action required.



61%

rated B: minor issues or practices that are not properly formalised.
Action plan agreed within three months.



27%

rated C: non-compliance with the law. Action plan agreed within four weeks.



2%

rated D: life-threatening issues and/or severe reputational damage. Action plan agreed within one week.

SUPPLIER CODE OF CONDUCT EVALUATION TOOLS



SCREENING PROCESS FOR NEW SUPPLIERS

Includes assessment of their compliance with the UN global compact principles.



THIRD-PARTY AUDIT OF HIGH-RISK SUPPLIERS

Includes subjects covered by Grundfos Supplier Code of Conduct.



ONLINE SELF-REPORTING ASSESSMENT PLATFORM

For key suppliers located in low and medium-risk locations.



RESPONSIBLE MINERALS INITIATIVE (RMI) TOOL

Includes list of approved smelters & refiners to make informed decision when working with suppliers of gold, tin, tantalum, and tungsten.

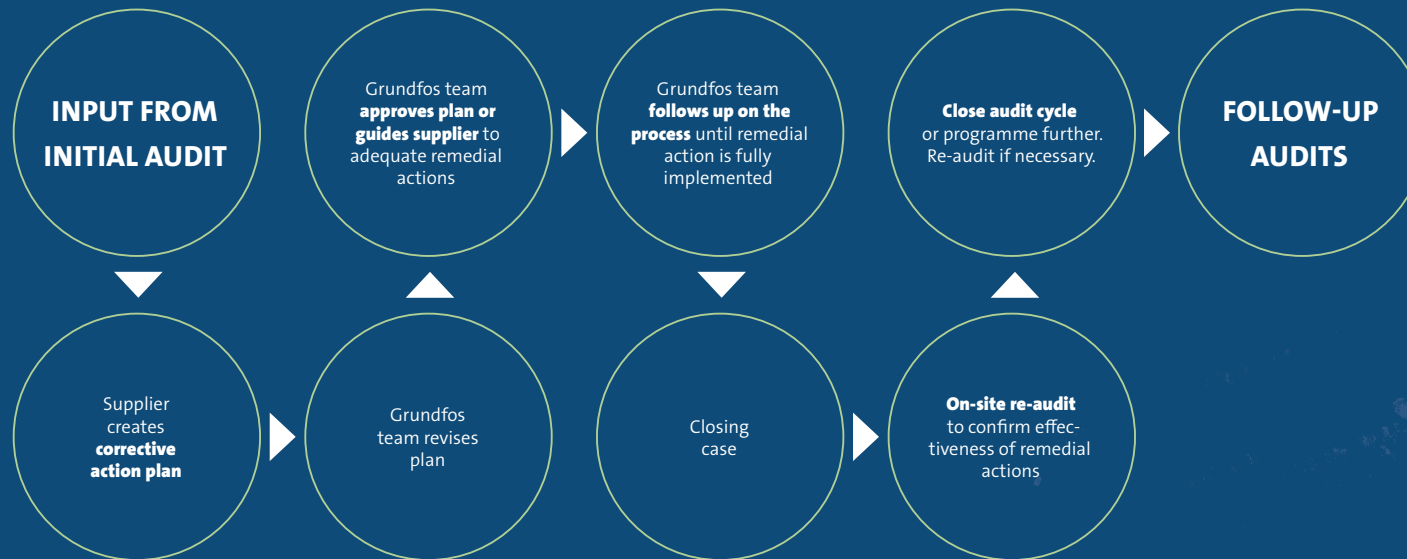
GRIEVANCE MECHANISMS

We have a whistleblower system that allows for suspected breaches of the code of conduct to be reported by both our employees and external parties, anonymously if preferred. A whistleblower is a person reporting any risks and/or concerns in regards to illegal behaviour or misconduct within an organisation, with the system being managed by an independent external entity. It is available in all countries in which we operate, and it is also accessible to external parties. We also have an ethics committee, an independent group created by Group Management to deal with reports from the whistleblower system. To learn more about our whistleblower system, visit our [whistleblower site](#) where you can explore how claims are processed, whistleblower confidentiality, overall governance and much more.

OUR PROGRESS & REMEDIATION PROCESSES IN AUSTRALIA

Our Australian branch follows our global policies, including contractual clauses and monitoring of compliance when it comes to global high-risk product suppliers. Our emphasis towards preventing modern slavery in our supply chain has not yet focused on local suppliers in Australia. During 2020, we initiated conversations with our team in Australia to explore potential initiatives and steps required to prevent modern slavery at a local level.

