

2014-2015

CORPORATE SOCIAL
RESPONSIBILITY REPORT



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LETTER

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From our CEO

It is our pleasure to present you with Danaher's first Corporate Social Responsibility Report (CSR). Our goal in compiling this report was to bring to the forefront key CSR initiatives that our businesses have been developing organically for many years and to consolidate them in one place for the benefit of all of our stakeholders. And so while our CSR reporting initiative is new, the values and tenets represented herein are anything but. For three decades, we've aspired to be good corporate citizens mindful of the interests of our customers, shareholders, associates and communities.

We are proud of the accomplishments we share with you in this report. However, Danaher's culture is based on the concept of continuous improvement and our work is never done. As we look to the future, we are committed to delivering value to our shareholders, developing our associates, delighting our customers and supporting our communities as we build a global science and technology company. Thank you for your confidence as we continue to pursue these goals.

ON THE COVER :

Hach's mission is to ensure water quality for people around the world.

Photo courtesy of Sean Brubaker, Hach Company corporate photographer

Lindenmeier Lake, Fort Collins, Colorado



A handwritten signature in black ink that reads "Tom Joyce".

THOMAS P. JOYCE, JR.
PRESIDENT AND CHIEF EXECUTIVE OFFICER
SEPTEMBER 2014

Our Businesses

Today, Danaher is home to more than 50 operating companies, with market-leading positions and brands in a variety of demanding and attractive industries. Our decentralized operating structure gives our operating companies the FLEXIBILITY to run their businesses in ways that most effectively serve their customers and the FREEDOM to leverage the Danaher Business System (DBS) framework in ways that best fit their needs.

Each of our operating companies fits within one of nine strategic platforms (organized by similar customers or end markets), which in turn are each part of one of our five segments.



Life Sciences & Diagnostics

We are at the leading edge of scientific research and advancing patient health with the highest diagnostic confidence. Our **Life Sciences platform** offers a broad range of research tools that scientists use to study cells and cell components in order to understand the causes of disease, identify new therapies and test new drugs and vaccines. Our **Diagnostics platform** offers analytical instruments, reagents, consumables, software and services that hospitals, physicians' offices, reference laboratories and other critical care settings use to diagnose disease and make treatment decisions.

Environmental

Our environmental products help protect the global water supply, drive environmental stewardship, enhance the safety of personal data and improve business efficiencies. Our **Water Quality platform** provides instrumentation and disinfection systems to help analyze, treat and manage the quality of ultrapure, potable, waste, ground and ocean water in residential, commercial, industrial, research and natural resource applications. Our **Gilbarco Veeder-Root platform** is a leading, worldwide provider of solutions and services focused on fuel dispensing, remote fuel management, point-of-sale and payment systems, environmental compliance, vehicle tracking and fleet management.

Test & Measurement

Our customers count on us to help them design cutting-edge innovations, keep their businesses up and running, and safeguard their network operations. Our **Instruments platform** offers test, measurement and monitoring products that are used in electronic design, manufacturing and advanced technology development, as well as for the installation, service and maintenance of electrical, industrial, electronic and calibration applications. Our **Communications platform** offers monitoring, management and optimization tools, as well as intelligence and security solutions for communications and enterprise networks.

