

California Transparency in Supply Chains Act Disclosure

Daikin Applied Americas Inc. (“Daikin Applied”) engages in verification of product supply chains to evaluate and address risks of human trafficking and slavery within the meaning of the California Transparency in Supply Chains Act of 2010. Specifically, Daikin Applied:

- (1) Mandates performance of annual audits evaluating direct supplier compliance with Daikin Applied standards for human trafficking and slavery in supply chains. These audits are conducted by the direct suppliers and reported to Daikin Applied.
- (2) Requires its direct suppliers to certify that materials incorporated into the products they supply to Daikin Applied comply with applicable laws regarding human trafficking and slavery of the country or countries in which they are doing business.
- (3) Maintains internal accountability standards and procedures for employees or contractors failing to meet Daikin Applied standards regarding human trafficking and slavery.
- (4) Does not provide Daikin Applied employees and management, who have direct responsibility for supply chain management, training on human trafficking and slavery, particularly with respect to mitigating risks within the supply chain of products.
- (5) Maintains the Daikin Applied Integrity Hotline for employees or contractors to report potential ethical issues that can be assessed and addressed at www.daikinapplied.ethicspoint.com.
- (6) Encourages suppliers to report questions or concerns about Daikin Applied’s Supplier Code of Conduct, including any risks of human trafficking and slavery to suppliercompliance@daikinapplied.com.