We know that we are in need of a stronger approach, and we know that "Murky Waters" – a recent report by Walk Free, an international human rights organisation based in Australia – disclosed numerous forms of modern slavery in Oceania. Our aim is to examine the available information to expand our knowledge and comprehend the risks. We will begin by mapping the likelihood of modern slavery in local operations and follow with a progressive approach to make sure that we can prevent and address any potential issues.



CASES & METHODOLOGY

Working with our high-risk suppliers

Typically, our suppliers located in high-risk countries must undergo a third-party audit. The initial audit covers a variety of subjects including forced labour.

METHODOLOGY USED:

- Private conversations with employees
- Document review
- Visiting the supplier manufacturing sites
- Conversation with management

The information gathered through the different sources is cross-analysed and the third-party auditor evaluates if there are any issues that can result in conditions of modern slavery.

We began assessing our high-risk suppliers in 2012. Since then, our audits have found some practices that may be conducive of forced labour. These cases include the retention of personal identification documents such as passports, and restraining freedom of movement by requiring employees to live in the supplier's dormitory. In some countries with a high prevalence of migrant labour, this can be seen as normal practice. Nevertheless, these practices prevent employees from moving freely and terminating their employment at will.

Whenever a case is identified and the audit is concluded, our purchasing team immediately becomes involved. All cases related to forced labour are treated with the highest priority and remedial actions are planned and implemented with urgency. The corrective action plan must be ready within one week, and the necessary remedial action must be fulfilled within the given timeframe agreed upon with our supplier. For a start, any practices fostering forced labour must be eliminated immediately, whilst long-term remedial actions such as policies, procedures or other solutions are given more time depending on the complexity of the issue. All cases have been successfully resolved in close collaboration with our suppliers.

Our purchasing team uses a direct and continuous monitoring approach to resolve cases and encourage lasting improvements in our suppliers' practices. As specified in our Supplier Code of Conduct, initial audits will usually be announced, while follow-up audits may be unannounced.

The supplier must prepare for and provide on-site auditors with the necessary documentation and access to workers for interviews. After the audit cycle has been closed, our team plans on-site follow-up audits every two years performed by a

third-party auditor. Additionally, we perform unannounced audits with a 24-hour notice period.

In case of non-compliance with the Grundfos Supplier Code of Conduct or failure to implement remedial actions within the agreed timeframe, Grundfos can terminate the agreement with the supplier depending on the severity of the issue. Nevertheless, our objective is not to ignore problems, but rather use our leverage to bring positive change and extend our impact to the supply chain.

Assessment of effectiveness

We are constantly looking for ways to improve. Therefore, we question whether our current actions deliver the results we are hoping to achieve.

As part of our due diligence programme, we regularly review our practices, collaborating with external human rights experts to keep us updated on new practices, legislation and trends relevant to our business and operations.

This information is shared with the rest of the organisation in different ways, such as workshops and briefing sessions.

Together with the assessment of the contextual environment in which we are operating, the findings of our impact assessments and supplier audits allow us

to strengthen our due diligence programme by integrating our learnings into daily operations.

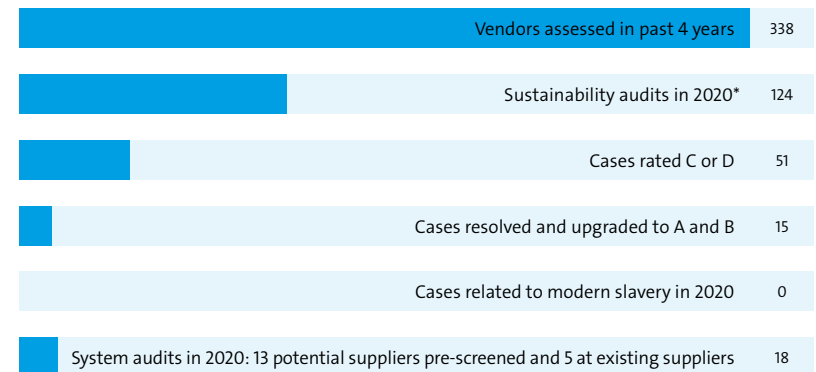
Today, we report the number of suppliers pre-screened and assessed (BV + EcoVadis) plus the number of findings related to social and environmental aspects.

We identified two issues related to modern slavery in 2019 and three cases in 2018, all of which have been fully remediated. Since then, there have been no cases.

Prevention of modern slavery is a complex and ongoing journey that can be challenging to measure. We are constantly working on finding better ways to track our progress and be more transparent in our practices.

