

# SUSTAINABILITY REPORT 2018

# Contents

About the report .....	5
Scope .....	5
Reader's guide .....	5
Introduction .....	6
President's statement .....	7
Company profile .....	8
Sustainability in Radiometer .....	10
Our sustainability priorities .....	11
Sustainable Development Goals .....	12
Our sustainability strategy at a glance.....	14
People .....	16
Environment and climate .....	22
The society around us .....	26
Accounting principles .....	32

# About the report

## About the report

### Scope

#### Communication on Progress

This report is the Communication on Progress (COP) of Radiometer under the United Nations Global Compact initiative. Third parties, such as distributors, are not included in the reporting unless otherwise stated – i.e., in relation to our Code of Conduct, which applies to our distribution channels too.

With this progress report, we would like to express Radiometer's continued support to the UN Global Compact initiatives, the 10 fundamental principles and the Sustainable Development Goals.

#### Danish Financial Statements Act

This sustainability report also covers the statutory reporting requirements on Corporate Social Responsibility and the gender composition of management as prescribed by section 99a and 99b of the Danish Financial Statements Act. The report covers the twelve-month period ending on December 31, 2018.

### Reader's guide

The report is divided into four main chapters: an introduction focusing on our materiality process and sustainability priorities and three themes representing the main pillars in our sustainability strategy (People, Environment & Climate and the Society Around Us). For each theme, you will find an indication of the relevant Sustainable Development Goals, the relevant sustainability priorities and an overview of main policies, actions, results and plans for 2019.

In this overview, you can see where to find information on the report requirements that apply to us:

Reporting requirements	Where to find it
<b>Communication on Progress, UN Global Compact</b> President's statement of continued commitment Actions, plans and outcomes: <ul style="list-style-type: none"><li>- Human rights (Principles 1-2)</li><li>- Labor conditions (Principles 3-5)</li><li>- Environment (Principles 7-9)</li><li>- Anti-corruption (Principle 10)</li></ul>	Page 7  Page 28 Page 18-21 Page 23-24 Page 27
<b>Danish Financial Statements Act, §99a</b> Business Model Policies, key risks, KPIs and results: <ul style="list-style-type: none"><li>- Social and employee conditions</li><li>- Environment and climate</li><li>- Human rights</li><li>- Anti-corruption and anti-bribery</li></ul>	Page 8-9  Page 18-21 Page 23-24 Page 28 Page 27
<b>Danish Financial Statements Act, §99b</b> Gender composition in management	Page 20
<b>Danish Financial Statements Act, §13</b> Accounting principles	Page 33

## President's statement

Welcome to our 2018 Sustainability Report, a report I'm especially excited to share this year. If you've read our previous reports, you'll notice that we're no longer using the term "CSR report." This move reflects the journey we began this past year. While some will argue that the terms are interchangeable, we believe that 'sustainability' better reflects our change in mindset. It's a new approach to how we do business, which means that the content of the report not only looks back at our responsible conduct, but also communicates with you on how we want to contribute to sustainable development in the future.

### Defining our sustainability priorities

For Radiometer, sustainable business goes beyond compliance, and we're committed to continuously improving our business. Thus, we conducted a materiality assessment in 2018 to be able to work more strategically with sustainability and focus our efforts on where we can make the biggest positive impact and contribute to the fulfillment of the Sustainable Development Goals. During the materiality process, we defined five key priorities: Employee satisfaction, Diversity and inclusion, Energy consumption, Product end-of-life, and Customers' sustainability priorities. You can read more about the process and our plans on page 10.

### Organizational changes

Another difference between this current and the previous reports is that the HemoCue organization is no longer part of our report. Starting in 2018, HemoCue began to report as a separate Operating Company under Danaher, similar to Radiometer. You'll see the change reflected in the key figures in our company profile as well as in some of the results on the following pages.