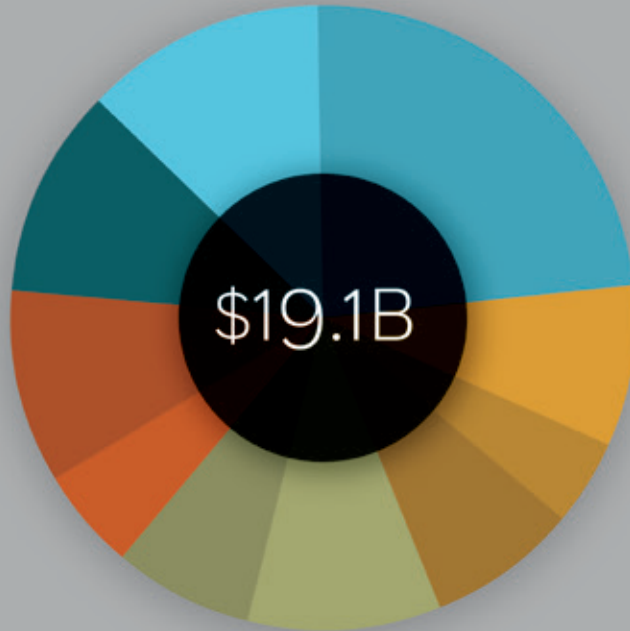
Industrial Technologies

Our industrial technologies solutions help protect the world's food supply, improve packaging design and quality, verify pharmaceutical dosages and authenticity and power innovative machines. Our **Product Identification platform** develops and manufactures equipment, consumables and software for various printing, marking, coding, design and color management applications on consumer and industrial products. Our **Automation platform** provides mechanical and electromechanical motion control solutions for the automation market.

Dental

We enable dental professionals to provide the highest level of patient care and optimize their work environments. Our **Dental platform** develops products that are used to diagnose, treat and prevent disease and ailments of the teeth, gums and supporting bone, as well as improve the aesthetics of the human smile. We are a leading, worldwide provider of a broad range of dental consumables, equipment and services, and are dedicated to driving technological innovations that help dental professionals improve clinical outcomes and enhance productivity.

2013 SALES



Life Sciences & Diagnostics \$6.9B

- Life Sciences \$2.4B
- Diagnostics \$4.5B

Industrial Technologies \$3.9B

- Product Identification \$1.6B
- Automation \$0.8B
- Specialty \$1.5B

Environmental \$3.3B

- Water Quality \$1.9B
- Gilbarco Veeder-Root \$1.4B

Test & Measurement \$2.9B

- Communications \$1.0B
- Instruments \$1.9B

Dental \$2.1B

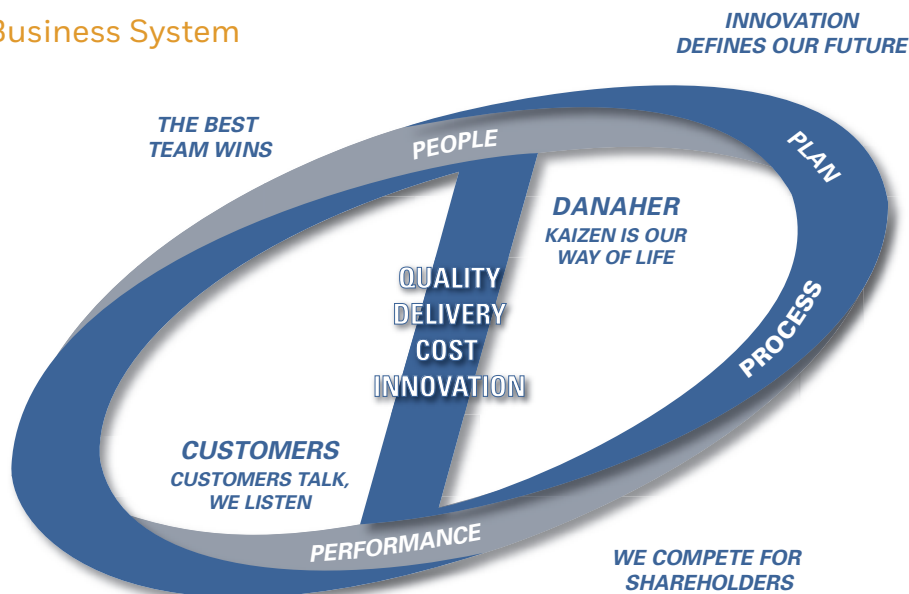
- Dental \$2.1B

Guiding Principles

At Danaher, we understand that to drive sustainable value for our shareholders we must perform as a socially responsible corporate citizen. The same assets that uniquely position Danaher to outperform for our shareholders – our market-leading test and measurement, environmental, life sciences and diagnostics, dental and industrial technologies companies; the Danaher Business System; and our extraordinary team of associates – also uniquely position Danaher to productively contribute to our global community. Within this report, we cover the elements of corporate social responsibility that matter to our stakeholders and provide insights about how we use Danaher’s remarkable assets to:

