





# 2020 Sustainability Report

From Our CEO	3	People	30
Danaher at a Glance	6	Environment	52
Our Response to the Global COVID-19 Pandemic	14	Foundational Elements	62
Innovation	20	About This Report	77



# From Our CEO

It is my great privilege to share Danaher's 2020 Sustainability Report—our company's fifth, and my first as President and CEO. I am proud to carry forward the work of my predecessor, Tom Joyce, and to lead Danaher's purpose–driven sustainability journey.

My personal commitment to sustainability began early in my career, while working for a global chemical company where considering the responsibilities, risks and impact inherent in our daily work was essential. I have carried that passion with me throughout my career. As I step into this new role, I remain committed to doing what is right and good for our many stakeholders.

Since our earliest days, the pursuit of *continuous improvement* has been at the heart of everything Danaher does. The challenges facing our society and humanity present both an opportunity and a responsibility for us to do and be better. Unified by Our *Shared Purpose* of *Helping Realize Life's Potential* and empowered by the *Danaher Business System (DBS)*, our more than 60,000 global associates address today's challenges while continuing to make meaningful progress on our three sustainability pillars: *Innovation* that fuels compelling advances across an array of scientific disciplines; the *People* at the heart of our teams, along with their families and communities; and, the *Environment* that sustains us. I offer a few highlights here and you will see much more in the pages that follow.

#### Innovation

Danaher's sustainability efforts begin with innovation. In 2019, we invested over \$1 billion toward research and development across our businesses. Our teams work to address some of the most pressing health and safety challenges of our time while making a difference in the lives of our customers and those they serve every day.

There is no more urgent challenge in 2020 than the COVID-19 pandemic, and I'm incredibly proud of our operating companies' fast, innovative response to this crisis. Cepheid, IDT and Beckman Coulter played a vital role as early leaders in the COVID-19 diagnostic testing effort. To date, our businesses have collectively enabled or produced more than 60 million COVID-19-related diagnostic tests.

At the same time, we proactively support the scientific community in their pursuit of new COVID-19 vaccines and therapeutics. Pall and Cytiva's products and solutions are involved in most of the vaccine and therapeutic research efforts currently underway.

#### **People**

We believe *The Best Team Wins*, and our efforts around diversity and inclusion are an important part of how we are building the best team—one that fully reflects who we want to be. Danaher's highest levels of management drive our diversity and inclusion strategy with input and oversight from our Board. I am excited about our two newest Board members, Dr. Jessica Mega and Dr. Pardis Sabeti, whose scientific expertise and unique perspectives enrich our work in some of the most promising areas of healthcare and life science research.

Realizing the full potential of our people requires that we foster a diverse and inclusive culture and commit to eliminating systemic bias. In doing so, we aim to create a work environment in which all our associates come to work each day as their authentic selves while differentiating ourselves as an employer of choice.

As we reflect on the most recent examples of racial injustice occurring in the U.S., we recognize that we must accelerate the pace of change within our organization as we continue our commitment to diversity and inclusion. We emphatically support our Black colleagues, and the entire Black community, in calling for respect, justice, equality and peace. We are working to give voice to these issues and to create opportunities for associate learning, listening and support.

In the spirit of transparency and accountability, we have established two key diversity goals for 2025. We seek to increase our representation of women associates globally to 40% from 35% in 2019. And we seek to increase our People of Color representation among U.S. associates to 35% from 31% in 2019. Our intention is to better reflect the richly diverse communities in which we live, work and serve our customers.

#### **Environment**

Core to our sustainability strategy is our stewardship of the environment and protecting precious resources for future generations. Our commitment to the environment is longstanding, with businesses such as Hach, ChemTreat and Trojan directly safeguarding water throughout the world for more than 50 years. Across Danaher, we have long considered the environmental impact of our products and operations—and continually strive to improve on this front.

We have established three clear goals to ensure our commitment translates to meaningful action. By 2024, we pledge a 15% reduction in energy use, a 15% reduction in Scope 1 and 2 greenhouse gas emissions (both normalized to annual revenue) and a 15% decrease in the percentage of non-hazardous/non-regulated waste sent to landfills or incinerators, in each case compared to 2019 levels. To help us operationalize these environmental improvements, we have enhanced our DBS toolkit with energy management and waste reduction resources.

We make this pledge against the backdrop of the meaningful environmental solutions our teams provide to the world. I am personally inspired by their daily work to keep raising the bar and do more to fulfill our obligations as global stewards of the environment.

#### Helping Realize Life's Potential

Lains M. Shir

We live and work in complex times. Nonetheless, Danaher always strives to exceed the expectations of our shareholders, customers and associates, and we know that when we come together to build a better world, our potential is limitless. Our innovative portfolio, the dedication of our passionate people, and our deeply ingrained commitment to continuous improvement amplify our opportunity to create a positive, long-term impact. As we rise-up to meet the world's challenges in this unique moment, I see a bright future ahead for all of us. Thank you for your partnership as we build and sustain this future together.

Rainer M. Blair
President and CFO

# THANKS TO OUR ASSOCIATES

Sustainability holds special meaning for each of us. Thank you to our associates around the world, whose original photography submissions make this report uniquely Danaher.

Look for the icon next to photos by this year's photo contest winners!



Leaving nothing but footprints by Nelson To, Radiometer associate

# Helping Realize Life's Potential

Highlights	7	Sustainability at Danaher	10
Our Story	8	Our Businesses	11
How We Work	9		

GRI: 102-7, 201-1

Danaher is a global science and technology innovator committed to helping customers solve complex challenges and improving quality of life around the world.

We enable meaningful innovation in some of today's most dynamic, fast-growing industries. Through our operating companies based around the world, our groundbreaking businesses transform the fields of life sciences, diagnostics, water quality and product identification.

#### HIGHLIGHTS

DANAHER AT A GLANCE

\$17.9B 2019 REVENUE 60,000+ **ASSOCIATES** 

2N+ **OPERATING COMPANIES** AROUND THE WORLD







**ENVIRONMENTAL & APPLIED SOLUTIONS** 2019 REVENUE



# Our Story

As a family of more than 20 operating companies and a globally diverse team of more than 60,000 employees (whom we refer to as associates), we enable meaningful innovation in some of today's most dynamic, fast-growing industries. From our headquarters in Washington, D.C., and throughout our global operating companies, our innovative businesses transform the fields of life sciences, diagnostics, water quality and product identification by:

- **Helping** scientists around the world work at a molecular level to understand chronic disease and infection, develop new therapies and test new drugs,
- **Providing** critical tools and software for clinicians to safeguard patient health, improve diagnostic confidence, and enhance patient care worldwide,
- Ensuring the freshness and safety of food, pharmaceuticals and consumer goods, and
- Protecting our global water supply and promoting environmental stewardship.



## How We Work

#### Our Shared Purpose

Our **Shared Purpose**—Helping Realize Life's Potential—captures our inspiration for everything that we do. We innovate new products to meet changing customer needs, address emerging societal challenges, facilitate healthcare accessibility, and help ensure a cleaner, safer environment.

#### Our Core Values

Our Core Values guide us in our pursuit to make every day better than the last, whether we're supporting our customers, creating tomorrow's breakthrough innovations, developing our teams or delivering long-term shareholder value:

- The Best Team Wins
- Customers Talk, We Listen
- Kaizen Is Our Way of Life
- Innovation Defines Our Future
- We Compete for Shareholders

"We strive to be a purpose-led, high performance company which relies on the strength of the Danaher Business System and a commitment to integrity, compliance and sound governance to realize life's potential for all our stakeholders."

-RAINER M. BLAIR

#### The Danaher Business System

The Danaher Business System (DBS) has been the foundation of our performance and culture since the earliest days of our company. The world has changed meaningfully since then, and our DBS tools and processes continue to evolve along with it. DBS helps us navigate our toughest challenges, deliver innovative products and solutions, grow our businesses and develop the very best teams. DBS is who we are and how we do what we do.

Guided by our Core Values, DBS drives a continuous cycle of innovation and improvement. Exceptional people develop outstanding plans and use proven tools to execute sustainable processes, resulting in superior performance. Superior performance and high expectations attract exceptional people, who continue on the path. Guiding our efforts are four simple, customer-facing priorities: quality, delivery, cost and innovation.

#### THE DANAHER BUSINESS SYSTEM



# Sustainability at Danaher

In 2017, with the support of a consultant, Danaher conducted an extensive materiality assessment to identify the intersection of Danaher's key strategic and sustainability goals. The assessment incorporated feedback from a range of internal and external stakeholders, and included a review of peer best practices. The results of this assessment formed the basis of our sustainability program, which is structured around three sustainability pillars.

We believe in harnessing Danaher's scale and resources to drive companywide sustainability initiatives where it makes sense, while leveraging the power of our decentralized operating structure to enable our operating companies to pursue sustainability in ways that best fit the needs of their particular stakeholders.

In the spirit of continuous improvement, we continue to actively seek feedback on our sustainability program from our customers, associates and investors. We share this feedback with our management Sustainability Committee and our Board's Nominating and Governance Committee, and Compensation Committee, as applicable, to help inform their decision-making and improve our program.

#### Sustainability Pillars

Our sustainability strategy is built around three pillars:

Helping Solve Problems Through Innovation Innovation



#### People

Helping People Reach Their Potential



#### **Environment**

Helping Protect the Environment



These pillars are supported by a foundation of integrity, compliance and sound governance, which we refer to as the Foundational **Elements** of our sustainability program. Our dedication to operating with integrity underlies our approach to every area of our business, including sustainability.



#### Sustainability Oversight

At the Board level, Danaher's Nominating and Governance Committee oversees matters of sustainability and social responsibility as set forth in the committee's charter.

At the management level, Danaher's Senior Vice President and General Counsel, who reports directly to our President and CEO. has general oversight responsibility with respect to matters of sustainability and social responsibility, and is responsible for reviewing and approving Danaher's sustainability reports.

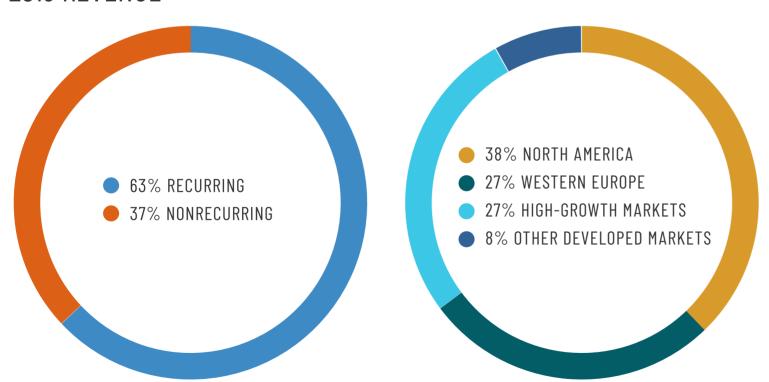
Danaher's Sustainability Committee at the corporate level helps drive our strategy. The committee consists of our Vice President of Environment, Health and Safety; our Vice President, Deputy General Counsel and Secretary; and our Vice President of Corporate Communications. The committee reports to Danaher's Senior Vice President and General Counsel.

# Our Businesses LIFE SCIENCES

Every day, scientists around the world work to understand the causes of disease, develop new therapies and test new drugs. Our Life Sciences businesses make this leading-edge scientific research possible. Our capabilities extend beyond research to power the creation of biopharmaceuticals, cell and gene therapies, and more to advance patient health and improve treatment outcomes.

### \$7.0 BILLION

2019 REVENUE



















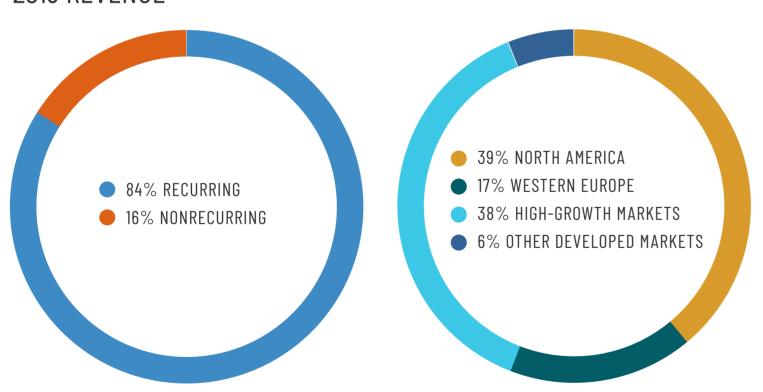


### DIAGNOSTICS

Our Diagnostics businesses provide healthcare professionals with clinical instrumentation and software that help safeguard patient health and improve diagnostic confidence across all settings—from local clinics and family physicians' offices to leading trauma, cancer and critical care centers. Our data access solutions and management systems improve efficiency and automate workflows in laboratories, helping healthcare professionals provide better patient care.

### \$6.6 BILLION

2019 REVENUE

















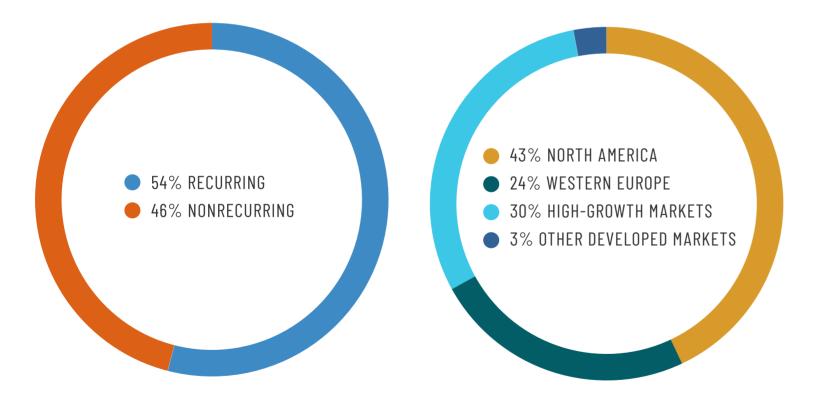


### ENVIRONMENTAL & APPLIED SOLUTIONS

From innovative consumer packaging to drinking water purification, our Environmental and Applied Solutions (EAS) businesses help protect precious resources, and keep our global food and water supplies safe. EAS is comprised of two platforms: Water Quality and Product Identification.

### \$4.4 BILLION

2019 REVENUE























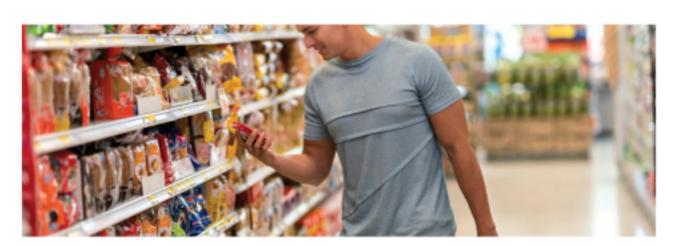






#### Water Quality

As the world's population increases, so does the demand for our most precious resource: Water. Our Water Quality businesses help protect the global water supply and enable environmental stewardship. We deliver precision instrumentation, advanced purification technology and treatment solutions to help analyze, disinfect and manage the world's water across residential, municipal, commercial and industrial applications.



#### **Product Identification**

Every day, we count on high-quality packaging to ensure freshness, consistency, safety and authenticity of products around the world. Our Product Identification businesses provide color management, package design, marking and coding technologies used to help protect the world's food supply, secure pharmaceutical packaging and track consumer goods.



# Our Response to the Global COVID-19 Pandemic

Danaher's comprehensive response to the COVID-19 pandemic has focused on supporting our associates, customers and communities.

Supporting Our Associates	15
Champions for Our Customers	16
Caring for Our Communities	19

OUR RESPONSE TO THE GLOBAL COVID-19 PANDEMIC

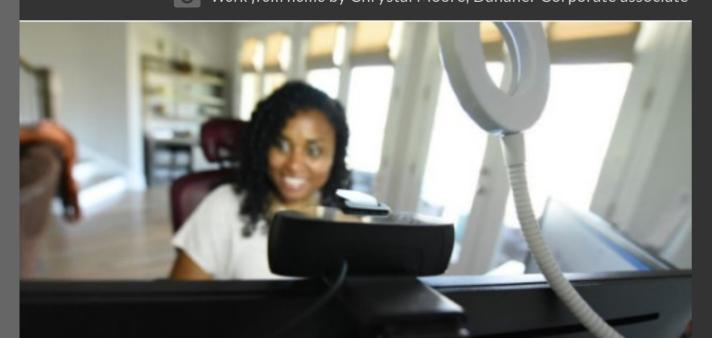
# Supporting Our Associates

From the earliest days of the COVID-19 outbreak in Wuhan, China, through global stay-at-home orders, to today, Danaher has remained steadfast in our commitment to protect our associates' health and safety. We mandated remote work where feasible and implemented restrictions on non-essential travel. To protect our essential workers, who continued to do inperson work, we mandated face masks in all Danaher facilities and increased other safety measures, including, where applicable, staggered work shifts and required social distancing.

#### Our Global Response Team

Our Global Response Team actively monitors and manages our COVID-19 business response and is responsible for implementing protocols consistent with U.S. Centers for Disease Control and Prevention (CDC) and World Health Organization (WHO) guidance to safeguard our associates' health.

Work from home by Chrystal Moore, Danaher Corporate associate



#### Pay Continuity & Expanded Benefits

We have continued to pay associates who are not able to work due to COVID-19 illness or quarantine and have aligned our pay policies to encourage associates to stay home when sick.

We are also providing extra support for associates to balance work and dependent care commitments, including emergency paid sick leave, unpaid leaves of absence with return-to-work job security and U.S. Emergency Family and Medical Leave Act leave. Furthermore, our partnership with *Bright Horizons* helps associates find subsidized, qualified childcare providers, tutors, elder care, pet care and more. Danaher's employee assistance program (EAP) is available to all global associates and their immediate families, providing support for their mental wellbeing during the COVID-19 pandemic. The EAP provides ongoing, virtual mindfulness and resiliency programming to our associates along with one-on-one counseling and expert referrals, if needed.

#### Facilitating Virtual Work

The pandemic has changed the way many of us work, intensifying our associates' need for technological support and ways to work virtually as a team. We have invested in technology and equipment to make the transition to working remotely as seamless as possible for our associates. We quickly pivoted our in-person events and trainings to accommodate our virtual world, including changing how we apply many of our DBS tools. Our continuous improvement philosophy ensured that our teams were ready to tackle the challenges of taking conferences, team meetings, kaizen events and trainings virtual with minimal disruption.

#### Keeping in Touch with Our Associates

Throughout the COVID-19 pandemic, we surveyed our associates to understand their needs and personal situations, and to see how they're doing. Based on results of our annual Associate Engagement Survey, 88% of surveyed associates felt satisfied with the company's efforts to care for associates during the pandemic, while 93% of associates agreed that their leaders took actions to maintain a safe work environment, whether on-site or remote. We have used this input to adapt our support services to address the evolving challenges facing our global workforce.