### Our commitment to Global Compact

Since 2010, we've committed to the United Nations Global Compact and the 10 principles for corporate sustainability. With this report, I want to reconfirm our support to the initiative and our continued work to improve our policies and actions according to the 10 principles on human rights, labor, environment and anti-corruption.

Best regards,

**Henrik Schimmell**  
President and CEO



A handwritten signature in black ink that reads "Henrik Schimmell".

# Company profile

## Our Mission & Vision

This is who we are and the essence of why we come to work every day.

### Our mission

To help caregivers make diagnostic decisions that save lives

It's a matter of pride and humility for us that the information our solutions provide can be the difference between life and death.

## Our vision

Improving global healthcare with reliable, fast and easy patient diagnoses.

At Radiometer, we never take care for granted.

Every day, over half a million blood samples are tested around the world using Radiometer equipment – that's six samples a second. Every year, millions of lives are touched by the information our solutions provide, and this is why we strive to be our very best every day.

Only by understanding the needs of our caregivers, can we develop the right products and solutions to fulfill our vision of improving global healthcare.

## Above all, we help save lives



**Our solutions** - We develop, manufacture and market solutions for blood sampling, blood gas analysis, transcutaneous monitoring, immunoassay testing and related IT management systems under the ABL, AQT, TCM, AQUIRE, PICO, CLINITUBES and QUALICHECK brand names.



**Pioneers** - Founded in 1935 and headquartered in Copenhagen, Denmark, we are a pioneer in blood gas testing, introducing the world's first commercially available blood gas analyzer in 1954.



**Worldwide Impact** - Hospitals, clinics and laboratories around the world use our products and solutions to provide information on critical parameters in acute care testing.



**Ownership** - Radiometer is part of Danaher Corporation (NYSE:DHR) and we have a shared vision of realizing life's potential. We are part of the diagnostics platform, offering a broad range of analyzers, consumables, software and services used to diagnose diseases and make treatment decisions in pathology labs, hospitals and other critical care settings. Being an operating company in Danaher, we share the Code of Conduct, which is applied across the corporation. In addition, Danaher leads other compliance related activities centrally. You can read more about this in the following chapters.



**Our lean culture**  
The Danaher Business System (DBS) is our proven system for achieving success at Danaher. It drives every aspect of our culture and performance. We use DBS to guide what we do, measure how we execute, and drive a continuous cycle of change and improvement.



**Our approach to sustainability** – Our sustainability efforts must go hand in hand with our business strategy supporting our goals and helping us contribute to a sustainable future. With our vision of improving global health care with fast, reliable and easy patient diagnoses, our work is closely connected to Sustainable Development Goal (SDG) 3. Continue reading more about how we aim to contribute to several of the SDGs through our sustainability priorities.



# Sustainability in Radiometer

In 2018, we took a closer look at our sustainability activities. In this chapter, read how we shaped our priorities focusing on the areas with the highest importance and relevance for our stakeholders and our business, while defining our contributions to the global challenges that need solving.