- **IMPROVE QUALITY OF LIFE THROUGH INNOVATION**
- **PROMOTE RESPONSIBLE ENVIRONMENTAL STEWARDSHIP**
- **INVEST IN AND GROW A WORLD-CLASS TEAM OF ASSOCIATES**
- **WIN WITH INTEGRITY**
- **DEMONSTRATE LEADERSHIP AND RESPONSIBILITY IN OUR COMMUNITIES AROUND THE WORLD**

The Danaher Business System



Danaher is a global science and technology innovator. Every day we make good on our commitment to help our customers solve complex challenges and improve quality of life around the world. Our globally diverse team of 66,000 associates across more than 50 countries is united by a common culture and operating system, DBS, which serves as our core competitive advantage. Since the mid-1980s, we have used DBS to guide what we do, direct how to do it, measure our execution and create options for doing even better. DBS drives us through a never-ending cycle of change and improvement. Exceptional people develop outstanding plans and execute them using world-class tools to construct sustainable processes, resulting in superior performance.

Improving Quality of Life through Innovation

Danaher’s products and services positively impact quality of life for our direct and indirect consumers in a wide variety of ways.

Our products and services are used to:

- **Diagnose disease and identify optimal disease therapy**
- **Research and develop life-saving treatments for disease**
- **Promote product and food safety by identifying contaminants and marking food, pharmaceutical and consumer products**
- **Improve dental health and the dental care experience**
- **Purify the global water supply**
- **Protect our natural resources and reduce the spread of invasive species**
- **Mitigate environmental risks relating to fuel management and dispensing**



Advancing Cancer Diagnostics to Improve Lives

For patients facing disease, reliable diagnosis and effective treatment are critical. Our Leica Biosystems business offers innovative solutions that help increase the clarity of cancer diagnoses and improve patient care. A leading provider of products that detect cancerous or other abnormal cells in tissue samples, Leica Biosystems is now also a key contributor to advances in personalized medicine. We develop systems that test tissue samples for specific proteins or RNA/DNA markers that clinicians can use to develop targeted cancer therapies. For example, our Novocastra™ markers are used not only to detect the presence of breast cancer cells, but to identify particular types of breast cancer tumors that may respond to special drug and treatment regimens. Similarly, in certain circumstances our hematology markers are used to detect and diagnose particular types of childhood leukemia and develop more targeted therapies. Through these technological advances, Leica Biosystems continues to give meaning to its vision of “Advancing cancer diagnostics to improve lives.”

Protecting Consumers Every Day

At a time when frequent food and drug recalls affect millions of consumers annually, our Videojet Technologies business plays an important role in making our world a safer place. Videojet helps ensure product safety and freshness by providing systems that print manufacturing and supply chain data and “best before” dates on food, pharmaceutical and consumer products that consumers use every day. Videojet systems apply codes to more than 10 billion products daily. Our products help customers maintain traceability data for their products through the supply chain, and can even generate and mark unique codes on product packaging.



At Danaher, we see innovation as an opportunity to disrupt the status quo, better serve our customers and continue to win in the marketplace. We know that to fully realize the promise of innovation, it must infuse every element of our business model, from how we market and sell our products, to the nature of our channel relationships, to our product architecture. The result? Products and delivery models that delight our customers, technologies that enhance quality of life and growing businesses that provide more and better employment opportunities around the world.

\$1.25 BILLION

AMOUNT INVESTED IN RESEARCH AND DEVELOPMENT IN 2013

1,329

NUMBER OF PATENT APPLICATIONS FILED WORLDWIDE IN 2013

16,544

NUMBER OF PATENTS AND PATENT APPLICATIONS HELD AT END OF 2013



A unique, incredibly accurate and fast method of acquiring data at all angulations of the tooth surface in its natural, wet environment.