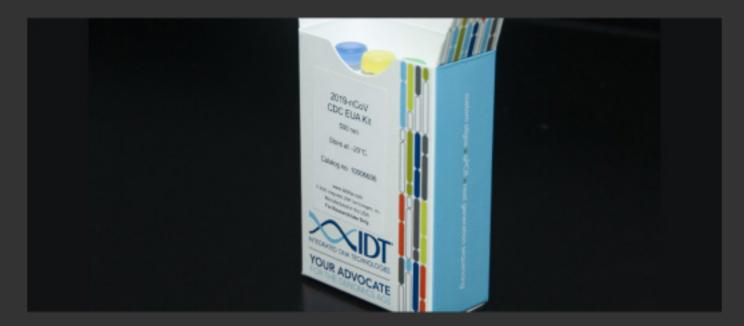
We are immensely proud of our operating companies' responses to the challenges brought on by the pandemic—especially their efforts to provide our customers with uninterrupted service throughout 2020. Our businesses serve critical roles, and most were deemed essential even at the height of stayat-home orders. Our manufacturing teams and field workers were quick to adapt to the new business environment and emphasized safety first to ensure our customers were able to deliver on their commitments as well.

Notably, many of our operating companies are directly involved in the global effort to diagnose, treat and protect against COVID-19.

#### **Enabling Critical Diagnostics**

Diagnostic testing has been a critical component of the global community's attempts to better understand and ultimately curb the spread of COVID-19, and **Cepheid** has been a leader in this effort. In March, Cepheid launched the first rapid molecular test for COVID-19 that provides highly accurate results within 45 minutes. Multiple independent studies indicate that Cepheid's test performance is best-in-class versus other point-of-care platforms on the market today, providing superior virus detection with one of the fastest time-to-results. As a testament to Cepheid's continued commitment to tackle this global health crisis, the company recently received Emergency Use Authorization (EUA) from the U.S. Food and Drug Administration (FDA) for their Xpert Xpress SARS-CoV-2/Flu/RSV test, a rapid molecular diagnostic four-in-one test for detection of the viruses causing COVID-19, Flu A, Flu B and RSV from a single patient sample.

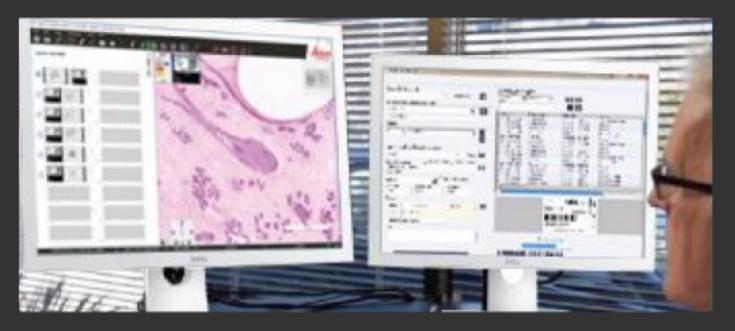
#### OUR RESPONSE TO THE GLOBAL COVID-19 PANDEMIC / CHAMPIONS FOR OUR CUSTOMERS



Integrated DNA Technologies (IDT) was the first company in the U.S. to offer ready-to-use primer and probe kits for use as a key component of the CDC EUA testing protocol for the diagnosis and detection of COVID-19. The company has produced primer and probe kits to enable more than 45 million tests to be conducted in the U.S. pursuant to the CDC EUA testing protocol.



Beckman Coulter's IgM and IgG serology assays determine if a patient has developed an immune response to the SARS-CoV-2 virus. Antibody assays could potentially play an important role in understanding immunity and, in turn, improving the world's ability to manage COVID-19 going forward.



To help pathologists safely view and diagnose pathology cases from remote locations rather than in a hospital setting, the FDA has permitted **Leica Biosystems** to enable remote diagnosis using the company's Aperio ImageScope DX Viewer and Aperio AT2 DX Scanner. This solution provides pathologists with the tools they need to deliver the best and most accurate care for patients, regardless of physical location.



Surges in hospitalized patients being treated for COVID-19 have increased demand for Radiometer's blood gas instruments and tests which measure the amount of oxygen and carbon dioxide in the blood — key parameters to monitor in critically ill patients. With the largest global installed base of blood gas instruments, Radiometer is well-positioned to support clinicians and patients throughout the COVID-19 pandemic.

GRI: 203-1, 203-2

OUR RESPONSE TO THE GLOBAL COVID-19 PANDEMIC / CHAMPIONS FOR OUR CUSTOMERS

#### Advancing Research

Beckman Coulter Life Sciences' viral RNA extraction kits and automation support research workflows related to COVID-19 real-time PCR testing. Their RNAdvance Viral XP extracts viral RNA from swab samples, an essential step in the overall workflow. After extraction, the collected RNA is used in qRT-PCR kits to test whether the RNA from a virus is present, yielding a positive or negative test result.

Molecular Devices is supporting scientists who are researching COVID-19 cellular response and vaccine development with microplate readers, washers, biopharma and cellular imaging systems.

#### Supporting Vaccine & Therapy Development

As we look beyond testing, a global race is on to find effective treatments, vaccines and therapeutics for the virus. As of the date of this report, Pall and Cytiva's products and solutions are involved in the majority of the more than 250 vaccine and therapeutic projects currently underway globally, including every COVID-19 vaccine candidate that is part of U.S. Operation Warp Speed. Pall and Cytiva's leading offerings across the bioprocessing workflow make both companies well-positioned to help bring vaccines and therapies to market faster. In addition to their filtration, chromatography and single-use technologies, Pall and Cytiva's innovative teams provide customers with extensive technical expertise to enable breakthrough development and production capabilities.

Pall's Process Development Services team is helping customers scale up vaccine production processes at an unprecedented pace. In a process that normally takes place over the course of several months, or even years, the team has designed processes, delivered equipment to labs and run initial on-site tests in a matter of weeks.





GRI: 203-1, 203-2

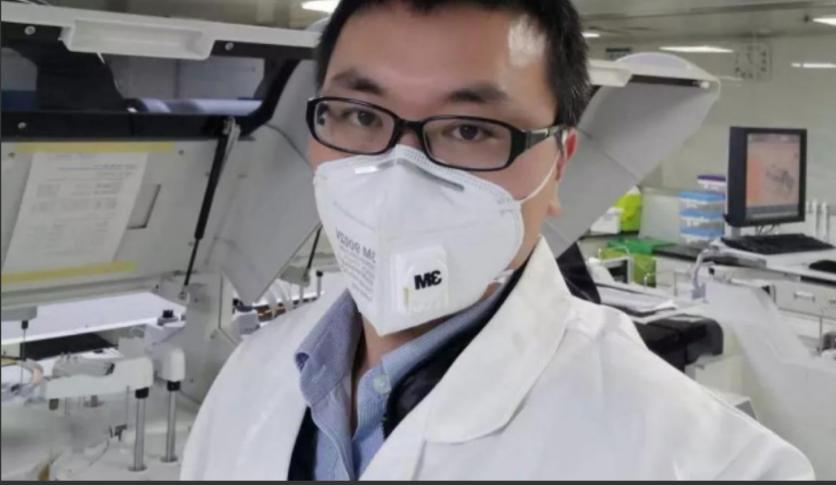
OUR RESPONSE TO THE GLOBAL COVID-19 PANDEMIC

# Caring for Our Communities

In addition to caring for our associates and customers, we have extended our financial support to nonprofit organizations focused on COVID-19 relief efforts. In the early days of the pandemic, Danaher operating companies were among the first to respond, donating nearly \$1.5 million in diagnostic equipment, reagents and other products to hospitals in Wuhan, China. Since then, our community response has continued to include donations of medical instruments, testing supplies, and other services and equipment to countries and regions impacted by COVID-19. For example, Cepheid donated 100,000 Xpert Xpress SARS-CoV-2 virus rapid molecular diagnostic tests through *The Stop TB Partnership*.

Danaher and our associates made a combined \$1.5 million donation to four organizations on the front lines of COVID-19 relief:

• <u>Direct Relief</u> coordinates with public health authorities, nonprofit organizations and businesses globally to provide personal protective equipment (PPE) and essential medical items to health workers responding to COVID-19.



Our associates practicing good safety measures while at work.

- <u>WHO: COVID-19 Solidarity Response Fund</u> provides support globally to help prevent, detect and respond to the pandemic. This fund is powered by the United Nations Foundation.
- Save the Children and No Kid Hungry is focused on ensuring vulnerable families have access to food and on reducing severe disruptions to children's education in a time when many school systems are closed.
- <u>Feeding America</u> is the largest hunger-relief organization in the United States. Their COVID-19 Response Fund enables food banks to secure the resources they need to serve the most vulnerable members of the community during this difficult time.

Danaher also accelerated more than \$200,000 of our planned 2020 giving to our <u>partner organizations</u>, allowing them to more effectively manage their organizational priorities in response to COVID-19 impacts.







# Helping Solve Problems Through Innovation

Highlights	21	High Impact in Developing Markets	25
Innovation Defines Our Future	22	Medical Device Product Quality	26

INNOVATION

We develop leading-edge diagnostic tools, advance lifesaving research, and protect our global food and water supplies.

Our technologies advance research, improve human health and protect the environment, enhancing quality of life today and setting the foundation for a better world for future generations.

### HIGHLIGHTS

7,711 TOTAL PATENTS WORLDWIDE AT THE END OF 2019

>\$1.1 BILLION INVESTED IN R&D IN 2019





INNOVATION

# Innovation Defines Our Future

Innovation helps us meet—
and exceed—our customers'
expectations. By advancing
research, improving human health
and protecting the environment, our
technologies enhance quality of life
today and set the foundation for a
better world for future generations.



#### **Expanding Partnerships for Sepsis Prevention**

Sepsis is a difficult-to-diagnose, life-threatening condition that affects 20-30 million people worldwide every year, and has a mortality rate of almost 40%. Devastating patient consequences and substantial costs to healthcare organizations make sepsis a significant global health concern. Through strategic partnerships, prevention and awareness campaigns and, most importantly, the development of our groundbreaking technologies, Danaher's Diagnostics businesses have taken a lead role in improving these outcomes.

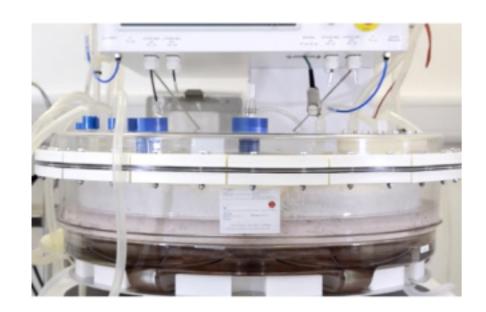
In 2019, Beckman Coulter began a partnership with <u>Dascena</u> and the Biomedical Advanced Research and Development Authority (<u>BARDA</u>) to develop a hospital-wide diagnostic solution for sepsis prediction. This machine-learning-based sepsis detection algorithm, which uses <u>Beckman Coulter's DxH Early Sepsis Indicator</u> in conjunction with elements from patients' electronic medical records, is expected to help reduce sepsis mortality through earlier intervention while reducing the total cost of care.

With the onset of the COVID-19 pandemic, this partnership was expanded to study the early prediction of viral-induced sepsis. Until recently, the majority of sepsis cases were thought to be caused by bacterial pathogens, and COVID-19 has caused a shift in how clinicians approach treatment decisions for this condition.





#### INNOVATION / INNOVATION DEFINES OUR FUTURE



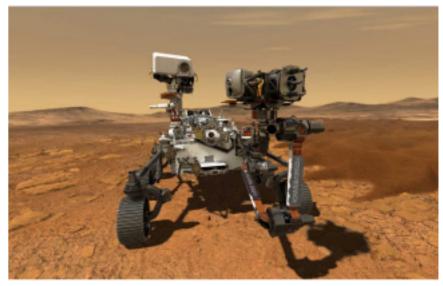
#### Breakthrough Gene Therapy for Children

In 2019, Pall contributed to a breakthrough pediatric gene therapy, *Zolgensma®*, which is manufactured using Pall's iCELLis bioreactor. Zolgensma® is the first gene therapy to treat children under the age of 2 who suffer from spinal muscular atrophy—the leading genetic cause of death for infants.



#### Friendly Competition Yields Transformative Ideas

In January 2020, Cytiva launched Innovation Accelerator, an internal seed-funding program created to source and scale inhouse innovation. Cytiva's first challenge, Planet Business, invited associates to create business opportunities with significant positive impacts for the environment and customers. More than 1.300 associates presented 125 ideas over 2 months. Six teams were selected to participate in an 8-week innovation bootcamp and, ultimately, received a total of \$3.8 million in funding to execute their ideas for up to 12 months. The funded projects include new ways to work with single-use plastics, perform remote factory acceptance testing, improve manufacturing processes with regard to water use, chemicals and additive manufacturing, and develop more sustainable product packaging.



Credit: NASA/JPL-Caltech

#### XOS Headed to Mars on 2020 Perseverance Rover

NASA's 2020 Perseverance Rover was launched into space this summer and is expected to land on Mars in early 2021. XOS is playing a key role in the mission, supplying the rover with a custom polycapillary X-ray focusing optic housed in an instrument called PIXL at the end of the rover's robotic arm. The XOS optic will be used in conjunction with six other instruments to measure compositions of various chemical elements in rocks, soils and more in the search for evidence of past life on the red planet.



#### INNOVATION / INNOVATION DEFINES OUR FUTURE

#### Protecting Our Intellectual Property

Danaher and our associates take seriously our duty to protect the company's intellectual property. Relevant associates are required to take annual training to understand the implications of unauthorized disclosure or misuse, during or after their employment, for Danaher and our customers. Associates who create intellectual property are required to follow Danaher and operating company policies and processes for identifying and protecting our intellectual property.



INNOVATION

# High Impact in Developing Markets

Our strategy for growth delivers breakthrough innovations that serve diverse populations around the world. Developing markets continue to offer a tremendous opportunity for impact. We have dedicated significant resources to understanding the needs of populations in these markets, developing products that address local requirements, and improving our commercial strategies and partnerships to expand access to our innovative products. In 2019, 32% of our sales came from developing markets.

#### A New Life for Cytiva Equipment

Through a partnership with Seeding Labs, Cytiva is helping great ideas take root. Cytiva's Giving Back to the Science Community initiative has facilitated the donation of over \$250,000 worth of well-maintained lab equipment to talented researchers at 19 universities in 10 developing countries since 2016. This equipment has helped researchers perform West Africa's first large-scale study of antibiotic residues in drinking water, fight the rapid spread of Lyme disease among forestry workers in Ukraine and develop easier ways to administer life-saving antimalarial medicines to children in Ghana.



#### Cepheid Enhances Global Access

Cepheid is leading the charge against tuberculosis (TB), garnering support from major global partners including the Foundation for Innovative New Diagnostics, StopTB, USAID, UNITAID and the Bill and Melinda Gates Foundation. Cepheid's <u>High</u> <u>Burden Developing Country</u> (HBDC) program, which launched in 2011, has delivered thousands of GeneXpert Systems and millions of Xpert cartridges to some of the world's most TB-challenged regions. Cepheid's HBDC program continues to expand with the additions of remote calibration, cloud-based data consolidation initiatives and additions to the Xpert test menu.









INNOVATION

# Medical Device Product Quality

#### Regulatory Framework & Our Risk Profile

Danaher's subsidiaries make and sell diagnostics, life sciences, water quality and product identification products and solutions. Certain of these products are medical devices that are regulated by the FDA, and by similar agencies in other countries. Our medical device manufacturing sites are required to adhere to all applicable quality system regulations and requirements, including with respect to the U.S. the Current Good Manufacturing Practices ("CGMP") requirements set forth in the FDA's Quality Systems Regulation ("QSR") and in Europe and other countries around the world the ISO 13485 Medical Devices Quality Management System Standard ("ISO 13485").

The risk profile of our medical device portfolio differs from that of many of our medical device peers. Our medical devices consist primarily of products used to collect, prepare, organize and examine specimens in vitro. Medical professionals may take into account results generated from our products, often with other factors, in diagnosing and treating patients. By comparison, many of our peers primarily produce medical devices that are implanted into, or applied to, the human body, which may carry greater risk of injury to the human body.

The FDA's risk classification of our medical devices reflects these points and illustrates that with few exceptions, our medical devices are classified as low or medium risk. The chart to the right categorizes the FDA-registered sites of Danaher's subsidiaries based on the risk classification of the devices produced at the site.

#### FDA Registered Sites of Danaher's Subsidiaries (as of July 2020)

(Classified by Highest-Risk Device Produced at Site)

SEGMENT	HIGH (III)	MEDIUM (II)	LOW (I)	TOTAL REGISTERED SITES
Diagnostics	2	26	8	36
Life Sciences	_	10	9	19
Water	_	1	_	1
Product Identification	_	_	_	_
Total	2	37	17	56

#### INNOVATION / MEDICAL DEVICE PRODUCT QUALITY

#### Centralized Compliance Standards & Controls

The <u>Danaher Code of Conduct</u> requires that the medical devices we make and sell strictly comply with all applicable rules and regulations. To help ensure compliance, we deploy common Quality Management Systems (QMS) standards and controls across our medical device operating companies to drive the safety and effectiveness of these products and services. Below are highlights of these standards and controls.

#### REGULATORY, QUALITY, & CLINICAL AFFAIRS KPIS

We require our operating companies to track and report on a regular cadence key performance indicators (KPIs) designed to provide transparency, drive accountability and measure the health of our QMS. These required KPIs focus on pre-market and post-market product and QMS performance, covering areas such as internal and external audits, supplier and internal corrective and preventive actions (CAPAs), complaints, external defects, clinical trials, recalls and adverse events. KPI goals are established for each medical device operating company, and we leverage our DBS tools to help us meet these goals. Danaher's executive leadership reviews these KPIs on a regular basis, in addition to established QMS reviews by our operating company leadership.

#### CORPORATE AUDIT PROGRAMS

Annually, Danaher's corporate staff audits our sites registered with the FDA for compliance with the FDA's regulations relating to Good Manufacturing Practices (GMP), including product testing and supplier evaluation and monitoring, medical device reporting, recalls, FDA establishment registrations and device listings. With respect to medical device sites regulated by comparable regulators in other countries, the corporate audit staff typically includes those appli-



cable regulatory requirements in their audit protocols, including as applicable the ISO 13485 standard and Medical Device Single Audit Program (MDSAP) requirements. Danaher's corporate audit function also regularly audits our businesses to help ensure compliance with Danaher's and the applicable operating company's policies regarding responsible marketing, advertising and promotional procedures, and practices and training.