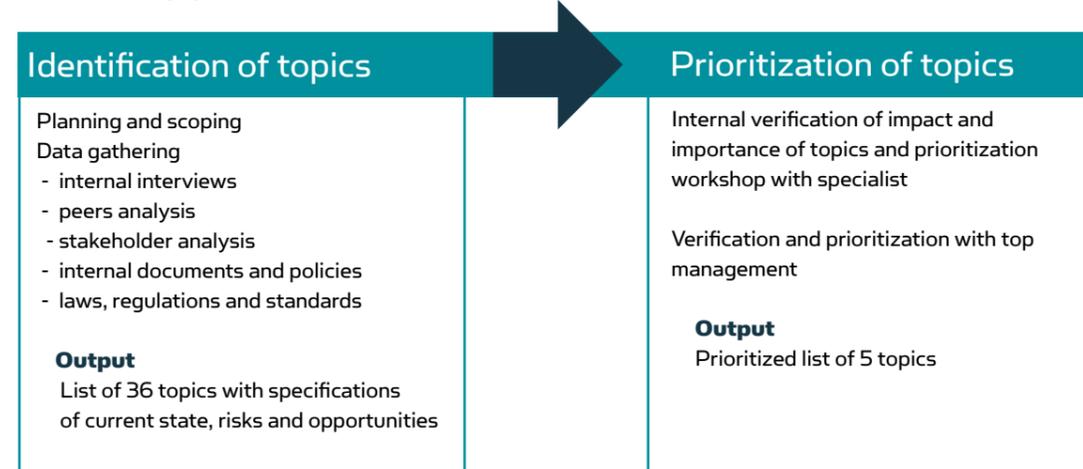
## Our priorities

### Defining our material issues

The sustainability area includes a long list of topics that are relevant to look at as a private company. In order to define what our top priorities for the coming years should be, we carried out a cross-organizational materiality assessment.

Through a systematic process, we mapped which topics are the most important to our business, our key stakeholders and the communities in which we operate. The process has led us to identify 36 topics from which we have ranked five as our top priorities.

### Materiality process 2018



## Our sustainability priorities

Our top priorities represent the topics which we would like to focus on during the next three years. As a responsible company that cares about our people and our surroundings, we have worked on some of them for a long time. Nevertheless, they continue to be as important as always. Others are newer to us from a sustainability perspective. We are committed to them and will lay out the road map on how to get started in 2019.

In the top five, we chose not to include topics that we see as mainly compliance-related, since these topics lay the foundation for responsible and sustainable business and should always be prioritized.

In the following chapters, you will see an indication of the priorities most relevant to the subjects in question.

 <b>Employee satisfaction</b>	 <b>Diversity and inclusion</b>	 <b>Energy consumption</b>	 <b>Customers' sustainability priorities</b>	 <b>Product end-of-life</b>	 <b>Foundation for responsible &amp; sustainable business</b>
<p>Our employees are our biggest strength, and we will only succeed if we have happy, innovative and motivated employees.</p> <p>That is why we can never lose sight of our employees in a fast-paced, results-oriented environment like ours.</p> <p>Read more about what we do to ensure the engagement and well-being of our employees in the People section.</p>	<p>This topic is a top priority for Danaher as a whole.</p> <p>In Radiometer, we focus especially on gender diversity in management, but in the long term, we want to expand the scope of our concrete actions to support our broader policy on equal treatment.</p> <p>Read more about this topic in the People section.</p>	<p>As a global production company, we undeniably have an impact on the environment.</p> <p>Though we proactively follow all rules and regulations, we also want to do our part in fighting climate change. As a first step on this journey, we chose to actively reduce our energy consumption.</p> <p>Read more about this topic in the Environment and climate section.</p>	<p>Our relationship with our customers is vital to our business, as rooted with Danaher values. When they talk, we listen.</p> <p>Our aim with this priority is to be more proactive in customers' sustainability-related focus areas in order to respond to their sustainability demands in the future.</p> <p>A first step will be further analysis of customers' demands and plans.</p>	<p>With analyzers that are designed to last many years, we are not a company contributing much to the throwaway culture of today.</p> <p>Nevertheless, we work to prolong the lifetime of certain products, and we also continuously focus on phasing out hazardous chemicals.</p> <p>In 2019, we will examine how to work more systematically with product end-of-life from a sustainability perspective.</p>	<ul style="list-style-type: none"> <li>• Continue striving for compliance</li> <li>• Maintain group Code of Conduct</li> <li>• Ensure data security</li> </ul>