Redefining the Dental Care Experience

OUR ORMCO BUSINESS'S Lythos™ Digital Impression System has revolutionized the process for capturing and storing the dental impressions that are the foundation of most orthodontic treatments. Since the 1800s, dentists have captured dental impressions using impression material, or putty, to create molds. The shortcomings of this traditional method include the potential for multiple retakes, instability of material and patient discomfort. With Lythos, orthodontists can capture dental impressions digitally and store the impressions

in an open platform software system. Using a lightweight wand to scan the inside of the patient's mouth, Lythos transmits a real-time, high-resolution digital image to the system's video monitor. The system offers a unique, incredibly accurate and fast method of acquiring data at all angulations of the tooth surface in its natural, wet environment. Lythos-generated digital scans are stored in a secure cloud environment and can be easily transferred to orthodontic labs and manufacturers for use in developing the patient's custom orthodontic appliances.

Environmental Stewardship

ENVIRONMENTAL PRACTICES AND PERFORMANCE

We are committed to conducting our business in an environmentally responsible manner and complying with all applicable environmental laws. The principles of Danaher's Environmental, Health and Safety (EHS) policy underpin our commitment:

- **Continuous improvement in environmental performance, waste minimization and pollution prevention**
- **Integration of sound environmental practices into procurement, product design, product testing, manufacturing and product support**
- **Consideration of environmental impacts in designing new products, selecting production materials and before buying, leasing or selling property**
- **Design, operation and maintenance of our facilities in a manner that minimizes emissions and waste**
- **Responsible use of materials, including, where feasible, recycling and reuse**
- **Sensitivity to community environmental concerns**
- **Periodic, formal evaluation of our compliance with these principles**

We regularly audit our major businesses (and newly acquired businesses) to ensure compliance with these principles and with applicable laws.

Danaher's Vice President for Environmental, Health and Safety oversees our EHS program and reports directly to Danaher's Senior Vice President-General Counsel.



The metrics on this page pertain to Danaher's "EHS Significant" sites, which are defined as (i) sites engaged in manufacturing, assembly, laboratory/research activities, testing, maintenance and/or warehousing, and that have 50 or more associates involved in these functions, and (ii) sites that don't meet the above criteria but are determined in the discretion of Danaher management to be significant to Danaher from an environmental, health and safety perspective.

Using DBS to Drive Environmental Stewardship in Our Products

At Danaher, success doesn't happen by accident. DBS is our proven system for achieving success, the engine that drives our culture of continuous improvement and the operational strength behind every aspect of our business.

Our engineers use DBS to design products and services that are grounded in safety and minimize the use of potentially hazardous materials and regulated substances. And, as noted earlier, responsible product stewardship is also a key element of Danaher's EHS policy.

Our AB SCIEX engineers in Singapore used Value Analysis/Value Engineering from the DBS toolkit to design an award-winning, lighter-weight, recyclable shipping crate. The crate uses fewer nails and screws and less material, reducing its weight and requiring less energy to transport; uses wood that is treated and marked in compliance with international standards to eliminate the need for fumigation when the crate crosses international borders; and is designed to be collapsible so it can be returned and reused.



DISINFECTION
SYSTEMS THAT USE
**50%
FEWER**
LONGER-LASTING
LAMPS

Our Trojan Technologies business produces water treatment solutions that use

ENVIRONMENTALLY FRIENDLY ULTRAVIOLET (UV) LIGHT TO SAFEGUARD DRINKING WATER AND WASTEWATER

from the harmful effects of microbial and chemical contamination. Historically, water treatment system operators had to choose between more powerful, energy-intensive UV lamps and less powerful, more energy-efficient UV lamps. Trojan used the Voice of the Customer, Accelerated Product Development and Design 3P (Production Preparation Process) DBS tools to develop the TrojanUV Solo Lamp™, which enables disinfection systems that use 50% fewer, longer-lasting lamps and combine high UV output and low energy consumption, resulting in a lower environmental impact over the life cycle of the system.