#### ANNUAL COMPLIANCE TRAINING

The KPI and auditing controls described above are bolstered by GMP-specific annual training requirements. All associates employed by our medical device operating companies, including senior management, are required to participate in annual training covering GMP compliance, and compliance with laws governing the advertising and promotion of our products.

#### INNOVATION / MEDICAL DEVICE PRODUCT QUALITY

#### **Regulatory Inspections**

As a medical device manufacturer, our manufacturing facilities are subject to inspection on a routine basis by the FDA and by similar agencies in other countries. The FDA inspects (and independent certification organizations designated by non-U.S. regulatory authorities audit) registered medical device sites using a risk-based process, taking into account the risk profile of the products manufactured by the site. In connection with an inspection, the FDA may issue Form 483 Inspectional Observations, Warning Letters, and/or consent decrees, which list conditions or practices that may indicate a violation of the FDA's requirements. The chart to the right illustrates our FDA inspection performance from 2017 through 2019.

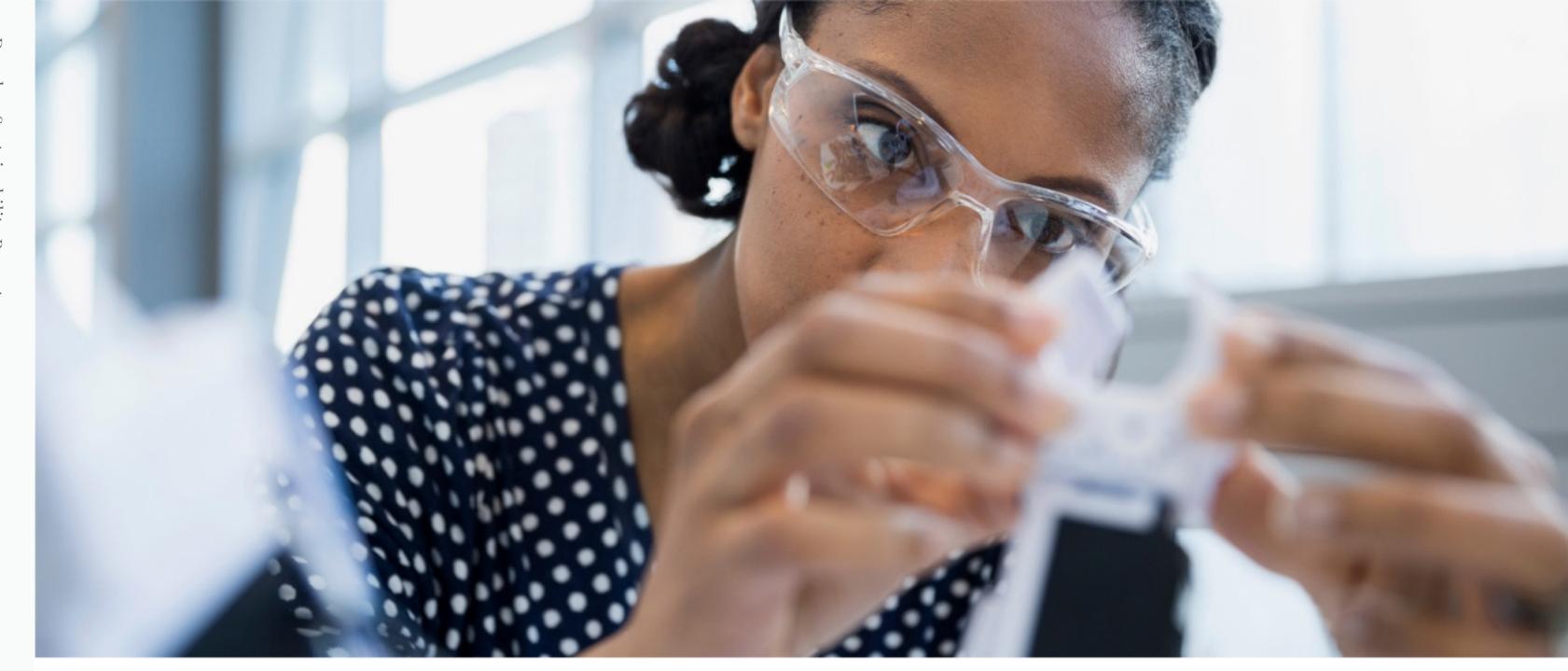
#### Recalls

A medical device recall can include actions ranging from a labeling change or an in-field correction to a partial or full removal of the product from the market, depending on the nature of the issue and the risk to public health. Medical device recalls are typically conducted voluntarily by the manufacturer but may also be mandated by the FDA. Recalls are required to be reported to the FDA if the recall was initiated to reduce a risk to health posed by the device or to remedy a violation of applicable law caused by the device which may present a risk to health. The FDA classifies recalls as Class I (highest risk), Class II or Class III (lowest risk) based on the relative degree of health hazard posed by the recall. The table to the right illustrates our FDA recall activity from 2017 through 2019, with the number of recalls declining significantly over time.

#### FDA Inspection Results

YEAR	CONSENT DECREES	WARNING LETTERS	483 OBSERVATIONS
2019	0	0	4
2018	0	0	1
2017	0	0	13

YEAR	CLASS I	CLASS II	CLASS III	TOTAL U.S. RECALLS	FDA INITIATED	SEIZURES/ CONSENT DECREES
2019	1	14	0	15	0	0
2018	1	26	1	28	0	0
2017	0	32	2	34	0	0



INNOVATION / MEDICAL DEVICE PRODUCT QUALITY

#### Danaher Reliability System

We deploy a common framework and suite of processes across our operating companies to drive product quality and reliability, known as the Danaher Reliability System (DRS). The DRS is one of the DBS fundamental tools, and operates across the product lifecycle. It consists of six pillars: leadership focus on reliability, design for reliability, Supplier Quality Management, Manufacturing Process Control, customer service and support, and customer defect tracking and resolution. The DRS both supports and incorporates the medical device regulatory requirements described on the previous page as applicable but goes beyond such requirements with the goal of driving world-class reliability.

#### Supplier Quality Management

As noted, one of the DRS pillars is Danaher's Supplier Quality Management (SQM) system. The iterative elements of SQM include a supplier performance measurement process, supplier performance monitoring process, supplier corrective action process, supplier performance improvement process and criteria to effectively qualify a supplier. Where necessary, suppliers are trained on DBS tools, which are deployed at the supplier to fix problems and improve performance. The SQM both supports and incorporates applicable medical device regulatory requirements, including supplier audits where required.





# PEOPLE Helping People Reach their Potential

Highlights	31
Our Team	32
Personal Potential	33
Professional Potential	36

Diversity + Inclusion	40
In Our Communities	48
Safety	50

We are a diverse team of people and operating companies, each with unique missions and challenges. Yet, we are united by a Shared Purpose that motivates us to achieve our most ambitious goals.

Our success is rooted in our people. We offer unique and compelling career experiences with opportunities spanning multiple high-impact industries, six continents and more than 20 operating companies.

#### HIGHLIGHTS

YEAR 2025 GOAL

40%

WOMEN (AS % OF TOTAL ASSOCIATES)

35% as of Year 2019

YEAR 2025 GOAL

35%

PEOPLE OF COLOR IN THE U.S.

33% as of Year 2019

6.5%

Global Voluntary Turnover in 2019

74% Senior Leader Internal Fill Rate in 2019 **PEOPLE** 

## Our Team

Danaher is committed to attracting, engaging and retaining the best people from around the globe to build and sustain our company. With our focus on building a sense of inclusion and belonging among our associates, we are creating a richly diverse company where good ideas thrive and gateways to success abound.

60,000

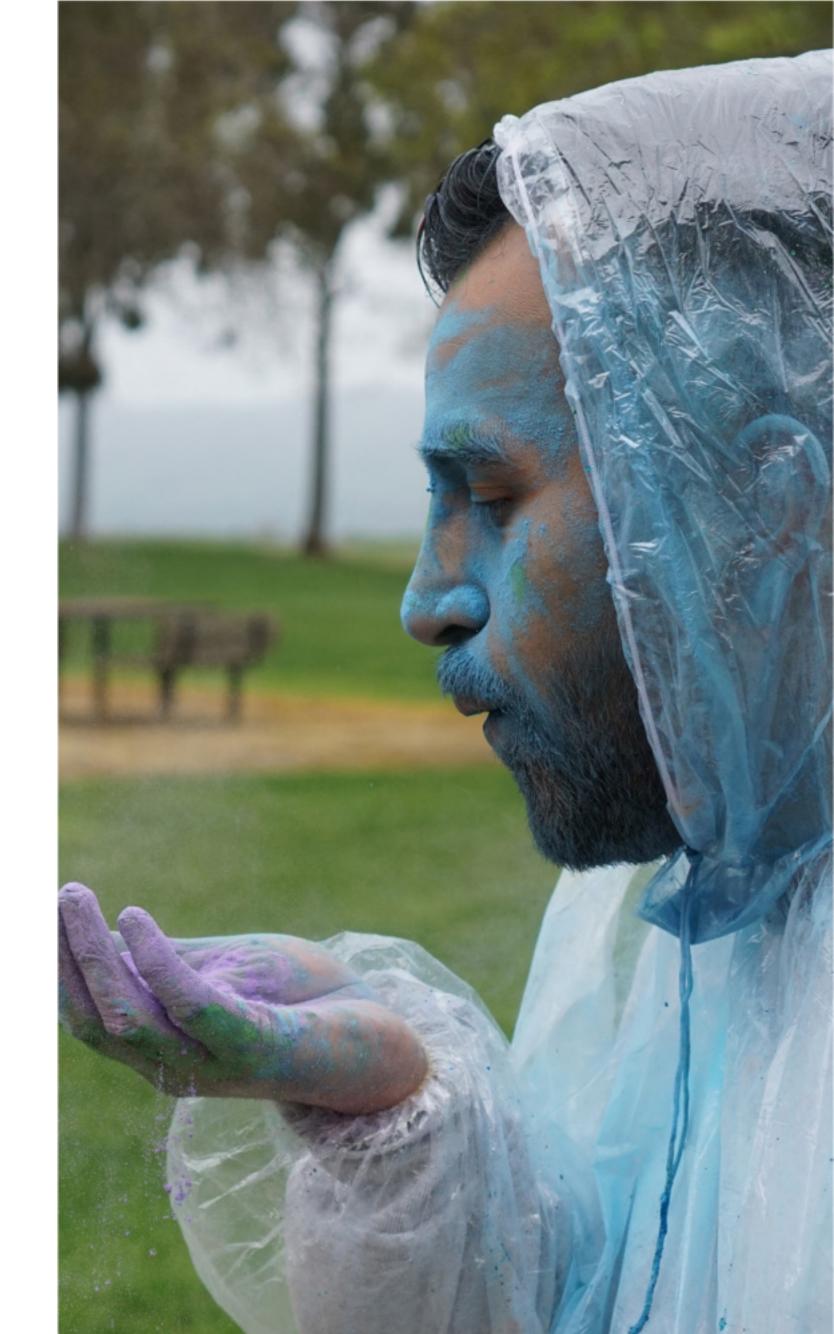
NUMBER OF ASSOCIATES AT THE END OF 2019

21,000

ASSOCIATES IN THE U.S.

39,000

ASSOCIATES OUTSIDE OF THE U.S.





#### Health, Wellness & Financial Stability

Danaher's health and wellness benefits support our associates' wellbeing and respond to their needs. Each associate can select from a range of physical fitness, emotional resilience and financial stability programs according to his or her individual goals. In 2020, we expanded our employee assistance program (EAP) to support our associates globally.

#### Collective Bargaining

Of Danaher's 21,000 U.S. associates, approximately 300 were hourly-rated, unionized associates at the end of 2019. Outside the U.S., the company has government-mandated collective bargaining arrangements and union contracts in certain countries, particularly in Europe where many associates are represented by unions and/or works councils.

#### Compensation

We are committed to offering competitive compensation and benefits, tailored to geography, industry, experience and performance. Danaher's compensation programs and practices are designed to attract associates, motivate and reward performance, drive growth and support retention. In general, compensation at Danaher includes base salary and often some form of variable bonus or incentive opportunity. In addition, certain associates receive long-term compensation in the form of Danaher equity awards.

#### How We Compensate Executives

The goal of our executive compensation program is to build value for our shareholders. The program is designed to reward executive officers who build long-term shareholder value, achieve annual business goals and maintain long-term careers with Danaher. Our program's emphasis on long-term equity awards, tied closely to shareholder returns and subject to significant vesting and holding periods, has been fundamental in attracting skilled executives, encouraging them to build long-term careers with Danaher, and motivating them to achieve sustainable operating and financial performance through a range of economic cycles. We provide our shareholders an opportunity to cast an annual advisory vote with respect to the compensation of our named executive officers, as disclosed in our <u>annual proxy statement</u> (the "say on pay proposal"). At Danaher's annual meeting of shareholders in 2020, 95% of the votes cast were in favor of the say on pay proposal.

#### PEOPLE / PERSONAL POTENTIAL

#### **Associate Relief Fund**

Launched in 2019, the Danaher Associate Relief Fund facilitates associate-to-associate giving in the aftermath of a natural disaster. Primarily funded by associate donations, with additional contributions from Danaher and our operating companies, the fund exists to support our own associates who may be facing financial hardship immediately after a natural disaster, and supplements support they may receive from other organizations, such as the Red Cross.

#### Danaher Scholarship Program

The Danaher Scholarship Program helps reduce the financial burden of higher education costs for Danaher families. In 2019, we helped fund the academic pursuits of 75 of our associates' children at colleges and universities around the globe. The recipients—22 new scholars and 53 renewals—were selected based on academic record, demonstrated leadership, participation in school and community activities, honors, work experience, and a statement of goals and aspirations. Since its inception, the Danaher Scholarship Program has provided more than \$3 million in scholarship awards to support the development, growth and potential of our next generation.

#### Family Friendly Benefits & Parental Leave

Danaher's paid parental leave policy offers new parents in the U.S. and U.S. expatriates up to 8 weeks of 100% paid leave within the first year of a child's birth, adoption or foster care placement.

In 2020, Danaher added <u>Maven</u> to its list of family-friendly benefits for associates in the U.S., Canada and Puerto Rico. Maven offers around-the-clock support for every step of parenthood—from fertility treatments and adoption, to maternity leave and return to work, to breast milk shipping and mental health.



#### SPOTLIGHT: SUPPORTING ASSOCIATES IN INDONESIA

Jakarta, Indonesia was hit with devastating flooding on January 1, 2020, leaving nearly 200,000 people in emergency shelters. Danaher's Associate Relief Fund was ready to help associates from Pall's filtration facility who were impacted. According to one associate, "Our house's ground floor was under 1.7 meters of water and mud for two consecutive days. The electricity was out, and with a newborn baby in the house, it was a challenging situation. Pall leaders paid attention and monitored our condition closely ... they informed me that I was eligible for the Danaher Associate Relief Fund. It was really a blessing for our family, and did help us to mend our house and help us to recover our normal life. Thank you, thank you and thank you."

#### PEOPLE / PERSONAL POTENTIAL

#### Volunteer Time Off

Our associates are helpers in and out of the workplace. They know that time spent in the service of others provides the perspective, gratitude, focus and inspiration that makes them happier and more productive at work and home. Danaher operating companies, including Beckman Coulter, Cepheid, Esko and IDT, support their associates' commitment to volunteerism with team volunteer days and volunteer time off.









#### Learning & Development

From individual contributors to managers and senior leaders, we help our associates realize their full potential with meaningful career development opportunities. Our typical approach to talent development includes a mix of on-the-job learning (70%), coaching (20%), and leadership and DBS training (10%).

90%

Professional associates with a development plan at the end of 2019

#### PEOPLE / PROFESSIONAL POTENTIAL

We believe that on-the-job learning and direct coaching provides our associates with the most consistent and impactful development opportunities. We complement this daily learning with a robust leadership development and learning curriculum designed to provide our associates at all levels with the skills and knowledge to succeed at Danaher. Select examples of Danaher's Leadership Development curriculum include:

- Leadership Essentials: An introductory boot camp supporting new managers in developing winning teams.
- Coaching Essentials: A skillsbased training program designed to help people leaders accelerate development, improve performance and bring out the best in their people.
- Maximizing Leadership Performance:
   A course designed to help mid-level leaders become more effective managers.
- Accelerated Learning Program: A
   course focused on developing high potential leaders, their teams and their
   organization to drive future results.

- Danaher Leadership Program: A
   course to provide new-to-role General
   Managers and Presidents with
   foundational knowledge and skills
   framed around Danaher's Core Value
   Drivers and leadership competencies.
- Functional Leadership Development
   Program: Our 12-month "Learn-Do-Teach" program helps commercial and support leaders develop solid DBS
   Fundamentals, coaching, prioritization and change, and talent management skills.
- Executive Champion Orientation and DBS Leadership Orientation: Programs that immerse new leaders in the DBS culture through the introduction of DBS fundamentals and hands-on experience with DBS tools.

Many of Danaher's learning programs are facilitated by our own certified practitioners, who undergo formal train-the-trainer programs before receiving certification. Danaher has more than 650 certified practitioners covering every major region in which we operate.



#### ASSOCIATE SPOTLIGHT: LINDSAY GALAS

Lindsay Galas joined Videojet in 2012 as a Global Vertical Marketing Manager after working in investment banking and earning her MBA. Through Danaher's General Manager Development Program (GMDP), Lindsay has rotated through the business and partnered with mentors, gaining exposure to DBS, strategy, product management, consumables and customer care. She has also played a part in major transitions in Videojet's marketing, service and customer experience strategies. This year, Lindsay moved into her current role as Global Vice President, DBS, Videojet where she can employ her diverse skill set and broad knowledge on a daily basis. Lindsay says, "The fact that I'm always able to grow and change and have new challenges is what keeps me here. I feel like I can add value to the business in different ways at different times."

#### PEOPLE / PROFESSIONAL POTENTIAL

#### Learning DBS

Danaher Business System University (DBSU) helps associates develop DBS competencies and capabilities needed to drive results at Danaher. DBSU provides a wide variety of learning opportunities, both virtually and at physical locations around the world (U.S., China, India and Germany). The DBSU curriculum and offering span formal classroom-style training, peer best-practice sharing and engagement, and action learning through kaizens.

#### Learning Management System

In 2020, Danaher launched a global learning management system (LMS) to serve as the hub of our associates' learning and development journey. Using Workday's learning platform, Danaher associates have access to numerous digital learning courses and DBS kaizens and bootcamps.



#### PEOPLE / PROFESSIONAL POTENTIAL

#### Danaher Go

At any one time there may be more than 1,000 available career opportunities across Danaher. We strive to fill our open roles with our own talented associates whenever possible. Danaher Go is our commitment to hiring and growing careers from within. Our internal policy champions this commitment by empowering associates to pursue intra-Danaher career moves with full support from their manager and senior leadership.