## The Sustainable Development Goals



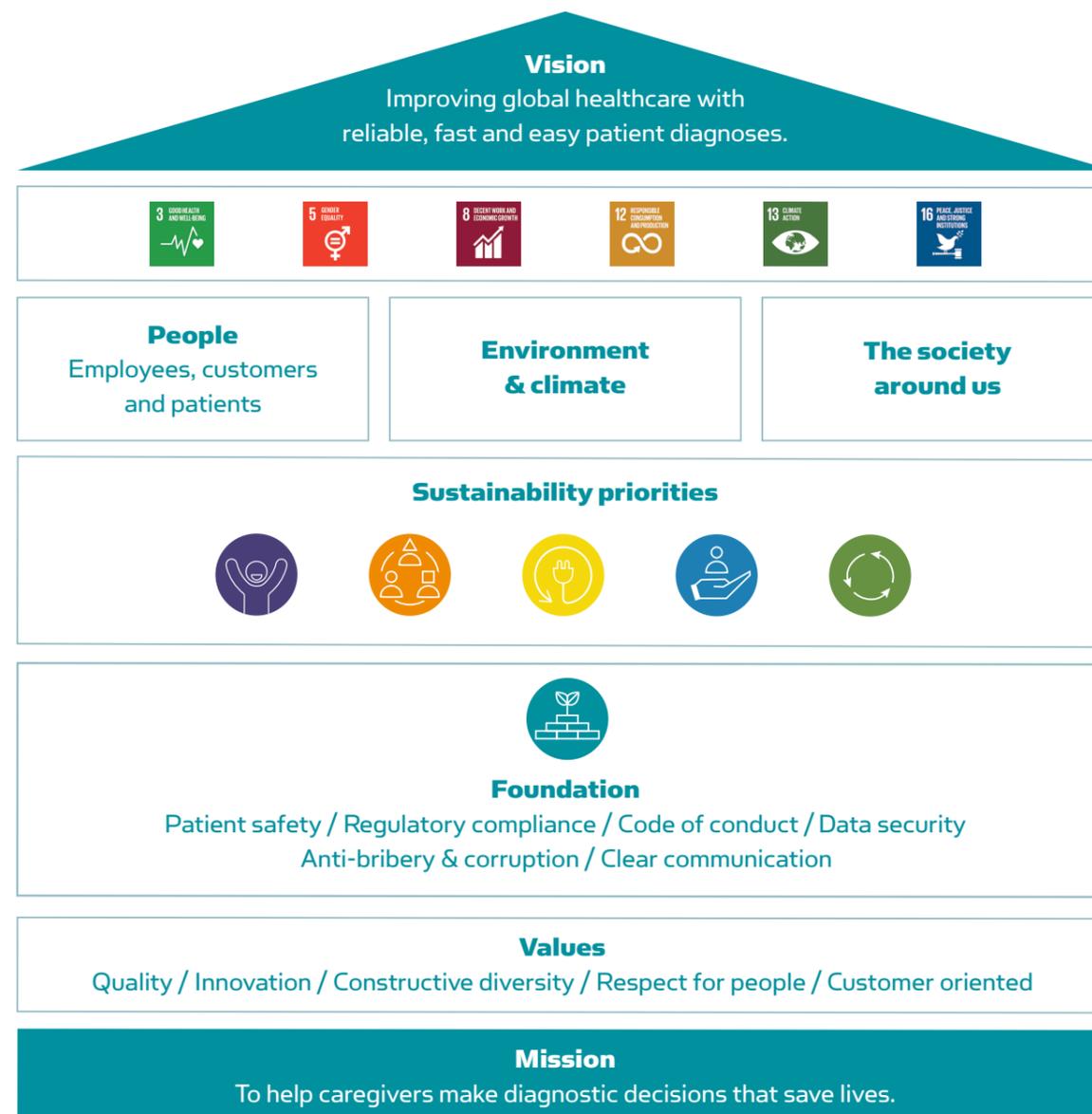
The Sustainable Development Goals (SDGs) address the challenges that the world faces and guide us towards a more sustainable future through specific targets. Therefore, defining our top sustainability priorities naturally included looking at the SDGs to see where we can contribute to global sustainable development. While our activities contribute to a broad number of SDGs, we chose to single out the ones where we either are making or can and want to make the biggest difference in the long term.