SEA-BIRD IS THE
**LEADING
SUPPLIER**

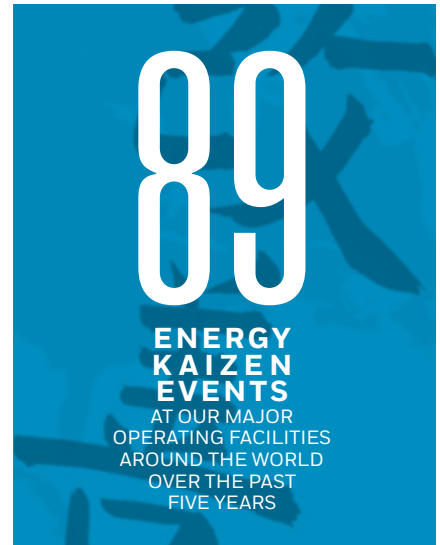
OF THE INSTRUMENTS
USED IN THE
ARGO
OCEANOGRAPHIC
PROGRAM

Understanding and Protecting our Ocean Waters

Our Sea-Bird Scientific business is the leading provider of instruments that measure salinity, temperature, pressure, dissolved oxygen and related parameters in marine waters. Sea-Bird is the leading supplier of the instrument packages used in the Argo oceanographic program. Our sensors play a leading role in the Argo program because they have demonstrated the long-term precision required to measure very gradual environmental changes in ocean waters over a period of years. Scientists are using the data collected through Sea-Bird's sensors and the Argo program to improve the forecasting of seasonal climate variations and to answer critical questions about the oceans' capacity to trap carbon dioxide from the atmosphere and how this impacts the oceans' ability to support life.

Using DBS to Drive Environmental Stewardship in Our Operations

Beyond the environmental stewardship that goes into our products, Danaher applies DBS to more efficiently utilize the talent, material and energy resources our operations require. Waste reduction is at the heart of DBS. Over the past five years, we have conducted 89 Energy *Kaizen* Events at our major operating facilities around the world. A *Kaizen* is a DBS tool that brings together associates from various departments to examine a problem, propose solutions and implement changes. Through these intensive, week-long facility assessments, our teams identify energy and waste reduction opportunities and develop and implement action plans to achieve those objectives.



Our Beckman Coulter Diagnostics facility in Lismeehan, County Clare, Ireland, produces state-of-the-art, in-vitro diagnostic devices while stewarding an historic property that is home to ancient landmarks. With its ISO 14001 Environmental Management System as the foundation, the site has used the Standard Work and *Kaizen* tools from the DBS toolkit to:

RECYCLE

97% of total site waste and achieve self-sustainable water usage;

SATISFY

all of the site's energy requirements with green electricity and renewable energy generated from the site's wood chip boiler (using wood pulp obtained on-site and from local forestry); and

IMPLEMENT

a closed-system wormery to treat the sludge generated from the on-site effluent treatment system.

50

UNIQUE RECYCLING STREAMS

99%

RECYCLING RATE

Our Beckman Coulter Diagnostics facility in Mishima, Japan, sits at the base of Mount Fuji. Recognizing its unique place in the local ecosystem, the Mishima facility operates under a stringent environmental management system and leverages DBS to make the facility even more self-sustaining. Using the 5S (Sort, Straighten, Shine, Standardize and Sustain), Visual Management and *Kaizen* DBS tools, the facility has established 50 unique recycling streams (with separate collection bins for each stream) to achieve a 99% recycling rate; reduced its carbon footprint by installing solar panels, a thermal storage tank and an electric kitchen for the on-site cafeteria; and reduced its net water usage by collecting rainwater for its landscaping requirements. Each April, Mishima associates join the community to clean up the nearby river and help maintain the community's pristine water supply.

The Best Team Wins

At Danaher, we strive to hire, develop and retain the best talent to build our winning team. We aim to attract and develop associates who embody both the diversity of thought and work style needed to advance our innovative culture and a diversity of backgrounds that reflects the complex nature of our customer base and global footprint. We are an equal opportunity employer and make employment decisions without regard to race, color, national origin, religion, sex, age, marital status, disability, veteran status, sexual orientation, gender identity or other characteristics protected by law. Danaher's leaders participate in annual diversity training to ensure we promote an inclusive work environment.