74%

Senior leader internal fill rate in 2019

#### Performance for Growth

Our Performance for Growth process supports our performance-based rewards system, ensuring that high-performing associates are recognized for their contributions. The process also encourages managers to provide ongoing, real-time performance feedback throughout the year to ensure associate success and development.

95%

Associates who received performance reviews in 2019

#### Talent Recruitment

Our team focuses on identifying, attracting and recruiting diverse talent to meet current and future business needs across the organization. Bringing in early-career talent is particularly important for the company as it provides meaningful opportunities for us to support the next generation's long-term career aspirations. We partner with organizations to support our university internship and leadership development programs in operations, STEM, general management and human resources.

Danaher's diverse talent acquisition strategy is focused on increasing underrepresented talent throughout the company. We partner with the National Black MBA Association, the Society of Women Engineers, Reaching Out MBA, National Society of Black Engineers and The Consortium, among others. Danaher's partnership with The Consortium, for example, is a key partnership for our early-career talent acquisition strategy and helps infuse a consistent and reliable flow of underrepresented MBA talent into the company.

#### Engagement

Our engagement strategy focuses on developing the best workplace and leaders to meet our associates' needs every day. We conduct an annual engagement survey to measure our progress and are proud to report that 2019 results reflect another year of meaningful progress on this journey, and our sixth consecutive year of improvement. In 2019, 92% of associates participated in the survey, and Danaher's score improved across all dimensions.

BETWEEN 2013 AND 2019:

+19

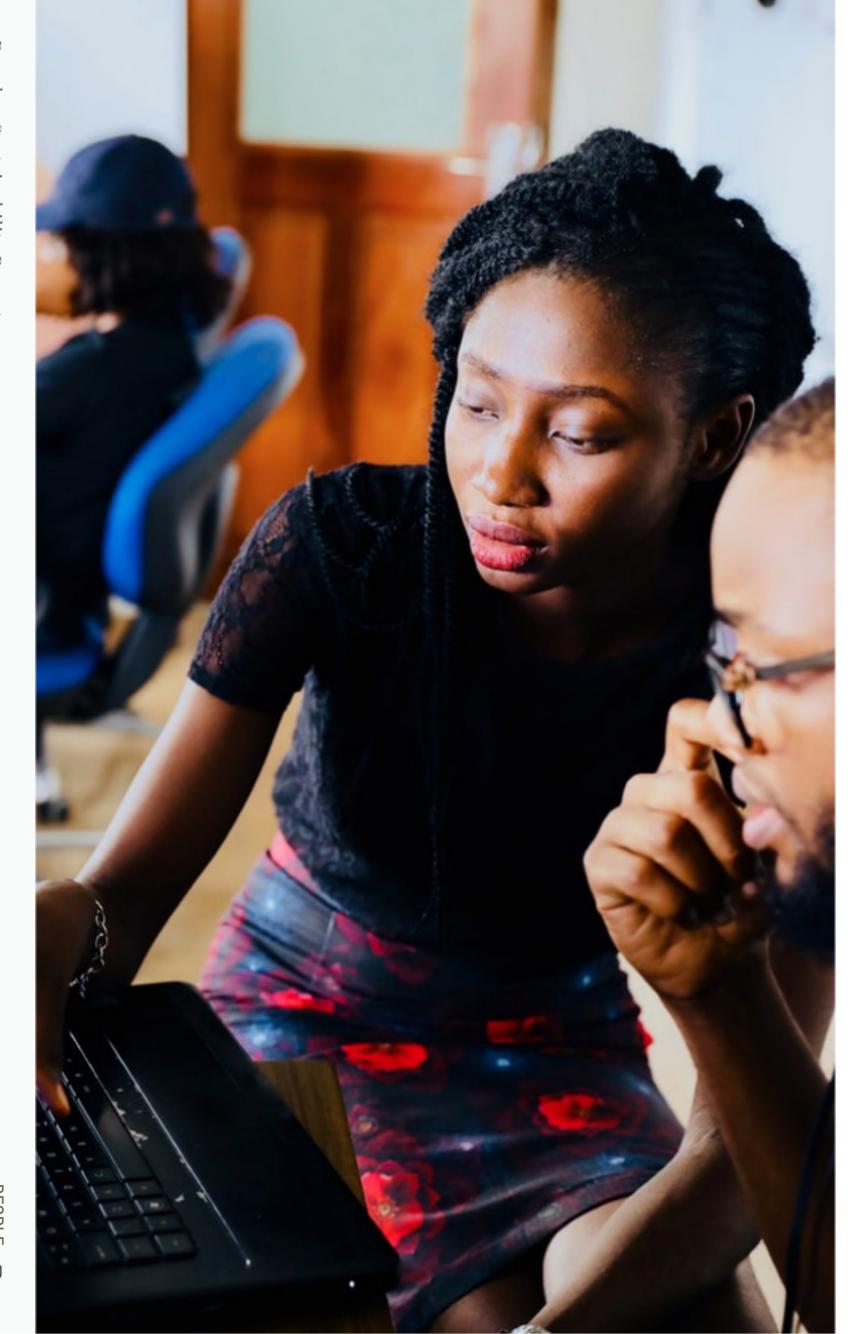
PERCENTAGE POINTS
Associate engagement

+17

PERCENTAGE POINTS

Direct supervisor effectiveness





PEOPLE

# Diversity + Inclusion

At Danaher, our aspiration is to continuously improve and sustain a diverse and inclusive culture free of systemic bias and create a work environment in which all associates can bring their true selves to work.

We know that diversity and inclusion (D+I) are essential to our success because real breakthroughs come from teams that think big, encourage all voices to be heard and learn from diverse perspectives. By building and maintaining a culture rooted in diversity and inclusivity, we maximize the unique perspectives and fresh ideas necessary to drive innovation, fuel our growth and ensure our technologies and products effectively serve a global customer base.





#### **Diversity Metrics**

We aspire to increase the diversity of our leadership teams and associate populations around the globe. It is the right thing to do. We know a diverse workforce strengthens Danaher by ensuring our associate population reflects our broad customer base. In addition, diverse work teams create more innovative solutions and products to better meet the needs of the marketplaces we serve.

At Danaher, metrics, in tandem with the rigor and focus of DBS, are vital tools that drive our accountability and quantify our progress.

Baseline Metrics for 2019	YE 2019
WOMEN (AS % OF TOTAL ASSOCIATES)	35%
WOMEN IN MANAGERIAL ROLES	29%
PEOPLE OF COLOR IN THE U.S.	33%
PEOPLE OF COLOR IN THE U.S. IN MANAGERIAL ROLES	23%

Our diversity and inclusion journey began many years ago, and we now believe we have the structure and planning in place to set 5-year diversity representation goals. As a first step, we have established goals to improve gender representation globally and People of Color in the U.S. and will use our progress against these goals to help assess the progress of our D+I efforts.

2025 Goals	YE 2025 GOAL
WOMEN (AS % OF TOTAL ASSOCIATES)	40%
PEOPLE OF COLOR IN THE U.S.	35%



Hope - Black Lives Matter March by Robert Winter, Danaher Corporate associate





#### D+I Strategy & Oversight

Danaher's Senior Vice President of Human Resources oversees the Office of Diversity and Inclusion, which is led by our Vice President of Diversity and Inclusion. Together, they are responsible for developing and managing our D+I strategy as well as supporting programming and initiatives that advance that strategy. In addition, Danaher's President & CEO is a signatory to the CEO Action for Diversity & Inclusion pledge, setting a clear "tone at the top" regarding D+I's critical importance to Danaher.

The Danaher Diversity + Inclusion Council, which includes Danaher's Senior Vice President of Human Resources, Vice President of Diversity and Inclusion, several Danaher executive officers and representatives from each of Danaher's platforms, is responsible for:

- Overseeing the company's D+I strategic direction;
- Creating accountability measures for the company; and
- **Helping** operationalize D+I initiatives and programming across all of our operating companies.

Danaher's Board of Directors reviews and provides input on Danaher's D+I strategy at least annually. Our Board members also have opportunities during the year to engage directly in D+I programming.



#### OPCO SPOTLIGHT: SOCIAL MEDIA FOR SOCIAL JUSTICE

With 2.7 million Instagram followers and counting, Pantone is committed to using its platform to stand up against intolerance and support social justice around the world. This year, Pantone:

- Created the color <u>Ultra Black</u> in collaboration with hip-hop legend Nas. Ultra Black, inspired by Nas' hit song of the same name, is an electrifying, unifying force representing the richness, complexity and profound beauty of Black culture.
- Partnered with designer Fuzzed Up Bear to form <u>The Human Being Initiative</u>, a line of merchandise created to engage, educate and empower the public in support of racial equality. All proceeds from The Human Being Initiative sales directly benefit the work of the American Civil Liberties Union.

To learn about other initiatives Pantone supports, browse the company's *Instagram* feed.

#### D+I Training

Danaher's suite of leadership development courses includes targeted D+I training on unconscious bias and creating leader accountability for diversity. In 2019, Danaher launched Growing Inclusive Teams, our global diversity and inclusion training that teaches associates how to identify and understand the impacts of D+I, and how to recognize and mitigate personal bias. The course is deployed globally and available in 13 languages.

#### Associate Resource Groups & Diverse Talent Mentoring

Danaher has five Associate Resource Groups (ARGs).

- African Descent & Friends
- Asian Descent & Friends
- Latinx & Friends
- LGBTQ & Friends
- Women & Friends



Beaming with PRIDE

All ARGs share a common charter:

"To enhance Danaher's Shared Purpose by ensuring associates are realizing their full potential while increasing the representation of high-potential diverse talent at all levels of the organization."

ARGs are currently open to North American exempt associates who identify as the target demographic and eligible "& Friends" to aid in inclusion. We expect to launch ARGs in geographies outside of North America soon.

Our ARGs offer mentoring and coaching programs that help underrepresented talent forge connections among themselves and with a broad group of Danaher leaders and outside professionals. One example is the Women & Friends ARG coaching program, which provides an opportunity for women to access one-on-one coaching with a licensed career development professional.

#### Diversity + Inclusion Around the World

We localize our D+I initiatives in an effort to ensure associates experience inclusion in ways that are relevant to their geography and culture.

In 2019, Danaher hosted the first Danaher North Asia Women's Leadership Summit in Shanghai, China. More than 100 women leaders from China, Japan and South Korea came to network, learn and reflect on issues women face at Danaher and in North Asia. Topics spanned work-life balance, career opportunities and visibility and learning from role models.

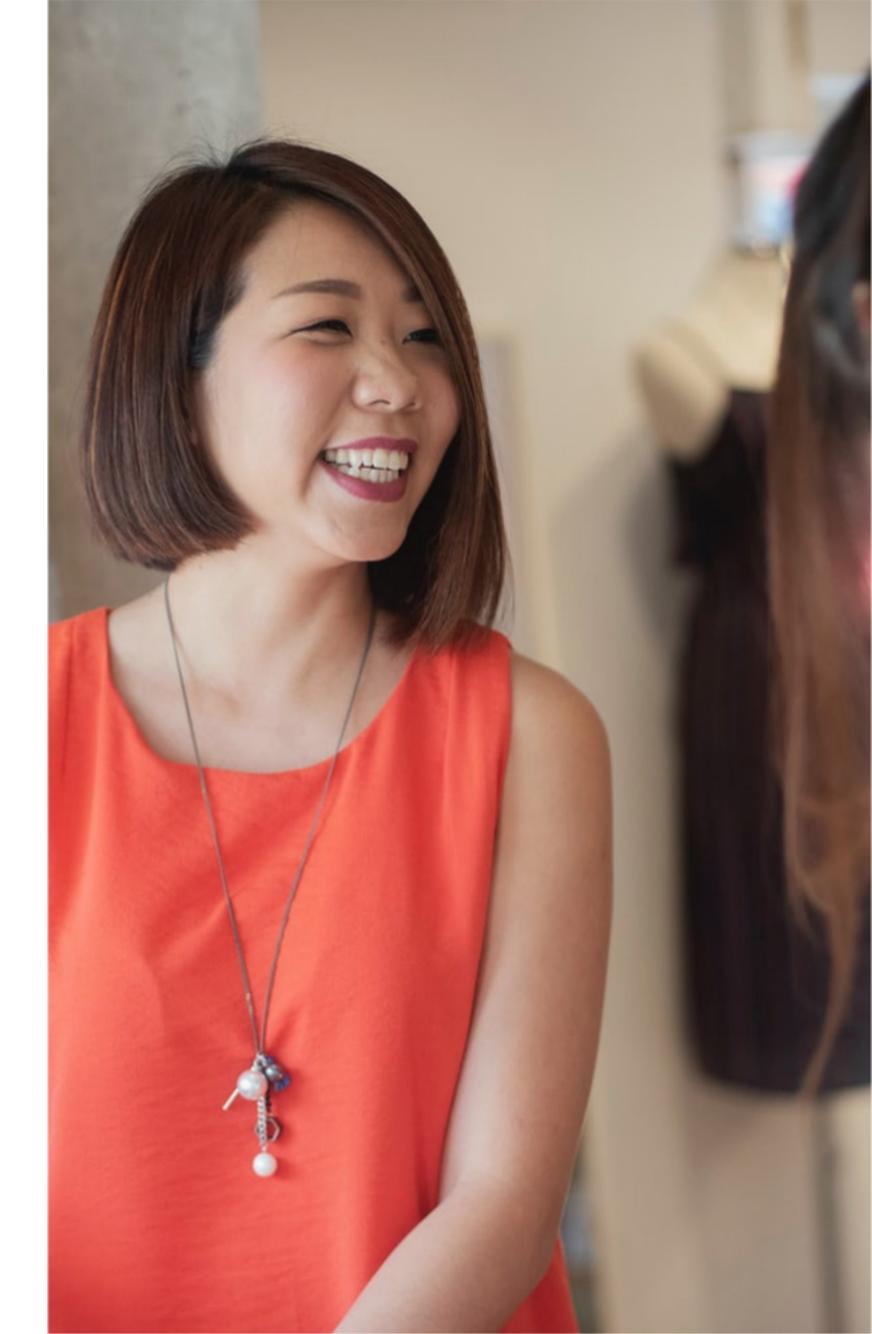
Leaders from Danaher's operating companies across Europe have formed the European D+I Task Force to accelerate our diversity and inclusion journey in Europe. Reporting directly to Danaher's EU Board and the D+I Council, the task force is charged with developing a regional D+I action plan and has identified three initial focus areas:

- Increasing women in managerial roles through development, mentorship, sponsorship and coaching to elevate potential leaders, and recruiting diverse talent into Danaher at all levels,
- Building an inclusive culture through the rollout of D+I training programs, such as Growing Inclusive Teams and Speed of Trust, to help leaders foster inclusive teams, and
- Extending ARGs to Europe.



WATCH RELATED VIDEO





#### **Supporting Our Black Associates**

Danaher emphatically supports our Black colleagues and the entire Black community in calling for respect, justice, equality and peace. Danaher, like many global companies, has been reflecting on the most recent examples of racial injustices in the U.S., and we're working to amplify Black voices and provide tangible, visible support to the Black community.

Within Danaher, we have elevated these issues and created opportunities for associate learning, listening and support. Together with our operating companies, we are working to inspire, engage and activate all managers to make personal commitments to build and sustain a truly diverse and inclusive organization. We continue to review internal practices and act upon experiences unique to our Black associates to ensure an inclusive culture.

We also publicly expressed our support with a giving campaign focused on organizations supporting Black communities. In total, Danaher, our operating companies and our associates committed more than \$500,000 to four non-profits:











#### LGBTQ+ Equality

Danaher is committed to speaking out against discrimination and injustice in our communities. Over the past decade, we have shown our support for our LGBTQ+ associates and the community by signing several amicus briefs in important U.S. Supreme Court cases. Most recently, we have supported cases affirming that sexual orientation and gender identity discrimination are prohibited under Title VII of the Civil Rights Act.

Through our longstanding partnership with the <u>Human Rights</u> <u>Campaign</u> (HRC), the largest LGBTQ+ civil rights organization in the U.S., we are building a more inclusive workplace for LGBTQ+ associates. For the sixth year in a row, the 2019 Human Rights Campaign Corporate Equality Index (CEI) named Danaher one of the Best Places to Work for LGBTQ+ Equality. The CEI evaluates LGBTQ+-related policies and practices including non-discrimination workplace protections, domestic partner benefits, transgender-inclusive health care benefits, competency programs and public engagement with the LGBTQ+ community.







PEOPLE

# Commitment to Human Rights & Anti-Discrimination

As a global company, we are committed to upholding the dignity of every person and supporting efforts to protect human rights around the world.

Our policy is to comply with all applicable laws pertaining to fair employment practices, freedom of association, privacy, collective bargaining, immigration, working time, wages and hours as well as laws prohibiting forced labor, compulsory labor, child labor, employment discrimination and human trafficking. We will not tolerate the abuse of human rights in our operations.

Our <u>Code of Conduct</u> outlines our associates' obligations to help detect and prevent human rights abuses, including:

- Reporting any suspicion or evidence of human rights abuses in our operations or in the operations of our business partners to their manager, or through our Speak Up! Hotline.
- Respecting human dignity in daily interactions with one another, customers and business partners.
- Promoting diversity and inclusion, accommodating disabilities and helping protect the rights and dignity of everyone with whom we do business.

West Dundee Riverwalk along the Fox River by Jennifer Mitros, Videojet associate







We believe in being a good steward of the communities in which we live and work. Danaher and our operating companies routinely support our local communities by engaging in charitable partnerships, team events, local fundraisers and more. In addition to corporate initiatives, many of our operating companies fund and administer programs that are important to their particular stakeholders.

#### Corporate Partnerships

Through the Danaher Foundation, we provide direct financial support to organizations that advance our vision of improving quality of life around the world. The Foundation's financial support focuses on four areas: STEM education, healthcare research and discovery, diversity, and disaster preparedness/community engagement. To the right are some of the partners the Foundation supports.

















































#### PEOPLE / IN OUR COMMUNITIES



#### Showing Heart at the Invention Convention

Every year, over 100,000 students from around the world submit creative and sometimes life-changing inventions to The Henry Ford Museum's Invention Convention. This year, Danaher provided 32 judges for the U.S. national competition and sponsored the Innovation in Medical Technology Award to recognize a student who has successfully addressed a problem in health, medical technology or healthy living. The winner of the 2020 Danaher Innovation in Medical Technology Award was eighth-grader Ana-Lois Davis, who developed the CPR smart glove to guide users through CPR in life-ordeath situations.



#### Kids Go Virtual for Charity in China

For the past four years, Danaher's operating companies in China have supported Adream, an organization focused on improving access to quality education for children in remote parts of China. This year, our annual fundraiser went virtual to serve a dual purpose: celebrating International Children's Day, and engaging our associates and their families during the COVID-19 pandemic. With themes of wonder, future and home, our associates' children submitted their work to be displayed in our Adream Virtual Auction & Art Gallery. A curated collection of the children's' pieces is featured in a 2021 calendar, with online sale proceeds donated to Adream.