We recognise that the applied performance indicators do not adequately indicate the progress on prevention practices or specific risks. In the coming years, we will continue to assess the effectiveness of our approach and explore potential solutions to the challenges we face.

Our measurements and findings



*including suppliers assessed by EcoVadis and Bureau Veritas audits

The way forward

At Grundfos, we aim to have a positive impact in every interaction and every community in which we work. We are committed to preventing modern slavery in all its forms within our operations and through collaboration with our suppliers.

OUR CHALLENGES

We consider global and local operations when assessing risks. We have performed assessments of a few service providers, but we know that to create systemic change we need to map the likelihood of modern slavery practices beyond tier 1 component and material suppliers. This has been a challenge due to the complexity of our supply chain and the size of our operations.

However, we are in the process of identifying the best possible way to expand visibility and perhaps focus on specific commodities and components.

OUR NEXT STEPS

Our overarching goal is to continuously integrate our learnings into our operations.

In 2021, we will work to identify major risk areas within our supply chain in Australia with the aim to progressively mitigate these risks.

We will also start to map the likelihood of modern slavery in our global supply chain, specifically focusing on certain commodities and components.

Engagement & consultation

This report is led by Grundfos Sustainability Center of Excellence's human rights expertise hub.

For the purpose of tracking progress on the prevention of modern slavery in our operations and supply chain, we have engaged with various employees in different departments and locations. We recognise that working against modern slavery and forced labour involves many stakeholders in different ways. While the human rights area provides the general framework, extending the necessary support to each business function and Grundfos' companies worldwide, implementation requires the specialised knowledge of departments such as Purchasing, Legal and Human Resources. In order to implement the desired improvements, the entire organisation needs to collaborate.

This report was compiled in consultation with employees from Purchasing, Legal and Human Resources at our headquarters in Bjerringbro as well as the sites at which we conducted the HRIAs. Our engagement with our Australian site was carried out by the Legal department, who facilitated the collaboration of our employees who provided us with the necessary data and knowledge about local operations and suppliers.

Every year, we try to improve and act upon the learnings from our due diligence programme and our consultation process. As part of the monitoring and reporting process of compiling this report, all findings, trends, identified issues and best practices are shared with Purchasing,

Consultation network



who are responsible for distributing and building capacity among the procurement teams on a global scale. The Senior Management team was also engaged in the development of this report to ensure that our ambitions are communicated and prioritised adequately.

Our consultation process is ongoing and flexible and includes multiple lines of interaction and feedback.

Group structure

Denmark

Grundfos Holding A/S

Other Group companies

Argentina, Bombas Grundfos de Argentina S.A.
Austria, Grundfos Pumpen Vertrieb G.m.b.H.
Australia, DAB Pumps Oceania Pty. Ltd.
Australia, Grundfos Australia Holding Pty. Ltd.
Australia, Grundfos Pumps Pty. Ltd.
Belgium, Grundfos Bellux S.A.
Brazil, Bombas Grundfos do Brasil Ltda.
Bulgaria, Grundfos Bulgaria EOOD
Canada, Grundfos Canada Inc.
Chile, Bombas Grundfos Chile SpA
China, DAB Pumps (Qingdao) Co. Ltd.
China, Grundfos (China) Holding Co. Ltd.
China, Grundfos Pumps (Chongqing) Co. Ltd.
China, Grundfos Pumps (Hong Kong) Ltd.
China, Grundfos Pumps (Shanghai) Co. Ltd.
China, Grundfos Pumps (Suzhou) Ltd.
China, Grundfos Pumps (Wuxi) Ltd.
Colombia, Grundfos Columbia S.A.S.
Croatia, Grundfos Sales Croatia d.o.o.
Czech Republic, Grundfos Sales Czechia and Slovakia s.r.o.
Denmark, Grundfos A/S
Denmark, Grundfos BioBooster A/S
Denmark, Grundfos DK A/S