Danaher's Diversity Council is made up of 14 Danaher leaders representing a variety of backgrounds and perspectives. With executive sponsorship and support, the Council's areas of focus include:

- Diversity and inclusion goals and objectives
- Best practice benchmarking
- Workforce representation
- Work environment
- Visibility to diverse customer markets
- Diversity practices, including talent recruiting, talent and organizational review, development planning and training, engagement and communications

66,000

NUMBER OF WORLDWIDE ASSOCIATES AT END OF 2013

29,000

NUMBER OF U.S.-BASED ASSOCIATES

37,000

NUMBER OF ASSOCIATES BASED OUTSIDE U.S.

Supporting Our Veterans

The number of former military professionals looking for civilian careers is on the rise. Armed with the skills, training and process orientation we look for in leaders, former military service members are finding new career opportunities at Danaher. Our Tektronix business developed a targeted recruiting program, including social media outreach and employee referral programs, aimed at hiring military veterans for its service organization. Today, more than 50% of calibration technicians hired by Tektronix have a military background, and many are familiar with Tektronix instruments from their time in the service.

>50%

OF CALIBRATION TECHNICIANS HIRED BY TEKTRONIX HAVE A MILITARY BACKGROUND

100%

2014 HUMAN RIGHTS CAMPAIGN CORPORATE EQUALITY INDEX* (CEI) RATING FOR DANAHER



*CEI is a benchmarking tool representing best practices in policies that improve recruitment and retention of a diverse workforce.

THE BEST TEAM WINS, *continued*



\$2M

IN FINANCIAL
SUPPORT

TOP 25%

IN ANNUAL
GIVING AMONG PEERS*

For more than a decade, the Danaher Scholarship Program has provided scholarship aid to our associates' children who pursue higher education opportunities. Since its inception the program has provided approximately \$2 million in financial support to further the education of more than 300 students. We are proud to rank in the top 10% in our peer group* for individual award size and top 25% for total annual distribution.

*Fortune 500 companies with programs administered by Scholarship Management Services, a division of Scholarship America.

DBS is the roadmap we've used to chart a course toward achieving best practice safety and health performance. DBS tools help us identify and eliminate, or control, workplace hazards, reduce operational safety risks, leverage ergonomics principles and more effectively engage our associates on the topic of safety and health. We provide safety and health training to our associates worldwide and encourage them to raise safety and health issues through our integrity and compliance helpline. Regular EHS facility audits validate compliance with Danaher's safety and health policies and applicable laws.

RECORDABLE INCIDENT RATE (Number of work-related injuries or illnesses serious enough to require treatment beyond first aid, per 100 associates working a full year):

1.43

LOST/RESTRICTED WORKDAY CASE RATE (Number of work-related injuries or illnesses serious enough to cause an associate to miss one or more work days or to have one or more work days of restricted duty, per 100 associates working a full year):

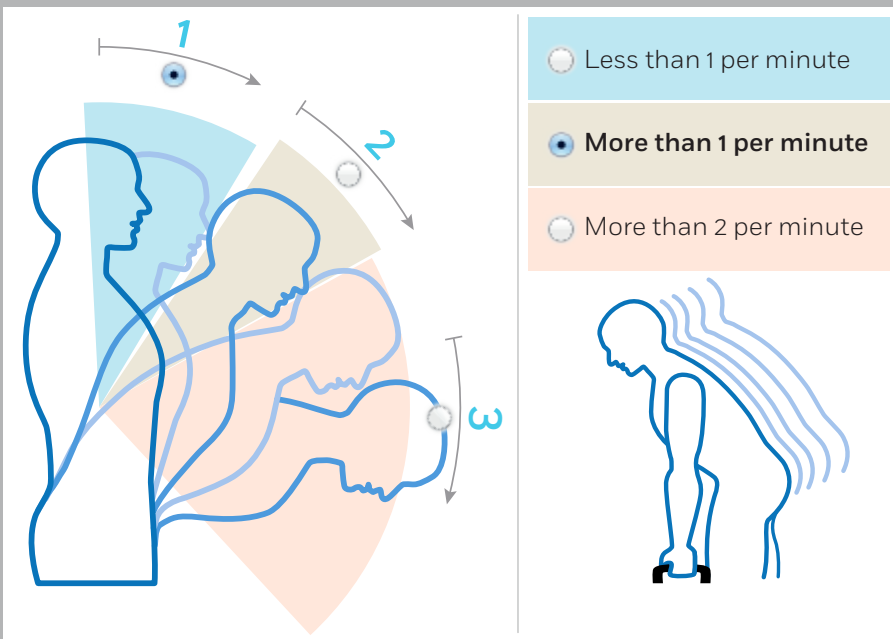
0.87

LOST DAY RATE (number of days an associate missed work due to work-related injuries or illnesses, per 100 associates working a full year):