**PEOPLE** 

# Safety

Associate safety is deeply embedded in our culture. We emphasize workplace safety to ensure our associates feel good about coming to work, and that they leave safe and healthy at the end of every shift. We are proud that workplace safety consistently receives the highest scores in our annual Associate Engagement Survey. Our 2019 safety score exceeded the top-quartile benchmark of our survey administrator's global clients and has increased every year since our survey began in 2013.

#### Protecting Our Associates

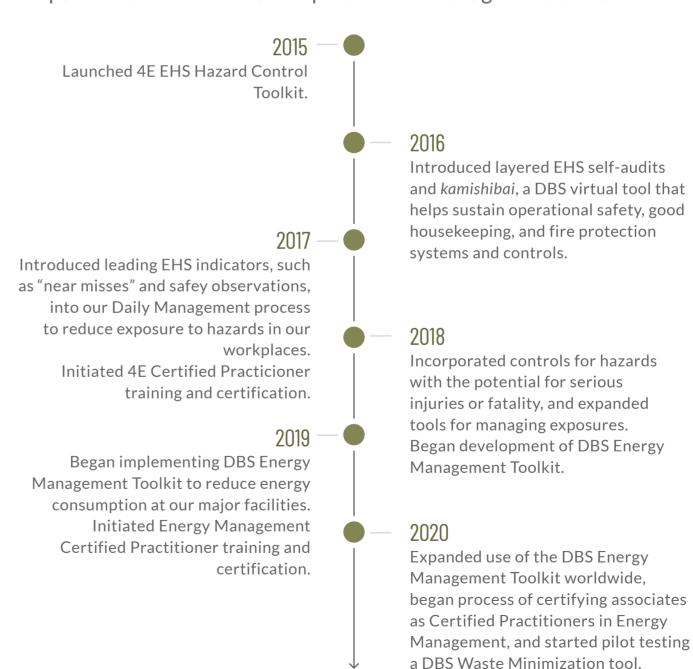
Each of our operating companies has processes to protect our associates and facilities from fire and natural hazards and assure business continuity. We continually invest to safeguard our teams and facilities. Our emphasis on improving our crisis management and business continuity plans helps ensure the physical, financial and emotional wellbeing of our associates during natural disasters and other emergencies.

DANAHER	2015	2019	CHANGE
TOTAL RECORDABLE INCIDENT RATE <sup>1</sup> (TRIR)	1.05	0.68	-35%
DAYS AWAY, RESTRICTED OR TRANSFERRED <sup>2</sup> (DART)	0.65	0.47	-28%

<sup>&</sup>lt;sup>1</sup>Incident rates are defined as the number of work-related injuries or illness cases serious enough to require treatment beyond first aid, per 200,000 hours worked.

#### Our 4E Toolkit

This DBS-based set of tools enables our associates to identify, assess and control hazards related to the four Es: ergonomics, energetics, exposures and environment. Over the past 5 years, we have built, expanded and refined our 4E portfolio of management tools.



<sup>&</sup>lt;sup>2</sup> Days Away, Restricted or Transferred are defined as the number of work-related injuries or illness cases that result in an employee working with physical restrictions, being away from work or unable to do their job or transferring to other work, per 200,000 hours worked.

PEOPLE / SAFETY

#### Environment, Health & Safety (EHS) Policy

Our <u>Environment</u>, <u>Health and Safety policy</u> establishes the core principles upon which our EHS management programs are built. Our operating companies put our policy into practice, using DBS to integrate EHS requirements into their operations and to sustain results.

#### **EHS Risk Management Process**

We revised our EHS risk assessment process in 2016 to place greater emphasis on controlling operational risk and using DBS to manage EHS risk. We assign an EHS risk score to each of our major facilities on a semi-annual basis, assessing 16 criteria against four levels of performance. Facility-level teams set risk reduction targets and maintain action plans to improve their scores. Senior leaders from Danaher and each operating company assess our levels of facility risk multiple times each year.

We also employ engineering best practices as a standard element of our facility design, construction and modification processes to protect our facilities against fire, flood, wind and earthquake. In addition, each major facility has an action plan to further reduce these risks and sustain past improvements.

# BETWEEN 2010 AND 2019, OUR OPERATING COMPANIES REDUCED DANAHER'S WORKPLACE INCIDENT (TRIR) AND INJURY RATES (DART) BY OVER 60%.

#### Protecting Our Facilities

Danaher maintains Business Interruption Analysis (BIA) and Business Continuity Plan (BCP) tools and templates that are used by newly acquired businesses to improve their resilience, and by existing operating companies to guide change management and sustain protections against business interruption. In particular, our BIA tools guide an assessment of interdependencies between the manufacturing facilities within a particular operating company; an analysis of the financial, product delivery and other impacts of the loss of a given facility for a maximum foreseeable period of time; and development of strategies to minimize the impact of such loss on our ability to provide products to our customers. Our operating companies use the BCP tools to implement their strategies for minimizing impact to our facilities, associates and customers.









# Helping Protect the Environment

Highlights	53	DBS & The Environment	56
Our Approach to Environmental Impact	54	Our Water Quality Business	58
Environmental Metrics & Goals	55	Contributing to a Greener Future	26

We focus on reducing the environmental impact of our operations and products, and helping our customers do the same.

Danaher and its operating companies are focused on reducing the environmental impact of our operations and our products.

Our operating companies have a long history of enacting environmental sustainability programs and other green initiatives.

#### HIGHLIGHTS

YEAR 2024 GOAL

15%

REDUCTION IN ENERGY CONSUMED

(normalized to annual revenue from continuing operations)

YEAR 2024 GOAL

15%

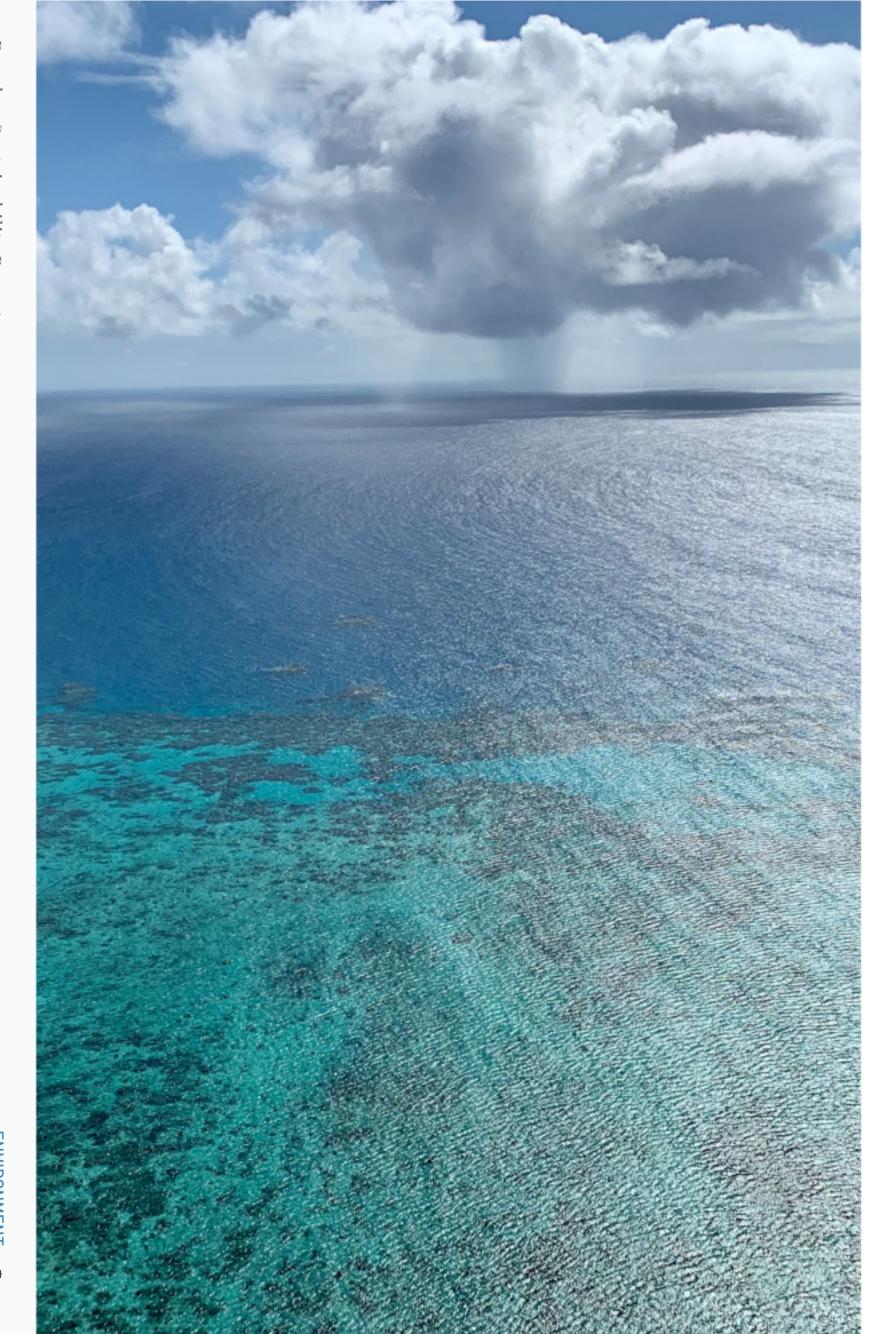
REDUCTION IN SCOPE 1 AND 2 GREENHOUSE GAS (GHG) EMISSIONS

(normalized to annual revenue from continuing operations)

YEAR 2024 GOAL

15%

REDUCTION IN PERCENTAGE
OF NON-HAZARDOUS/ NONREGULATED WASTE SENT TO
LANDFILLS OR INCINERATION



# Our Approach to Environmental Impact

We are committed to reducing the environmental impact of our operations and products, and to helping our customers do the same. Our operating companies have a long history of leading environmental sustainability programs and other green initiatives, and developing more efficient technologies, processes and services.

## Environmental Metrics & Goals

In 2020, the Danaher leadership team committed to the following 5-year environmental impact reduction goals (based on 2024 performance compared to 2019 performance):

YEAR 2024 GOAL

15%

#### REDUCTION IN ENERGY CONSUMED

(normalized to annual revenue from continuing operations)

YEAR 2024 GOAL

15%

## REDUCTION IN SCOPE 1 AND 2 GREENHOUSE GAS (GHG) EMISSIONS

(normalized to annual revenue from continuing operations)

YEAR 2024 GOAL

15%

REDUCTION IN PERCENTAGE OF NON-HAZARDOUS/ NON-REGULATED WASTE SENT TO LANDFILLS OR INCINERATION

#### 2019 GLOBAL ENERGY USE AND GHG EMISSIONS

Total Energy Use (GJ per million USD revenue)	281.51
GHG Emissions, Scope 1 (metric tons $CO_2$ e per million USD revenue)	6.11
GHG Emissions, Scope 2 (metric tons CO₂ e per million USD revenue)	22.82

#### 2019 GLOBAL WATER USE

Total Water Use (cubic meters per million USD revenue)	244.59
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#### 2019 GLOBAL WASTE

Total Waste Generated (metric tons per million USD revenue)	4.68
Non-Hazardous/Non-Regulated Waste Percent Sent to Landfill or Incineration	57%





Fluke-up Dive by Rahul Baghla, SCIEX associate

DBS helps our teams remove muda, or waste, from our processes. In setting environmental impact reduction goals, we naturally turned to DBS to help operationalize our approach and drive our success.

Beginning in 2018, we took some of our most effective DBS tools and processes to create two DBS Environmental Sustainability Toolkits. The benefits of these toolkits to our environment are significant and measurable, and they have helped reduce our cost of operations.

#### ENVIRONMENT / DBS & THE ENVIRONMENT

#### DBS Energy Management Toolkit

The DBS Energy Management Toolkit guides our facility-level teams in identifying, prioritizing and implementing measures that improve energy efficiency and reduce GHG emissions.

Our teams use the toolkit to establish a thorough understanding of energy consumption and identify areas for improvement in the form of an Opportunity Assessment. Next, the teams develop energy management action plans based on the following framework, and implement those plans using a variety of DBS tools:

- Envision: Collect and analyze electricity and gas usage data. Establish longterm and short-term reduction goals. Establish clear roles and responsibilities.
- Investigate: Go to gemba—the physical location where work gets done—to identify and map all systems, processes and pieces of equipment that use electricity and natural gas. Use the guidelines and checklists in the Energy Management Toolkit to identify and prioritize opportunities for improvement and develop an action plan.
- Implement: Systematically execute the action plan. Measure the impact and track results.
- Sustain: Monitor performance at regular intervals, keep stakeholders engaged and add new opportunities for impact to the action plan.

#### **DBS Waste Minimization Toolkit**

Our facility-level teams use the DBS Waste Minimization Toolkit to evaluate current-state waste generation, identify opportunities for improvement and implement comprehensive waste minimization strategies. The toolkit follows the waste management hierarchy of controls—avoid, reduce, reuse, recycle, recover energy, treat and dispose. The teams develop and implement waste management action plans based on this framework.

#### SPOTLIGHT: GETTING STARTED AT HACH

The DBS Energy Management Toolkit helped Hach's Ames, Iowa, and Loveland, Colorado, teams identify over \$150,000 in potential annual savings from energy reduction opportunities.

The Ames facility also employed the DBS Waste Minimization Toolkit to address an inefficient quality control process that required disposal of hazardous samples suspected to be contaminated. The team's rigorous analysis eliminated the need to dispose of quality control samples, reducing hazardous waste generation by 4 tons.

#### SPOTLIGHT: PROGRESS AT PALL

Pall has deployed the DBS Energy Management Toolkit at its facilities in Portsmouth and Ilfracombe, UK; Hoegaarden, Belgium; Crailsheim, Germany; Timonium, Maryland; and New Port Richey, Florida. Kaizen teams identified nearly 100 opportunities for improvement, with a potential for \$2.7 million in annual savings and 10,844 metric tons of CO<sub>2</sub>e reduction. Pall has implemented more than 50 of these projects, realizing over \$1 million in annual energy cost savings and reducing annual carbon emissions by 6,000 metric tons CO<sub>2</sub>e.

Pall's Cortland, New York, and Timonium, Maryland, sites also recently piloted the DBS Waste Minimization Toolkit, reducing the amount of wasteto-landfill by 30% and saving over \$125,000.



The North Pole Ice-Glaciers by Laura Bas, Cytiva associate

Danaher's Water Quality businesses help safeguard our global water supply, as they have done for decades. Our passionate teams of water experts dedicate their careers to helping customers meet environmental goals, implement best practices and innovate

products beyond compliance requirements.

#### **ENVIRONMENT / OUR WATER QUALITY BUSINESS**

#### Supporting Our Customers' Sustainability Goals

The ability to protect water sources and maximize water use efficiency are critical for many ChemTreat customers. ChemTreat's unique model offers waterintensive production facilities custom sustainability programs that identify opportunities to reduce water use, improve the operational performance of capital assets and implement water-efficient solutions. For example, partnership with ChemTreat helped a North American brewer save over 40 million gallons of water in 2019 and over 566 million gallons of water in the past seven years. Thanks to ChemTreat, the customer is on track to meet or exceed its 2025 sustainability goal of 22% water reduction across ten breweries.

## Supplier of the Year in Sustainability

As part of **Boeing's** Go 4 Zero workplace safety program, ChemTreat has provided closed loop, cooling and boiler water treatment for the company's locations across the U.S. since 2012. ChemTreat has expanded this relationship and was named Boeing's 2019 Supplier of the Year in Sustainability. ChemTreat's specialized technical service team planned, implemented and tracked a sustainability program to reduce Boeing's water usage, energy consumption and carbon footprint. ChemTreat's innovative CTVista+ monitoring system and cost-savings project tracking were key to understanding Boeing's unique system needs and solving its water treatment and savings challenges.





### Anticipating New Regulations on the Sea

In 2020, the International Maritime
Organization (IMO) <u>adopted regulations</u>
that require commercial vessels to reduce
ozone-depleting pollution caused by
sulfur oxide emitted in ship exhaust. Hach
and XOS have led the way with creative
solutions to help operators comply with
these regulations and other more stringent
emissions requirements in the U.S.

One of the most cost-effective methods to meet these air-quality standards is to clean onboard exhaust systems by spraying seawater onto raw gas emitted from ship engines, reducing the amount of sulfur oxide content expelled into the atmosphere Hach's PAH500 sensor ensures the seawater used for exhaust scrubbing meets purification standards before it is discharged back into the sea.

Meanwhile, XOS makes it easier to adhere to IMO rules with its High Definition X-Ray Fluorescence, a next-generation regulated element detection technique that allows operators to monitor sulfur levels in fuel.



# Contributing to a Greener Future



#### Smart Solutions Reduce Cytiva's Environmental Impact

Cytiva's manufacturing site in Uppsala, Sweden produces resins used in the development and manufacture of therapeutics, which is an energy-intensive process. To comply with environmental regulations, the facility adjusts the temperature of water sent to the municipal sewage treatment plant using an innovative system developed by Adven, a provider of lowcarbon energy and water solutions. In the process, Cytiva captures heat given off by the system to help warm the premises for its 1,200 associates and reduce energy consumption. Between 2018 and 2019, the Uppsala facility decreased its energy consumption related to heating by 25%, a great stride toward its goal of reducing the energy usage of its operations by 30% by 2030.

#### Pall's Commitment to Sustainability

For more than a decade, Pall has demonstrated its commitment to environmental sustainability through creative, customer-centered solutions and community engagement opportunities for associates. Here are some highlights from 2019.

- Pall celebrated the 50th anniversary of Earth Day by purchasing 285 metric tons of carbon offsets, the equivalent of a day's worth of Pall global emissions.
- 14 Pall teams from around the world joined the Ocean Conservancy's International Coastal Cleanup event, collecting a total of 1,710 pounds of trash from 20 miles of beach.
- Over 500 associates joined Pall's annual ten-day waste reduction challenge, reducing waste by 2,500 kg at our Fajardo, Puerto Rico and Hoegaarden, Belgium facilities alone.
- Design improvements from production materials teams at Pall's Deland, Florida and Timonium, Maryland sites removed over one million linear feet of spiral wrap and six metric tons of glue from customer waste streams within a year.

- Pall's Pensacola, Florida, facility continues
  to engineer waste out of its operations,
  focusing on increasing onsite recycling.
  Recently, the team demonstrated
  that two chemicals used onsite can be
  recycled multiple times before disposal
  as hazardous waste. The site increased its
  recycling rate by over 20% in 2019.
- Pall's Harborgate, UK facility celebrated its seventh consecutive year of zero waste to landfill for all operations.
- Pall's Milan, Italy facility generated over 130,000 kWh from solar power. That's enough energy to power the facility for more than 40 days.