Denmark, Grundfos Finance A/S
Denmark, Grundfos Lifelink A/S
Denmark, Grundfos Operations A/S
Denmark, Grundfos US ApS
Egypt, Grundfos Holding Egypt LLC
Egypt, Grundfos Egypt LLC
Egypt, Grundfos Service Egypt LLC
Finland, OY Grundfos Environment Finland AB
Finland, OY Grundfos Pumput AB
France, Pompes Grundfos Distribution S.A.S.
France, Pompes Grundfos S.A.S.
Germany, DAB Pumps GmbH
Germany, Grundfos GmbH
Germany, Grundfos Pumpenfabrik GmbH
Germany, Grundfos Verwaltung GmbH
Germany, Grundfos Water Treatment GmbH
Ghana, Grundfos Pumps Ghana Ltd.
Greece, Grundfos Hellas Single-Member A.E.B.E.
Hungary, DAB Pumps Hungary Kft.
Hungary, Grundfos Shared Services Kft.
Hungary, Grundfos Hungary Manufacturing Ltd.
Hungary, Grundfos South East Europe Kft.
India, Grundfos Pumps India Private Ltd.
Indonesia, PT DAB Pumps Indonesia
Indonesia, PT Grundfos Pompa
Indonesia, PT Grundfos Trading Indonesia
Ireland, Grundfos (Ireland) Ltd.
Italy, DAB Pumps S.p.A.
Italy, Grundfos Pompe Italia S.r.l.

Japan, Grundfos Pumps K.K.
Kazakhstan, Grundfos Kazakhstan LLP
Kenya, Grundfos Kenya Ltd.
Korea, Grundfos Pumps Korea Ltd.
Latvia, GRUNDFOS Pumps Baltic SIA
Malaysia, Grundfos Pumps SDN. BHD
Mexico, Bombas Grundfos de Mexico Manufacturing S.A. de C.V.
Mexico, Bombas Grundfos de Mexico S.A. de C.V.
Mexico, DAB Pumps de Mexico S.A. de C.V.
Mexico, Grundfos Mexico Servicios S.A. de C.V.
Netherlands, DAB Pumps B.V.
Netherlands, Grundfos Nederland B.V.
New Zealand, Grundfos Pumps NZ Ltd.
Nigeria, Grundfos Water Solutions NGA Limited
Norway, Grundfos Norge AS
Peru, Grundfos de Peru S.A.C.
Philippines, Grundfos IS Support & Operations Centre Philippines Inc.
Philippines, Grundfos Pumps (Philippines) Inc.
Poland, DAB Pumps Poland Sp.Z.o.o.
Poland, Grundfos Pompy Sp.Z.o.o.
Portugal, Bombas Grundfos (Portugal) S.A.
Romania, SC Grundfos Pompe Romania SRL
Russia, OOO Grundfos Istra
Saudi Arabia, Grundfos Saudi Arabia Company Limited
Serbia, Grundfos Srbija d.o.o.
Singapore, Grundfos (Singapore) Pte. Ltd.

Slovenia, Grundfos Ljubljana d.o.o.
South Africa, DAB Pumps South Africa (Pty) Ltd.
South Africa, Grundfos Holding South Africa (Pty) Ltd
South Africa, Grundfos (Pty) Ltd.
Spain, Bombas Grundfos España S.A.
Spain, DAB Pumps Iberica S.L.
Sweden, Grundfos AB
Switzerland, Grundfos Holding AG
Switzerland, Grundfos Handels AG
Switzerland, Grundfos Pumpen AG
Taiwan, Grundfos Pumps (Taiwan) Ltd.
Thailand, Grundfos (Thailand) Ltd.
Turkey, Grundfos Pompa Sanayi ve Ticaret Ltd.Sti.
Ukraine, TOV Grundfos Ukraine
United Arab Emirates, Grundfos Gulf Distribution FZE
United Kingdom, DAB Pumps Ltd.
United Kingdom, Grundfos Manufacturing Ltd.
United Kingdom, Grundfos Pumps Ltd.
United Kingdom, Grundfos Watermill Ltd.
USA, Grundfos CBS Inc.
USA, Grundfos Americas Corporation
USA, Grundfos Pumps Corporation
USA, Grundfos Pumps Manufacturing Corporation
USA, Grundfos US Holding Corporation
USA, DAB Pumps Inc.
USA, Grundfos Water Utility Inc.
Vietnam, Grundfos Vietnam Company Ltd.

Ownership

Grundfos Holding A/S, based in Bjerringbro, Denmark, is the Parent Company of the Grundfos Holding A/S Group. The Poul Due Jensens Fond owns 88.2% of the share capital in Grundfos Holding A/S, while the founder's family owns 9.6% and the employees own 2.2%.

Grundfos Holding A/S directly or indirectly owns the entire share capital in all subsidiaries, except for the following:

Grundfos Pumps Services Company Limited, Saudi Arabia – 75%

Associated companies:
Better Home ApS, Denmark – 34%
Base Business Bjerringbro A/S, Denmark – 21%
Tange SØ Golf A/S, Denmark – 49%

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