11.71

The metrics on this page pertain to Danaher's "EHS Significant" sites, which are defined as (i) sites engaged in manufacturing, assembly, laboratory/research activities, testing, maintenance and/or warehousing, and that have 50 or more associates involved in these functions, and (ii) sites that don't meet the above criteria but are determined in the discretion of Danaher management to be significant to Danaher from an environmental, health and safety perspective.

Fostering a Healthy, Safe Workplace



Ergonomics is a cornerstone of Danaher's workplace safety and health program. Danaher deploys an intensive, worldwide ergonomics training program designed to give our operations and EHS leaders the tools necessary to reduce injuries associated with the overuse of muscles, bad posture and repeated tasks. A certified professional ergonomist and Danaher EHS leader jointly conduct each of these three-day training courses, focusing on the Danaher ErgoTool, a proprietary methodology we have developed to improve workplace ergonomics. Over the past three years, over 200 operations and EHS leaders have been trained to apply the Danaher ErgoTool in their manufacturing and assembly facilities.

OVER 200 OPERATIONS AND EHS LEADERS HAVE BEEN TRAINED TO APPLY THE DANAHER ERGOTOOL OVER THE PAST THREE YEARS

Winning with Integrity

Winning with integrity is at the core of our culture. We have developed and implemented powerful compliance tools in the form of our Standards of Conduct, Supplier Code of Conduct, Speak Up! and helpline programs, Anti-Corruption Program and Integrity and Compliance Training Program, among others. But the motto of our integrity and compliance program, “Your Integrity: Our Success,” underscores that the real foundation of our culture of integrity lies in the efforts our associates and business partners make on a daily basis to act fairly, honestly and in compliance with all applicable laws.

DanaHER Integrity and Compliance Training Program:

>46,000

DANAHER ASSOCIATES ACROSS ALL OF OUR OPERATING COMPANIES WERE ENROLLED IN THE DANAHER INTEGRITY AND COMPLIANCE TRAINING PROGRAM IN 2013.

98.8%

OF DANAHER ASSOCIATES ENROLLED IN THE DANAHER INTEGRITY AND COMPLIANCE TRAINING PROGRAM IN 2013 COMPLETED THE TRAINING.



SPEAK UP! AT DANAHERINTEGRITY.COM

Our Speak Up! program makes clear our commitment to creating an environment of trust and transparency that encourages all our associates to raise integrity and compliance concerns through one of a variety of reporting mechanisms without fear of retaliation. One of the reporting methods is our compliance helpline, which associates may use to raise concerns by telephone or internet (anonymously if they choose). We track and investigate all concerns raised. In 2013, of 363 concerns raised, 114 were validated to at least some extent and corrective action taken, including in many cases, separation of associates from the Company.



Political Participation

Participating in the political process is not part of our corporate culture. Danaher has followed a long-standing policy against using its funds or assets to support political parties or candidates, political committees or 501(c)(4) organizations, ballot measures or any public communication that advocates the election or defeat of any political candidate. Nor do we have any intention of using Danaher funds or assets for these purposes. All of these policy details are disclosed on our public website, <http://www.danaher.com>, under "Investors – Corporate Governance."



Risk Management

While risk taking is essential to growing a business, we recognize that prudent risk management is necessary to deliver long-term, sustainable shareholder value. Annually each of our operating companies inventories, prioritizes and implements appropriate countermeasures for its key risks, while our senior management reports to our Audit Committee on our risk management process and to our Board of Directors on the results of that process. 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 those risks. We know that those who are closest to GEMBA — the physical location where work gets done — are best positioned to identify and mitigate our most serious risks.