#### ENVIRONMENT / CONTRIBUTING TO A GREENER FUTURE



#### **Breathe Easy**

Over 90% of the world's population live in areas where air pollution exceeds WHO thresholds, leaving them more vulnerable to cardiovascular and respiratory diseases. With such enormous repercussions, the validity of air pollution data is critical to protecting human health. Companies and researchers in 190 cities and 50 countries around the world use Cytiva's Whatman filters to efficiently and effectively collect reliable air quality samples. Whatman filters are designed to help produce reliable test results in a variety of applications, even in the harshest industrial stacks and flues.



#### Native Plantings at Leica Grove

Fourteen departments from Leica
Biosystems' UK facility recently dedicated
over 800 cumulative hours to plant 2,500
native trees on a former animal grazing
paddock, forming a corridor for endangered
wildlife. The team has committed to a longterm partnership with the local municipality
for the maintenance of this tract of land.
With plans to plant native wildflowers,
Leica Biosystems hopes that Leica Grove
will become an area associates can connect
with through work and in their personal
time as the plantings mature and wildlife
returns.



### A Sustainable Future for Fashion

Pantone is proud to support a more sustainable future for the fashion industry by partnering with brands who are leading the charge. Pantone recently collaborated with sustainable sneaker brand Cariuma to create both a Pantone Color of the Year Classic Blue sneaker and a fall 2020 Pantone sneaker collection. The Pantone fall capsule collection was inspired by the vibrant colors found around the world during the fall season and taken from PantoneView Colour Planner palettes. All Pantone styles are 100% vegan, and made with organic cotton canvas and ethically tapped natural rubber. For every pair of Pantone X Cariuma sneakers purchased, Cariuma will plant a pair of trees in the Brazilian rainforest, to directly aid reforestation and the preservation of our endangered species' natural habitat.









Leading Today and Tomorrow, 2019 North Asia Women's Leadership Summit

## Ethics, Compliance & Governance

Highlights	63
Our Culture	64
Ethical Business Conduct	65
Ethical Workplace	67

Dur Board of Directors & Management Team	69
Risk Oversight	73
Policies	75

At Danaher, we are committed to maintaining high ethical standards and complying with all applicable laws, wherever we do business. We believe, with conviction, that acting with integrity at all times is the foundation for success, both individually and together. Our internal integrity and compliance motto – Your Integrity, Our Success – says it all.

#### HIGHLIGHTS



#### IR MAGAZINE AWARDS

**BEST CORPORATE GOVERNANCE:** 

2014, 2015, 2018

BEST INVESTOR RELATIONS PROGRAM IN HEALTHCARE:

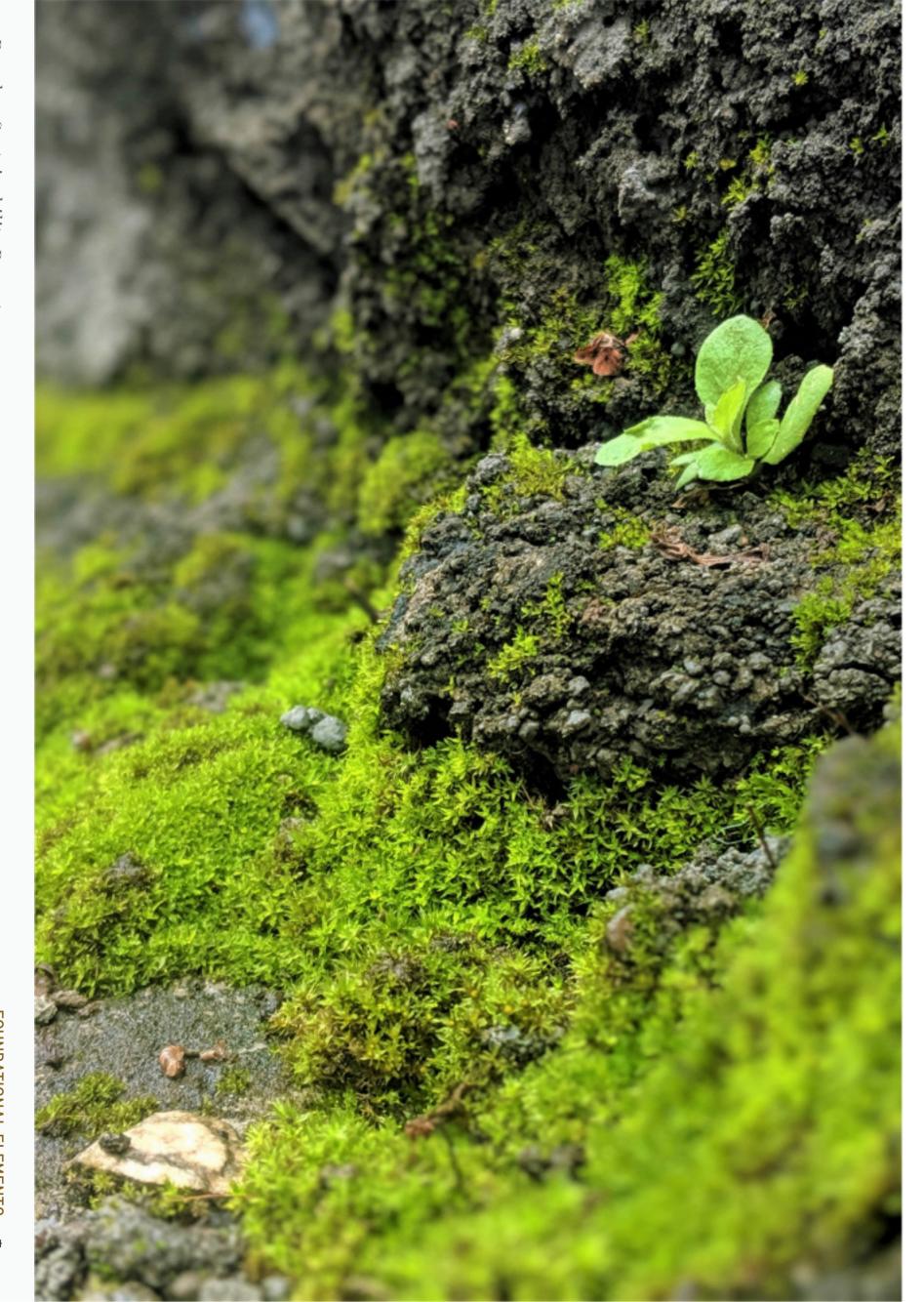
2016, 2017, 2018, 2019, 2020

BEST OVERALL INVESTOR RELATIONS PROGRAM:

2018

98%

OF IN-SCOPE ASSOCIATES COMPLETED
CODE OF CONDUCT TRAINING AND RELATED
CERTIFICATION IN 2019



# Our Culture

Danaher's culture is rooted in a strong foundation of integrity and sound governance, and our sustainability program reflects this same commitment. Our operating companies have developed trust with their associates, customers and local communities over decades. And at Danaher, we have always recognized the importance of reputation to our success, which is why we are committed to maintaining the highest ethical standards and complying with all applicable laws, wherever we do business.



#TheBestTeamWins, Shanghai One Site, China

Danaher is committed to doing business with integrity at every level of our organization. Our corporate ethics and compliance function is responsible for *Danaher's Code of Conduct* and related policies and programs that govern how we interact with customers, colleagues and business partners, and market our products and services. All Danaher operating companies are required to implement and comply with these policies and programs.

#### Ethical Interactions with Healthcare Professionals

<u>Danaher's Code of Conduct</u> requires that we comply with all applicable laws and regulations, including all applicable laws and regulations that govern our promotional activities and our educational and commercial relationships with healthcare professionals. In an effort to help advance compliance, Danaher is a member of AdvaMed, and our Diagnostics businesses have adopted <u>AdvaMed's Code of Ethics on Interactions with Health Care Professionals</u>. Danaher associates in relevant businesses receive information and training about these requirements in a number of ways, including online and in-person trainings and periodic communications.

We support industry initiatives and U.S. federal and state regulatory requirements to make information about certain payments or transfers of value to healthcare professionals publicly available. A number of other countries also have similar disclosure requirements. In the U.S., this information is published on the U.S. Centers for Medicare and Medicaid Services Open Payments <u>website</u>.

#### FOUNDATIONAL ELEMENTS / ETHICAL BUSINESS CONDUCT

#### Countering Bribery & Corruption

Bribery and corruption are risks for all global enterprises. Preventing, detecting and responding to these risks, as well as maintaining accurate books and records, is an important priority for Danaher and its operating companies.

All Danaher associates must comply with our <u>Code of Conduct</u>, Global Anti-Corruption Policy and related policies as well as all applicable laws and regulations, and we reinforce these expectations with annual training for Danaher associates. Our administrative, business, technical, professional, management and executive new hires are required to complete mandatory **Code of Conduct** and anti-corruption training as part of their orientation process and on an annual basis thereafter.

We also support and monitor our third-party sales partners, such as distributors, through our Channel Partner Management compliance programs, including our **Channel Partner Code of Conduct**. Pursuant to this program:

- We conduct due diligence on our third parties in an effort to ensure adherence to our compliance standards and reduce potential risk before the channel partner is approved to conduct business on behalf of a Danaher operating company. Diligence is risk-based and conducted at periodic intervals.
- Our sales channel partners and many other third-party intermediaries are required to complete our Anti-Corruption Program (ACP) training, which is a condition to a Danaher operating company entering into or renewing a contract.

#### Responsible Marketing to Customers & **Patients**

We require all associates who market directly to healthcare providers to follow Danaher's <u>Code of Conduct</u>, the Danaher Product Marketing, Advertising and Promotion Policy (which addresses the use of any type of marketing used to inform or persuade target audiences of the relative merits of a product, service, brand or issue), the Danaher Social Media Guidelines for FDA-Regulated Operating Companies (which addresses information used on social media and other online platforms to advertise and promote products and services), as well as the AdvaMed Code of Ethics on Interactions with Health Care Professionals. Danaher's Code of Conduct requires that we promote our medical products solely based on their approved labeling, that we sell our products through accurate and truthful communications, and that all information provided to others about our medical products be truthful, balanced and supported by data and relevant experience..

IN 2019, DANAHER INCURRED NO MONETARY LOSSES AS A RESULT OF LEGAL PROCEEDINGS ASSOCIATED WITH FALSE MARKETING CLAIMS.

GRI: 102-16, 205-1, 205-2, 417-1

SASB: HC-MS-270a.1: HC-MS-270a.2: HC-MS-510a.2:

# Ethical Workplace

Well-established, Danaher-wide policies and programs (including the Code of Conduct) reinforce our culture of integrity within the workplace. These include the ethics and compliance systems described in this report and, in some cases, the use of data analytics to identify and mitigate risks. We look to industry best practices and benchmarks to track our performance against our peers.

Every Danaher associate is personally accountable for compliance with our ethics and integrity policies. The Integrity Anchor ("Models Humility, Transparency and Integrity") is one of the five Leadership Anchors that guide annual performance reviews at Danaher, and managers numerically score associate performance with respect to this element annually. The Integrity Anchor score an associate receives directly impacts their compensation. In general, any associate who fails to complete the required compliance training in a given year can achieve a score on the Integrity Anchor of no more than 2 out of 5 (if they fail to complete one required training course) or 1 out of 5 (if they fail to complete two or more required training courses). We may withhold further recognition, awards and/or monetary bonuses from, or terminate, associates who do not meet our expectations with respect to integrity and compliance.

#### Engaging Associates in Ethics & Compliance

Our **Code of Conduct** guides our everyday actions and interactions with internal and external stakeholders. It is available in 19 languages.

Each year, all associates in administrative, business, technical, professional, management and executive career categories are required to take Code of Conduct training and certify their understanding of the Code and all its requirements. Code of Conduct training is also provided when associates join Danaher as new hires or through acquisitions, and live Code of Conduct training is provided in certain cases for our shop floor, manufacturing and field sales staff. Code of Conduct training is available in 18 languages; however, we also give our local teams the option to order training materials in other languages if necessary.

of in-scope associates completed Code of Conduct training and related certification in 2019

#### Central Oversight

A central, robust corporate ethics and compliance function reinforces our commitment to integrity. The responsibilities of our corporate ethics and compliance function include:

- Developing and facilitating ethics and compliance training
- Leveraging data analytics to identify and mitigate key ethics and compliance risks
- Managing our confidential reporting hotline, Speak Up!
- Leading investigations into alleged misconduct

- Supporting operating company compliance teams and leaders
- Developing and overseeing implementation of programs and campaigns that increase associates' ethical awareness
- Reporting quarterly to Danaher's Audit Committee and at least annually to Danaher's Board of Directors on matters of ethics and compliance

#### FOUNDATIONAL ELEMENTS / ETHICAL WORKPLACE

#### Corporate Internal Audit Support

Danaher also has a robust corporate internal audit function tasked with validating that proper accounting, and accounting-related controls, exist throughout Danaher. The corporate internal audit function regularly conducts extensive internal audits in an effort to ensure that Danaher's externally reported financial statements are properly prepared according to U.S. Generally Accepted Accounting Principles and to validate the effectiveness of the company's internal controls over financial reporting.

Internal audit also coordinates with Danaher's corporate ethics and compliance function to quantitatively rank the company's business locations from a risk perspective, using a set of established risk criteria that takes into account the location's finance leadership, geographic location and historical internal audit performance, among other factors. The corporate internal audit and compliance functions meet regularly with the company's senior finance leadership and use this risk-based ranking to conduct a prioritized review of the company's locations and implement risk mitigation actions as required.

#### **Reporting Concerns**

We encourage associates to seek guidance on ethical issues and require them to raise concerns about possible legal or ethical violations. Concerns can be raised through numerous channels, including managers, Human Resources, Legal or Compliance department representatives, Danaher's Board of Directors or the Speak Up! Hotline.

Danaher's corporate ethics and compliance function tracks and oversees all reported concerns from investigation to resolution. In 2019, we received and investigated over 850 reports. Where appropriate we took disciplinary action, including coaching, changes in job responsibilities or title, discussion in performance reviews, adverse impact on paid incentive compensation and/ or termination of employment.

#### Speak Up! Program

The Speak Up! call center and website are independent from Danaher and staffed by third-party ethics and compliance specialists. Speak Up! is a confidential way to ask questions, seek guidance and report possible violations of the <u>Code of Conduct</u> or any policies, laws, rules or regulations. Associates are encouraged and expected to ask questions when unsure about any ethics or compliance issue, and associates

are required to report actual or potential violations of law, our <u>Code of Conduct</u> or other Danaher policy. In addition, we encourage our business partners and other third parties who interact with us to report compliance concerns through Speak Up! We publicize Speak Up! through an annual internal communications campaign, and information about Speak Up! is always available in our <u>Code of Conduct</u>, in our offices and facilities, and on our intranet and public website.

Our associates and business partners may use Speak Up! 24 hours a day, 7 days a week. When a concern is reported by phone, the operator will listen, ask questions if necessary and then write a summary report. The summary is then provided to Danaher for assessment and further action. Phone numbers are available for over 120 countries. Associates can also file complaints or submit inquiries electronically through www. danaherintegrity.com, which is available in 17 languages. Reporters can choose to submit their concerns to Speak Up! anonymously, where allowed by local law. Danaher will not tolerate retaliation against anyone who reports a problem in good faith, nor will we tolerate retaliation against anyone who participates in an investigation. Any retaliation may be reported to management or via any of the resources listed in the <u>Code</u> of Conduct.

# Our Board of Directors & Management Team

#### Structure & Responsibilities

Our <u>Board of Directors</u> (either directly or through its committees):

- Together with management, determines Danaher's long-term strategy and oversees Danaher's strategic acquisition and integration process,
- Oversees Danaher's culture, succession planning and development (including both a long-term succession plan and emergency succession plan for the CEO position), compensation, benefits, talent recruiting and retention, associate engagement and diversity and inclusion programs,
- Evaluates the performance and sets the compensation of our CEO and other executive officers,
- Oversees the quality and integrity of Danaher's financial statements, Danaher's internal controls over financial reporting, Danaher's compliance with legal and regulatory requirements and Danaher's integrity and compliance program, and
- Oversees our risk assessment and risk management program and sustainability program.

Our Board consists of 12 members, including four women. We have separated the positions of Chairman of the Board and CEO and because our Chairman is an executive officer, our Board has appointed a Lead Independent Director to chair meetings of the independent directors and act as a liaison, as necessary, between the independent directors and the management directors. The Board's Audit Committee, Compensation Committee and Nominating and Governance Committee each consist entirely of independent directors.

#### Board Selection, Composition & Refreshment

Nominees for Danaher's Board may be suggested by our directors, members of management, shareholders or, in some cases, by a third-party search firm.

Our directors actively consider the topic of Board refreshment. Using our Board skills matrix as a guide as well as the results of our annual Board and committee self-assessment process, the Nominating & Governance Committee evaluates Board composition at least annually and identifies for Board consideration areas of expertise and backgrounds that would complement and enhance our current Board. In considering the Committee's recommendations, our Board seeks to balance the knowledge and experience that comes from longer-term Board service with the fresh ideas and new domain expertise and backgrounds that can come from adding new directors.

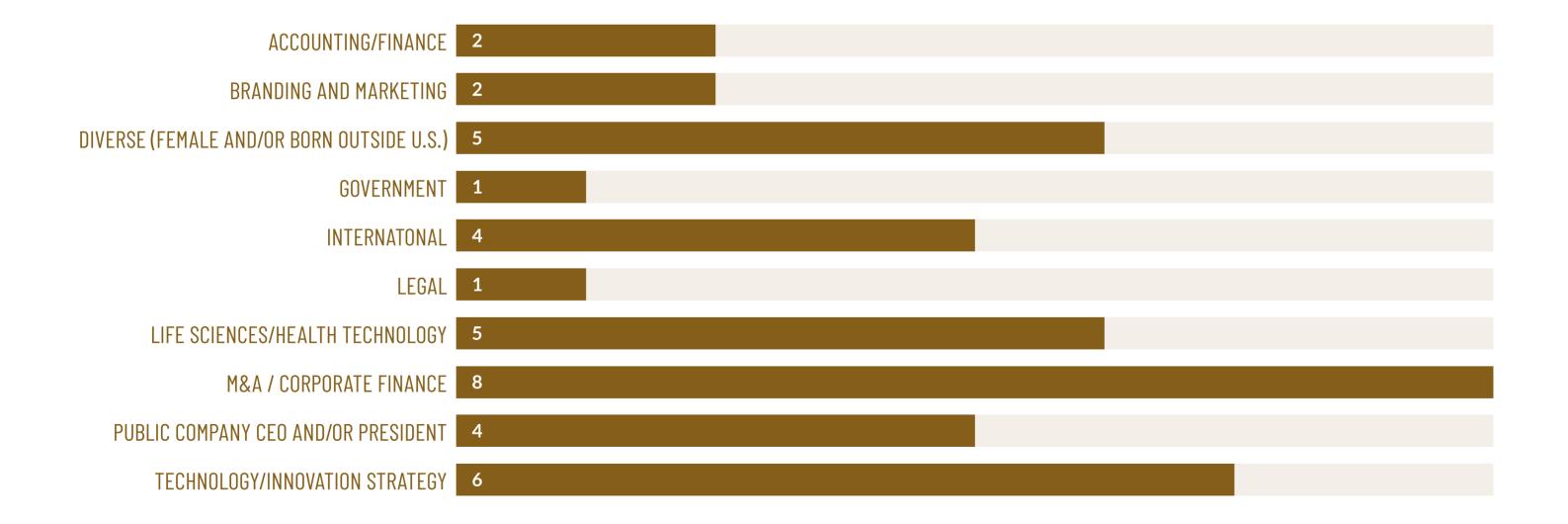
70

#### FOUNDATIONAL ELEMENTS / OUR BOARD OF DIRECTORS & MANAGEMENT TEAM

Diversity is a critical dimension of our focus on Board composition and refreshment. Our Board believes that it should collectively embody a diverse set of skills, knowledge, experiences and backgrounds appropriate to the Company's needs, and as a result it takes into account racial/ethnic, gender, age and national origin diversity when considering director nominees. In 2019, our Board conducted a director search that specifically targeted diverse individuals, included a pool of candidates reflecting each of the foregoing categories of diversity and resulted in the appointments of Drs. Jessica Mega and Pardis Sabeti to our Board. Building on the enhanced gender, age and national origin diversity from these appointments, and following several months of additional planning and preparation by our Board, in August 2020 Danaher formally

initiated a further director search specifically focused on adding a Person of Color from an underrepresented community.

