



Danfoss

Climate Solutions Segment
11655 Crossroads Circle
Baltimore, MD 21220-2863

Phone: +1 410-931-8250
Fax: + 1 410-931-8256

E-mail: baltimore@danfoss.com
www.danfoss.us

May 28, 2021

TO WHOM THIS MAY CONCERN

Subject: Danfoss Surcharge Notification, effective 15th June 2021

Dear Valued Customer

Over the past several months, we have remained committed in meeting your needs as reliably and efficiently as possible against unprecedented market conditions negatively impacting the way we serve you. Unfortunately, these challenges have continued to escalate as we face further market disruption impacting our ability to source our own components in a cost effective and timely manner.

We have sought to shield you from the growing impact of these challenges absorbing as much as possible. Despite all mitigation efforts including previous price adjustments, the current situation yields an increasing gap that we cannot absorb without a negative impact to our supply chain. Therefore, we must take the unfortunate step of implementing an extraordinary surcharge of 4.5% on all Climate Solutions products, effective on all orders from 15th June 2021.

This short notice is regrettable, however necessary, due to the rapid escalation of the combined circumstances. As the current market situation is quite volatile, this adjustment may be subject to further change.

We appreciate your understanding in this very unprecedented situation as we continue to serve your needs.

Please feel free to contact your Account Managers should there be any questions.

Yours sincerely,

VIKAS ANAND
Vice President, North America
Danfoss Climate Solutions