Corporate Governance

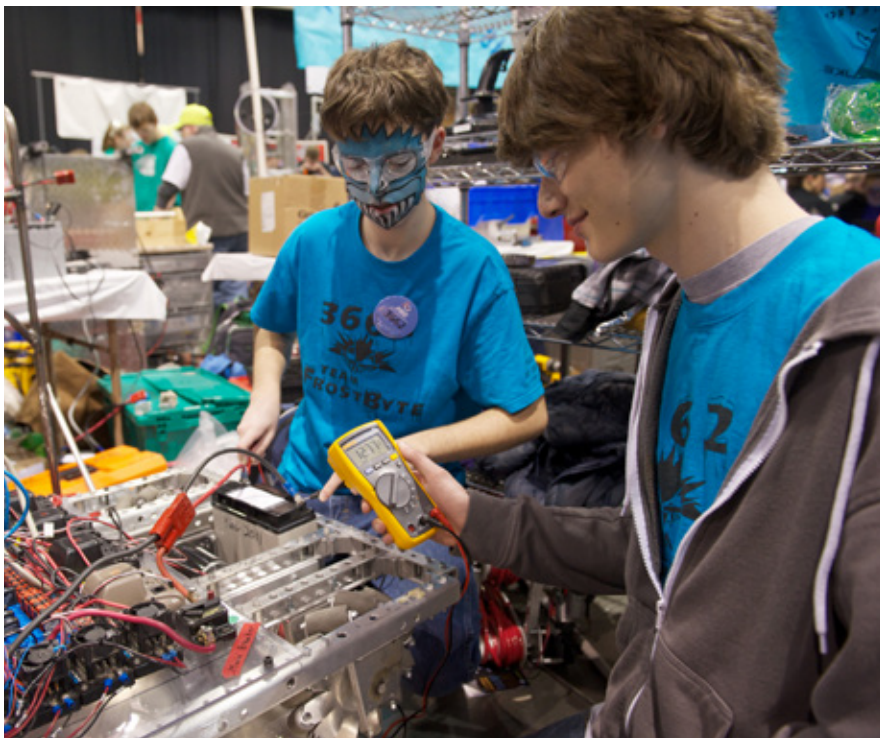
Our Board of Directors recognizes that Danaher’s success over the long term requires a strong framework of corporate governance that serves the best interests of all our shareholders. As a result of our commitment to the highest standards of corporate governance, Danaher won IR MAGAZINE’s award for Best Corporate Governance in both 2012 and 2014.

Community Involvement and Philanthropy

Danaher’s decentralized operating model recognizes that our operating companies are closest to their customers and best positioned to determine how to serve them most effectively. We apply a similar approach to philanthropy. Danaher’s approach to community engagement and charitable giving allows our operating companies to individually determine how best to serve their communities, both locally and globally.

Making a Positive Difference in Our Communities

For years, Leica Microsystems has provided part-time apprenticeships for students pursuing technical, engineering and business degrees at the Technische Hochschule (Engineering College) of Wetzlar and at the University of Giessen in Germany. These apprenticeships mutually benefit local schools and communities and our company by offering practical experience that prepares talented young students to “hit the ground running” at a global technology company like Leica.



Within days after Typhoon Haiyan struck in November 2013, lab equipment and test kits donated by Hach Company were on the ground in the Philippines, helping to provide survivors with safe, life-giving water under devastating circumstances.

2,700 digital multimeters

Over the last five years, Fluke Corporation has donated more than 2,700 digital multimeters to the annual international FIRST Robotics Competition for high school students. In addition, the Tektronix Education Support Program donates equipment on an ongoing basis to high schools and universities in North America and Asia to foster interest in science, technology, engineering and math (STEM) disciplines and increase the number of scientists and engineers working to solve the world’s greatest problems.



Matco’s “Tools for the Cause” campaign supports breast cancer research and awareness by donating a portion of the proceeds from a specialty line of pink toolboxes and other products to Susan G. Komen®.



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