While our diversity journey continues, our Board's current composition demonstrates the progress we have achieved. As of the date of this report, one-third of Danaher's Board is female; two of our key Board leadership positions (Lead Independent Director and Chair of the Nominating & Governance Committee) are held by a female director; more than 20% of our independent directors are under the age of 50; and our average director tenure has declined 20% year-over-year. The following graph further illustrates the diverse set of skills, knowledge, experiences and backgrounds represented on our Board.

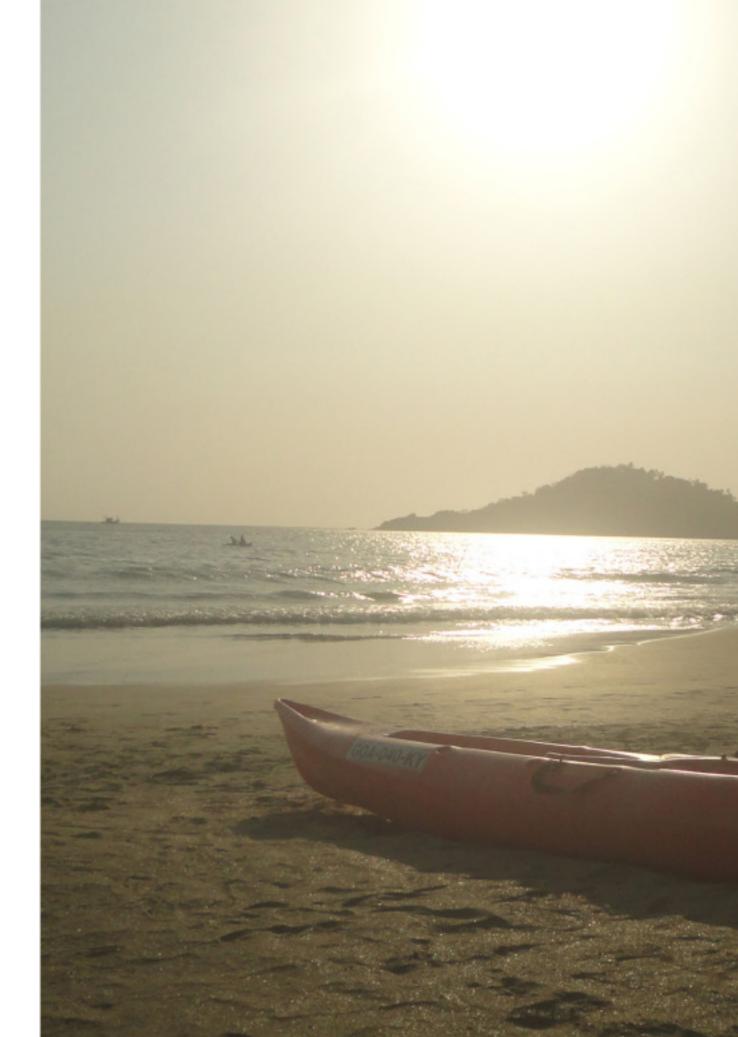


GRI: 102-18, 102-22, 102-24, 405-1

#### FOUNDATIONAL ELEMENTS / OUR BOARD OF DIRECTORS & MANAGEMENT TEAM

#### **CEO Succession Planning**

The foundation of our Board's CEO succession planning process is a CEO development model consisting of two dimensions: leadership behaviors and development experiences. The Board uses the development model as a guide in preparing candidates, and in evaluating candidates for the CEO and other executive positions at the Board's annual talent review and succession planning session. At the annual session, the Board evaluates and compares candidates using the development model, and reviews each candidate's development actions and progress over time as well as business performance. The candidate evaluations are supplemented with periodic 360-degree performance appraisals, and the Board also regularly interacts with candidates at Board dinners and lunches, through Board meeting presentations and at our annual leadership conference. In culmination of this process, in 2020 our Board appointed Rainer M. Blair to succeed Thomas P. Joyce, Jr. upon his retirement as Danaher's President and CEO.



IEV associa

# FOUNDATIONAL ELEMENTS / OUR BOARD OF DIRECTORS & MANAGEMENT TEAM

#### Managing Potential Conflicts of Interest

Danaher's Nominating and Governance Committee reviews and, if appropriate, approves all related person transactions (defined as transactions required to be disclosed under Item 404(a) of Regulation S-K promulgated under the U.S. Securities Exchange Act of 1934, as amended), prior to consummation whenever practicable. Related person transactions of an ongoing nature are reviewed annually by the Committee.

#### Shareholder Engagement Program

As noted in this report, we actively seek and highly value feedback from our shareholders. During 2019, in addition to our traditional investor relations outreach efforts, we engaged with shareholders representing approximately 25% of our outstanding shares on our governance and executive compensation programs and sustainability initiatives. Feedback received during these meetings was shared with our Nominating and Governance Committee and Compensation Committee to inform their decision-making.

#### Communication with the Board

Shareholders and other parties interested in communicating directly with our Board, or with individual directors, our Lead Independent Director or the non-management or independent directors as a group, may do so by addressing communications to the Board of Directors, to the specified individual director or to the non-management or independent directors, as applicable, c/o Corporate Secretary, Danaher Corporation, 2200 Pennsylvania Avenue, N.W., Suite 800W, Washington, D.C. 20037-1701.



#### IR MAGAZINE AWARDS

**BEST CORPORATE GOVERNANCE:** 

2014, 2015, 2018

BEST INVESTOR RELATIONS PROGRAM IN HEALTHCARE:

2016, 2017, 2018, 2019, 2020

BEST OVERALL INVESTOR RELATIONS PROGRAM:

2018

FOUNDATIONAL ELEMENTS

# Risk Oversight

While risk-taking is essential to growing a business, we recognize that prudent risk management is necessary to deliver long-term, sustainable shareholder value. The goal of our Enterprise Risk Management (ERM) program is to comprehensively inventory and mitigate key risks across all of Danaher's platforms and operating companies. Danaher evaluates risks across five main pillars: operational, strategic, financial and accounting, compliance and information technology/security. Examples of the risk topics covered within these pillars include risks relating to regulations, sovereign/political dynamics, intellectual property, natural catastrophe, competition for talent, supply chain, climate change, business continuity and disaster recovery, compliance, bribery and anti-corruption, competition, international trade, finance and accounting, cybersecurity and IT infrastructure.

The risk data collected is used to support effective business decision-making and assess risk-reward tradeoffs. It also gives our leadership visibility into key risks and countermeasures and enables us to mitigate risks as dictated by our risk-reward assessment. The result is that Danaher and its operating companies are able to build better, more resilient businesses supported by a risk-based approach.

The Board's role in risk oversight is consistent with Danaher's leadership structure: management has day-to-day responsibility for assessing and managing Danaher's risk exposure, and the Board and its committees oversee those efforts, with emphasis on our most significant risks.

Annually, our senior management reports on our risk management process to the Audit Committee and on the results of that process to our Board of Directors. The strength of our risk management program lies in the autonomy we give our operating companies to think broadly about the risks they face and determine how best to mitigate them. We know that those who are closest to *gemba* are best positioned to identify and mitigate our most significant risks.

# SPOTLIGHT: MANAGING CYBERSECURITY RISKS

Our commitment to cybersecurity includes a programmatic approach to seeking to protect the confidentiality, integrity and availability of Danaher's products, data and systems. We realize that cyberthreats emerge rapidly, so we endeavor to manage cyber-risks consistent with industry best practices and standards, and mitigate risks posed from cyberattacks through our global policies and procedures.

We take measures to regularly improve and update our cybersecurity program. We perform independent program assessments, penetration testing and scanning of our systems for vulnerabilities. We educate and share best practices globally with our associates to raise awareness of cyberthreats. We maintain a Global Security Incident Response Plan and conduct regular exercises to ensure its effectiveness and maintain our preparedness.

The cybersecurity program is led by Danaher's Chief Information Security Officer, who along with the Chief Information Officer, provide regular updates to the Audit Committee regarding this program, including information about cyber-risk management governance and the status of projects to strengthen cybersecurity effectiveness. The Audit Committee regularly briefs the full Board on these matters, and the full Board also receives periodic briefings from management on our cybersecurity program. Danaher has also updated its disclosure controls and procedures to specifically address cybersecurity risk, including by amending our Insider Trading Policy to address cybersecurity and by ensuring clear linkage between Danaher's Disclosure Committee and Chief Information Security Officer.

74

### FOUNDATIONAL ELEMENTS / RISK OVERSIGHT

# SPOTLIGHT: RISKS & OPPORTUNITIES RELATED TO CLIMATE CHANGE

Danaher's Enterprise Risk Management (ERM) program specifically prompts consideration of potential risks related to climate change, including acute or chronic physical facility risks attributable to climate change; regulatory risks, such as increased taxation of, or caps on the use of, carbon-based energy; competitive risks due to evolving customer preferences for more environmentally friendly solutions; and reputational risk tied to changing customer or community perceptions of an organization's contribution to or detraction from the environment.

A key climate-related risk for Danaher is physical risk resulting from acute or chronic changes in climate patterns. Acute physical risks include increased severity of extreme weather events, such as cyclones, hurricanes or floods. Chronic physical risks refer to longer-term shifts in climate patterns (such as sustained higher temperatures) that may cause sea level rise or chronic heat waves. These physical risks may have financial implications for Danaher, such as direct damage to assets and indirect impacts from supply chain disruption. Elsewhere in this report, we discuss steps Danaher has taken to mitigate the potential impact of these types of physical risk to its facilities as well as Danaher's efforts to reduce energy consumption and GHG emissions.

Key climate-related opportunities for Danaher include the prospect of developing new commercial solutions to address customers' sustainability-related needs, and the potential to reduce Danaher's operating costs. Given that "Customers Talk, We Listen" is a Danaher Core Value, customer feedback regarding sustainability requirements has been and will continue to be an innovation driver for Danaher. We include in this report examples where our operating companies have incorporated customer feedback and innovated products and solutions to address sustainability-specific needs. In addition, Danaher's businesses are increasingly focused on improving efficiency across our production and distribution processes, production assets, buildings and transport/mobility in relation to energy efficiency and waste management. We include examples where our operating companies have quantified cost savings from environmental impact reduction initiatives. Danaher's new energy and GHG emission reduction targets, and targets to reduce the percentage of waste sent to landfills or incinerators, are expected to accelerate these efforts.



75

FOUNDATIONAL ELEMENTS

# Policies

# Political Involvement Policy

We believe in the right of associates to participate in the political process. We encourage our associates to be active in charitable and political activities on their own time and at their own expense. In particular, our <u>Code of Conduct</u> provides that:

- In all communications, associates must make clear that political views and actions are their own and not those of Danaher.
- Associates may never use Danaher resources to contribute to, support or oppose any political party or candidate unless approved by Danaher Corporation's Board of Directors or a committee of the Board.
- Supervisors should not solicit direct or indirect reports to contribute to, support or oppose any political party or candidate.
- Associates may never make a charitable or political contribution with the intent to improperly influence someone.

# Trade/Industry Associations

Danaher belongs to and pays dues to certain U.S. trade and industry associations. Company policy is that each such association may use no more than \$25,000 of Danaher's dues in any calendar year for political purposes, and the company communicates this policy to the associations of which it is a member.

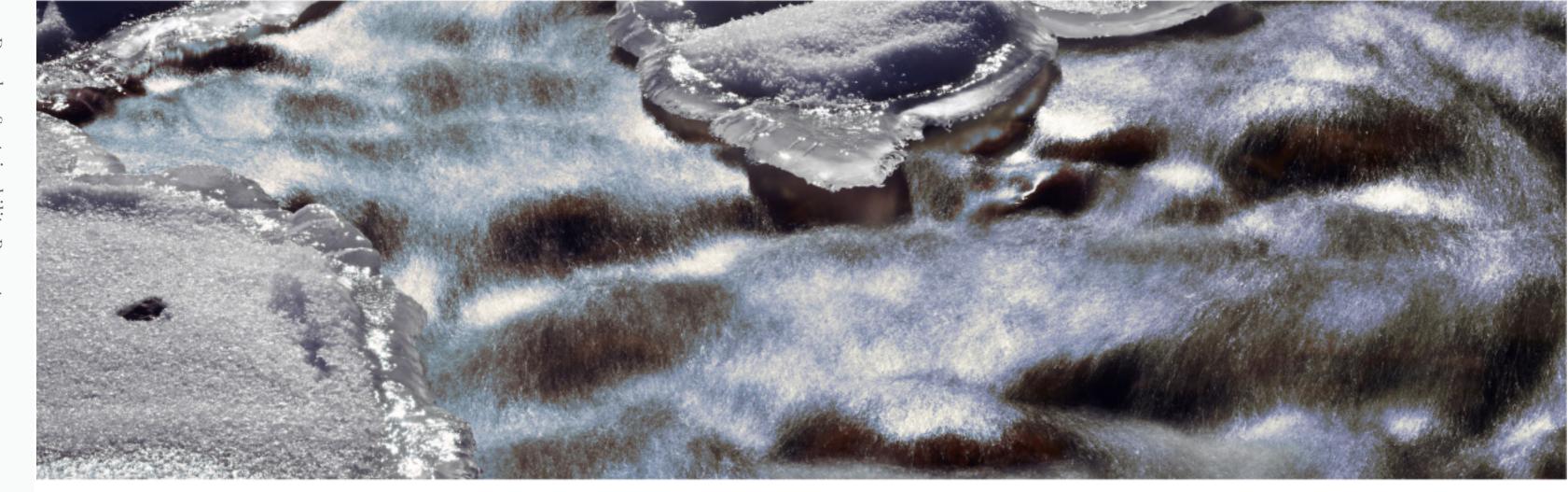
# Political Expenditures

Since 2012, no funds or assets of Danaher Corporation or its subsidiaries (collectively, the "Company") have been contributed to or for (1) any political party or candidate, whether federal, state or local, (2) any entity operating under 26 U.S.C. Sec. 527 of the Internal Revenue Code, (3) any entity organized under 26 U.S.C. Sec. 501(c)(4) of the Internal Revenue Code, (4) any ballot measure or (5) any public communication that expressly advocates the election or defeat of a political candidate ("political purposes").

Danaher has no intention of contributing any company funds or assets for political purposes; any contribution of company funds or assets for political purposes would require approval by Danaher's President and CEO.

# Building a Network of Sustainable Suppliers

At Danaher, we are committed to a standard of excellence in every aspect of our business, which includes conducting all our operations with integrity, respecting the rights of all individuals and respecting the environment. As described in the Danaher Supplier Code of Conduct, we expect the suppliers (as well as permitted subcontractors) who do business with Danaher and its subsidiaries to share these commitments. Danaher and its subsidiaries strongly encourage each supplier to meet the standards set forth in the **Danaher** Supplier Code of Conduct in all activities that relate directly or indirectly to Danaher Corporation or any of its subsidiaries. We evaluate a supplier's compliance with these standards in determining whether to grant or continue preferred status for such supplier. Suppliers that do not conform to these standards may be disqualified from preferred status and/or have their business relationship with Danaher or the applicable Danaher subsidiary terminated.



FOUNDATIONAL ELEMENTS / POLICIES

# Supply Chain Management

The Company's manufacturing operations employ a wide variety of raw materials, including metallic-based components, electronic components, chemistries, OEM products, plastics and other petroleum-based products. Prices of oil and gas also affect the Company's costs for freight and utilities. The Company purchases raw materials from a large number of independent sources around the world. No single supplier is material, although for some components that require particular specifications or regulatory or other qualifications there may be a single supplier or a limited number of suppliers that can readily provide such components. The Company utilizes a number of techniques to address potential disruption in and other risks relating to its supply chain, including in certain cases the use of safety stock, alternative materials and qualification of multiple supply sources.

# **Conflict Minerals**

Danaher Corporation and its subsidiaries are committed to sourcing components and materials from companies that share our values regarding respect for human rights, integrity and environmental responsibility. Danaher is committed to complying with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, as well as Section 1502 of the Dodd-Frank Act, which aims to prevent the use of minerals that directly or indirectly finance or benefit armed groups in the Democratic Republic of the Congo (DRC) or in adjoining countries ("conflict minerals").

Suppliers to Danaher are required to commit to being or becoming "conflict-free" (which means that such supplier does not source conflict minerals) and sourcing only from conflict-free smelters. Each supplier to Danaher is required to provide completed Responsible Minerals Initiative <u>Conflict Minerals Reporting Template</u> declarations evidencing such supplier's commitment to becoming conflict-free and documenting countries of origin for the tin, tantalum, tungsten and gold that it purchases. For more information on <u>Danaher's conflict minerals program</u>, please contact <u>conflictminerals@danaher.com</u>.

**GRI:** 102-9, 102-12 **SASB**: HC-MS-430a.3

# About This Report

- Certain statements included or incorporated by reference in this report are "forward-looking" statements" within the meaning of the United States federal securities laws. All statements other than historical factual information are forward-looking statements. Forward-looking statements are based on assumptions and assessments made by our management in light of their experience and perceptions of historical trends, current conditions, expected future developments and other factors. Forwardlooking statements are not guarantees of future performance and actual results may differ materially from the results, developments and business decisions contemplated by our forwardlooking statements. Accordingly, you should not place undue reliance on any such forwardlooking statements. Important factors that in some cases have affected us in the past and that in the future could cause actual results to differ materially from those envisaged in our forwardlooking statements are described in Danaher's filings with the United States Securities and Exchange Commission. The forward-looking statements included in this report speak only as of the date of this report, and except to the extent required by applicable law, we do not assume any obligation to update or revise any forward-looking statement, whether as a result of new information, future events and developments or otherwise.
- In this report, we describe certain products and devices that have applications submitted and pending for certain regulatory approvals and/or are available only in certain markets.

- Any trademarks, product names or brand images appearing herein are the property of their respective owners.
- We refer to developing markets as high-growth markets in our financial reporting and define them as geographic markets experiencing extended periods of accelerated growth in gross domestic product and infrastructure, which include Eastern Europe, the Middle East, Africa, Latin America and Asia (except Japan, Australia and New Zealand).
- This report is dated as of October 15, 2020
   and unless otherwise noted, all data in this
   report is as of October 15, 2020. All financial
   information in this report is limited to
   continuing operations and is reported in U.S.
   dollars.
- Uncertainties are inherent in collecting data from a wide range of facilities and operations in a global company such as Danaher. The data included in this report (other than audited financial data) are good faith estimates and have not been externally assured. We expect our data collection systems to evolve and we will seek to continually improve our processes for collecting and disclosing accurate, meaningful and consistent data.
- Danaher applied the following methodology
  with respect to the metrics and goals included
  in this report relating to energy usage, GHG
  emissions, water usage and waste generation
  and diversion from landfills or incinerators
  ("environmental metrics"). We collected

- 2019 data from (1) Danaher locations owned or leased from January 1, 2019 through December 31, 2019 that in aggregate account for approximately 75% of our total space, and (2) vehicles and aircraft owned or leased by Danaher during 2019. With respect to any locations owned or leased from January 1, 2019 through December 31, 2019 for which data was not collected, we endeavored to account for such locations by extrapolation.
- The energy usage and GHG emissions metrics are based on good faith estimates of fuel consumed on-site, purchased energy and energy consumed through operation of Danaher-owned or -leased vehicles and aircraft. Danaher's non-energy-consumption GHG emissions, such as refrigerant releases and process air emissions, are omitted. With respect to GHG emissions, we take into account offsets in calculating such emissions provided such offsets are recognized by an accrediting organization recognized by the CDP.
- We define "hazardous/regulated" as wastes that are deemed regulated or hazardous by national legislation/regulations at the point of generation.
- When normalizing the environmental metrics to revenue for a particular year, we do not include revenue attributable to acquisitions consummated subsequent to January 1 of such year.

# Reporting Frameworks

As part of our efforts to enhance the transparency and accountability of our sustainability program, this report contains disclosures that address elements of the <u>Global Reporting Initiative™</u> (GRI) Sustainability Reporting Guidelines, the <u>Sustainability Accounting</u> <u>Standards Board</u> (SASB) Medical Equipment and Supplies Sustainability Accounting Standard, the <u>Task</u> <u>Force on Climate-related Financial Disclosures</u> (TCFD) and the <u>United Nations Sustainable Development Goals</u> (UN SDGs). With respect to each such standard, while this report is not intended to meet all the requirements of the standard, we have referenced each relevant section of the standard as to which we believe full or partial responsive information has been provided.

The text on the bottom of each page of this report references the reporting standards relevant to the content included on such page. To read our Disclosure Index, visit <u>our report online</u>.

The content of this publication has not been approved by the United Nations and does not reflect the views of the United Nations or its officials or Member States.









# ABOUT THIS REPORT / REPORTING FRAMEWORKS

# GRI - General Disclosures - Organization Profile

DESCRIPTION	CODE	RESPONSE
Name of the organization	102-1	Danaher Corporation
Activities, brands, products, and services	102-2	Danaher at a Glance
Location of headquarters	102-3	Washington, D.C., U.S.  Danaher at a Glance - Our Story
Location of operations	102-4	2019 Annual Report, p. 29, 118  Danaher at a Glance - Map
Ownership and legal form	102-5	2019 Annual Report, p. 2
Markets served	102-6	2019 Annual Report, p. 1-6  Danaher at a Glance  Innovation - High Impact in Developing Markets
Scale of the organization	102-7	2019 Annual Report, p. 7, 29, 64, 66  Danaher at a Glance  People - Our Team
Supply chain	102-9	2019 Annual Report, p. 6  Foundational Elements - Policies - Building a Network of Sustainable Suppliers; Supply Chain Management
External initiatives	102-12	Innovation - Medical Device Product Quality  (FDA's Quality Systems Regulation), (ISO 13485 Medical Devices Quality Management System Standard)  People - Diversity + Inclusion  (CEO Action for Diversity & Inclusion), (Human Rights Campaign Corporate Equality Index)  Foundational Elements - Ethical Business Conduct  (AdvaMed's Code of Ethics on Interactions with Health Care Professionals)  Policies  Conflict Minerals (OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas)

# GRI - General Disclosures - Strategy

DESCRIPTION	CODE	RESPONSE
Statement from senior decision- maker	102-14	From Our CEO
Key impacts, risks, and opportunities	102-15	2020 CDP Response  Environment - Environment Metrics & Goals
		People - Diversity + Inclusion - Diversity Metrics  Foundational Elements - Risk Oversight

# GRI - General Disclosures - Ethics & Integrity

DESCRIPTION	CODE	RESPONSE
Values, principles, standards, and norms of behavior	102-16	Danaher Code of Conduct  Danaher Supplier Code of Conduct  Danaher At a Glance – How We Work  Foundational Elements – Ethical Business Conduct; Ethical Workplace
Mechanisms for advice and concerns about ethics	102-17	<u>Danaher Code of Conduct</u> <u>Danaher Supplier Code of Conduct</u> <b>Foundational Elements</b> – Ethical Workplace

# GRI - General Disclosures - Governance

DESCRIPTION	CODE	RESPONSE
		<u>2020 Proxy Statement</u> , p. 10-12
Governance structure	102-18	Danaher at a Glance - Sustainability Oversight
		Foundational Elements - Our Board of Directors & Management Team
Executive-level responsibility for		2020 Proxy Statement, p. 14
economic, environmental, and social topics	102-20	Danaher at a Glance - Sustainability Oversight
		People - Diversity + Inclusion - D+I Strategy & Oversight

# ABOUT THIS REPORT / REPORTING FRAMEWORKS

# GRI - General Disclosures - Governance (cont.)

DESCRIPTION	CODE	RESPONSE
Consulting stakeholders on economic, environmental, and social topics	102-21	2020 Proxy Statement, p. 13, 65  Danaher at a Glance - Sustainability at Danaher  Foundational Elements - Our Board of Directors & Management Team; Shareholder Engagement Program
Composition of the highest governance body and its committees	102-22	2020 Proxy Statement, p. 1-5  Foundational Elements - Our Board of Directors & Management Team
Chair of the highest governance body	102-23	2020 Proxy Statement, p. 7  Foundational Elements - Our Board of Directors & Management Team
Nominating and selecting the highest governance body	102-24	2020 Proxy Statement, p. 5  Foundational Elements - Our Board of Directors & Management Team
Conflicts of interest	102-25	2020 Proxy Statement, p. 17-18  Foundational Elements - Our Board of Directors & Management Team
Role of highest governance body in setting purpose, values, and strategy	102-26	2020 Proxy Statement, p. 8-9  Foundational Elements - Our Board of Directors & Management Team
Evaluating the highest governance body's performance	102-28	<u>2020 Proxy Statement</u> , p. 12-13
Identifying and managing economic, environmental, and social impacts	102-29	2020 Proxy Statement, p. 9  Danaher at a Glance – Sustainability at Danaher  Foundational Elements - Risk Oversight
Effectiveness of risk management processes	102-30	2020 Proxy Statement, p. 9  Foundational Elements - Risk Oversight
Highest governance body's role in sustainability reporting	102-32	2020 Proxy Statement, p. 14  Danaher at a Glance - Sustainability Oversight

# GRI - General Disclosures - Governance (cont.)

DESCRIPTION	CODE	RESPONSE
Communicating critical concerns	102-33	2020 Proxy Statement, p. 65 <u>Danaher Code of Conduct</u> Foundational Elements - Ethical Workplace; Our Board of Directors & Management Team
Remuneration policies	102-35	2020 Proxy Statement, p. 24-57  People – Personal Potential
Process for determining remuneration	102-36	<u>2020 Proxy Statement</u> , p. 24-57
Stakeholders' involvement in remuneration	102-37	2020 Proxy Statement, p. 25  People – Personal Potential
Annual total compensation ratio	102-38	2020 Proxy Statement, p. 52
Approach to stakeholder engagement	102-43	2020 Proxy Statement, p. 13  Danaher at a Glance - Sustainability at Danaher  Foundational Elements - Shareholder Engagement Program
Entities included in the consolidated financial statements	102-45	2019 Annual Report, p. 1-6; Exhibit 21.1
List of material topics	102-47	Danaher at a Glance - Sustainability at Danaher

# GRI - General Disclosure - Reporting Practice

DESCRIPTION	CODE	RESPONSE
Reporting period	102-50	2019
Date of most recent report	102-51	2019
Reporting cycle	102-52	Annual
Contact point for questions regarding the report	102-53	sustainability@danaher.com
GRI content index	102-55	<u>Available here</u>

# GRI - Economic Performance

DESCRIPTION	CODE	RESPONSE
Direct economic value generated and distributed	201-1	2019 Annual Report, p. 59-119  Danaher at a Glance
Financial implications and other risks and opportunities due to climate change	201-2	Foundational Elements - Risk Oversight
Defined benefit plan obligations and other retirement plans	201-3	<u>2019 Annual Report</u> , p. 97-104

# GRI - Indirect Economic Impacts

DESCRIPTION	CODE	RESPONSE
Infrastructure investments and services supported	203-1	Our Global Response to COVID-19 - Champions for Our Customers; Caring for Our Communities Innovation - Innovation Defines Our Future; High Impact in Developing Markets People - In Our Communities Environment - Our Water Quality Business; Contributing to a Greener Future
Significant indirect economic impacts	203-2	Our Global Response to COVID-19 - Champions for Our Customers; Caring for Our Communities Innovation - Innovation Defines Our Future; High Impact in Developing Markets People - Personal Potential; In Our Communities Environment - Our Water Quality Business; Contributing to a Greener Future

# GRI - Anti-Corruption

DESCRIPTION	CODE	RESPONSE
Operations assessed for risks related to corruption	205-1	Foundational Elements - Ethical Business Conduct; Risk Oversight
Communication and training about anti-corruption policies and procedures	205-2	Foundational Elements - Ethical Business Conduct; Ethical Workplace

# GRI - Anti-competitive Behavior

DESCRIPTION	CODE	RESPONSE
Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	206-1	<u>2019 Annual Report</u> , p. 109-111

# GRI - Energy

DESCRIPTION	CODE	RESPONSE
Energy consumption within the organization	302-1	Environment - Environmental Metrics & Goals
Energy intensity	302-3	Environment - Environmental Metrics & Goals
Reduction of energy consumption	302-4	<b>Environment</b> - Environmental Metrics & Goals; DBS & the Environment; Contributing to a Greener Future

# GRI - Water and Effluents

DESCRIPTION	CODE	RESPONSE	
Interactions with water as a shared resource	303-1	Environment - Environmental Metrics & Goals; Our Water Quality Business	
Water consumption	303-5	Environment - Environmental Metrics & Goals	

# GRI - Emissions

DESCRIPTION	CODE	RESPONSE	
Direct (Scope 1) GHG emissions	305-1	Environment - Environmental Metrics & Goals	
Energy indirect (Scope 2) GHG emissions	305-2	Environment - Environmental Metrics & Goals	
GHG emissions intensity	305-4	Environment - Environmental Metrics & Goals	
Reduction of GHG emissions	305-5	Environment - Environmental Metrics & Goals	

# ABOUT THIS REPORT / REPORTING FRAMEWORKS

# GRI - Effluents and Waste

DESCRIPTION	CODE	RESPONSE	
Waste generated	306-3	Environment - Environmental Metrics & Goals	
Waste diverted from disposal	306-4	Environment - Environmental Metrics & Goals	

# GRI - Employment

DESCRIPTION	CODE	RESPONSE	
New employee hires and employee turnover	401-1	<b>People</b> - Highlights	
Benefits provided to full-time employees that are not provided to temporary or part-time employees	401-2	Our Response to the Global COVID-19 Pandemic - Supporting Our Associates  People - Personal Potential	
Parental leave	401-3	People - Personal Potential	

# GRI - Occupational Health & Safety

DESCRIPTION	CODE	RESPONSE
Occupational health and safety management system	403-1	<b>People</b> - Safety
Hazard identification, risk assessment, and incident investigation	403-2	<b>People</b> - Safety
Work-related injuries	403-9	<b>People</b> - Safety

# GRI - Training & Education

DESCRIPTION	CODE	RESPONSE	
Programs for upgrading employee skills and transition assistance programs	404-2	<b>People</b> - Highlights; Professional Potential	
Percentage of employees receiving regular performance and career development reviews	404-3	<b>People</b> - Professional Potential	

# GRI - Diversity & Equal Opportunity

DESCRIPTION	CODE	RESPONSE	
Diversity of governance bodies and employees	405-1	2020 Proxy Statement, p. 5  People - Diversity + Inclusion	
		Foundational Elements - Our Board of Directors & Management Team	

# GRI - Freedom of Association

DESCRIPTION	CODE	RESPONSE	
Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	407-1	Danaher Code of Conduct  Danaher Supplier Code of Conduct  People - Commitment to Human Rights & Anti-Discrimination	

# GRI - Public Policy

DESCRIPTION	CODE	RESPONSE	
Political contributions	415-1	Political Expenditures Policy	
Folitical contributions		Foundational Elements - Policies - Political Expenditures	

# GRI - Marketing and Labeling

DESCRIPTION	CODE	RESPONSE
Requirements for product and service information and labeling	417-1	Danaher Code of Conduct
		<u>Danaher Supplier Code of Conduct</u>
		Innovation - Medical Device Product Quality
		Foundational Elements - Ethical Business Conduct

# GRI - Socioeconomic Compliance

DESCRIPTION	CODE	RESPONSE
Non-compliance with laws and regulations in the social and economic area	419-1	<u>2019 Annual Report</u> , p. 109-111

# ABOUT THIS REPORT / REPORTING FRAMEWORKS

# **SASB**

TOPIC	DESCRIPTION	CODE	RESPONSE
Product Safety	Number of recalls issued, total units recalled	HC-MS-250a.1	Innovation - Medical Device Product Quality
Product Safety	Number of FDA enforcement actions taken in response to violations of current Good Manufacturing Practices (cGMP), by type2	HC-MS-250a.4	Innovation - Medical Device Product Quality
Ethical Marketing	Total amount of monetary losses as a result of legal proceedings associated with false marketing claims	HC-MS-270a.1	<b>Foundational Elements</b> - Responsible Marketing to Customers & Patients
Ethical Marketing	Description of code of ethics governing promotion of off-label use of products	HC-MS-270a.2	<b>Foundational Elements</b> - Responsible Marketing to Customers & Patients
Supply Chain Management	Description of the management of risks associated with the use of critical materials	HC-MS-430a.3	Foundational Elements - Supply Chain Management; Conflict Minerals
Business Ethics	Description of code of ethics governing interactions with health care professionals	HC-MS-510a.2	<b>Foundational Elements</b> - Responsible Marketing to Customers & Patients

# **TCFD**

TOPIC	DESCRIPTION	RESPONSE
Governance	Disclose the organization's governance around climate-related risks and opportunities.	<b>Danaher At A Glance</b> - Sustainability at Danaher <b>Foundational Elements</b> - Risk Oversight
Strategy	Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.	Foundational Elements - Risk Oversight
Risk Management	Disclose how the organization identifies, assesses and manages climate-related risks.	Foundational Elements - Risk Oversight
Metrics and Targets	Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	Environment - Environmental Metrics & Goals

SUSTAINABLE DEVELOPMENT GOALS		RESPONSE	
O GOOD HEALTH		Danaher at a Glance - Our Businesses Life Sciences; Diagnostics	
3 GOOD HEALTH  AND WELL-BEING	Goal 3 - Good Health and Well-Being Ensure healthy lives and promote well-being for all at all ages	Our Response to the Global COVID-19 Pandemic - Supporting Our Associates; Caring for Our Communities	
ν		Innovation – Innovation Defines Our Future; High Impact in Developing Markets	
		Environment – Contributing to a Greener Future	
5 GENDER EQUALITY	Goal 5 - Gender Equality Achieve gender equality and empower all women and girls	People - Professional Potential - Talent Recruitment;	
EQUALITY STATE OF THE PARTY OF		Diversity + Inclusion - Diversity Metrics; D+I Training; Diversity + Inclusion Around the World; Commitment to Human Rights & Anti-Discrimination;	
+		In Our Communities	
6 CLEAN WATER AND SANITATION	Goal 6 - Clean Water and Sanitation	<b>Danaher at a Glance</b> - Our Businesses Environmental & Applied Solutions	
¥	Ensure access to water and sanitation for all	Environment - Our Water Quality Business	
B DECENT WORK AND ECONOMIC GROWTH	Goal 8 - Decent Work and Economic Growth Promote inclusive and sustainable economic growth, employment and decent work for all	Danaher at a Glance People - Diversity + Inclusion	
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	Goal 9 - Industry, Innovation and Infrastructure Build resilient infrastructure, promote sustainable industrialization and foster innovation	<b>Innovation</b> - Highlights; Innovation Defines Our Future; High Impact in Developing Markets	
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Goal 12 - Responsible Consumption and Production Ensure sustainable consumption and production patterns	<b>Environment</b> – Environmental Metrics & Goals; DBS & the Environment; Our Water Quality Business; Contributing to a Greener Future	
13 CLIMATE	Goal 13 - Climate Action  Take urgent action to combat climate change and its impacts	Environment - Environmental Metrics & Goals	



impacts



Goal 14 - Life Below Water

Conserve and sustainably use the oceans, seas and marine resources

2019 Sustainability Report, p. 40

**Danaher at a Glance** - Our Businesses - Environmental & Applied Solutions

# Contact Us

# GENERAL CORRESPONDENCE

2200 Pennsylvania Avenue, NW, Suite 800W Washington, DC 20037

Phone: 202.828.0850 Fax: 202.828.0860

www.danaher.com

# SUSTAINABILITY

This Sustainability Report, along with all past reports, can be viewed in the Downloads section of <a href="sustainability.danaher.com">sustainability.danaher.com</a>.

Additional inquiries can be directed to Danaher's corporate office or Danaher's Sustainability contact at <a href="mailto:sustainability@danaher.com">sustainability@danaher.com</a>