<b>Our SDGs</b>			
<b>Our Sustainability Priorities</b>			
	<p><b>Goal 3 is about ensuring healthy lives and promoting the well-being at all ages.</b></p> <p>With our vision of improving global health care with reliable, fast and easy patient diagnoses, we are truly living goal number 3 - and especially target 3.4 that aims to reduce premature mortality from non-communicable diseases (NCDs) through prevention and treatment.</p>	<p><b>Goal 5 is about providing women and girls with equal access to education, healthcare, decent work, and representation in political and economic decision-making processes.</b></p> <p>Our management team has a special focus on ensuring equal access to positions, development opportunities and management roles at all levels. We believe diversity is fundamental to driving a successful business.</p>	<p><b>Goal 8 is about ensuring job opportunities and decent working conditions for the whole working-age population and about creating quality jobs that stimulate the economy while not harming the environment.</b></p> <p>Offering good jobs that provide opportunities for our employees and ensuring the well-being of our employees are fundamental to our business.</p>

<b>Our SDGs</b> 		
<b>Our Sustainability Priorities</b>  	 	 
<p>Goal 12 is about doing more and doing better with less, including the promotion of resource and energy efficiency, sustainable infrastructure, and providing access to basic services.</p> <p>As a production company, we have a responsibility to support the advancement of this goal. For us, the next step will be to dig deeper to see, where we should focus our efforts.</p>	<p>Goal 13 is about taking action to combat climate change and its impacts.</p> <p>As with goal number 12, we believe all large-scale companies can do their part to combat climate change. For us, reducing our energy consumption is a natural action to focus on now.</p>	<p>Goal 16 is about ensuring efficient and transparent regulations, strengthening the rule of law, reducing corruption and bribery and promoting human rights.</p> <p>As a company deeply committed to ethical business practices and compliance, we have procedures to train our employees in our Code of Conduct, detect any non-complaint and unethical behaviour, and manage our channel partners.</p>

## Our sustainability strategy at a glance

In this model, you can see how it all ties together – from our mission and the work we do to our sustainability priorities and our vision of how we want to improve global healthcare. In 2019, we will continue to work on our strategy and ensure that each sustainability priority has both short- and long-term targets.



# People

## People

Our employees are at the heart of our work. Supporting the engagement and well-being of our employees is of the highest priority in Radiometer. There is no doubt that having capable and motivated employees is key to our success. Likewise, the safety and treatment of patients and our relationship with our customers are fundamental to how we run our business.

### Our SDGs



### Priorities



### Reporting requirements

Danish Financial Statements Act §99a, Social and employee conditions  
Danish Financial Statements Act §99b, Gender composition in management  
UN Global Compact COP, Labor conditions

### Patients

If you ask our employees why they come to work every day, a lot of them will likely point out the difference we make for patients around the world as we help caregivers make diagnostic decisions that save lives. Patient and user safety is a natural and important part of our work, and we're proud to be recognized for our thorough compliance processes and regulatory affairs excellence within Danaher.

Guided by our quality policy "Quality First – Always", we pay special attention to the quality assurance of our products, solutions and internal processes, recognizing that if we cannot deliver the expected and necessary quality to our customers on time, it will have a negative impact on patients globally.

**Employee engagement**

Every year we conduct an engagement survey to measure our employees' work satisfaction and generate insights and data to improve continuously as an employer. We are proud to have highly engaged colleagues who elevate Radiometer to become the best possible workplace. In September 2018, an impressive 92% of our total employees made their voice heard through taking our engagement survey, with several subsidiary sites reaching 100% participation rate.

With regard to the result, we achieved an engagement score of 69% for the third year in a row excluding our sister company HemoCue who used to be part of our results. The 2018 results will be the basis for our engagement action plans and activities carried out in 2019. Though 69% is an impressive result, our goal is to raise the engagement level to 71% in 2019 to ensure that we continue to improve as a workplace and create the best conditions for our employees.

Existing Policies	Actions and results in 2018	Planned activities for 2019
Local employee policies	<ul style="list-style-type: none"> <li>- Global focus on supervisor effectiveness and training of managers based on the 2017 engagement results.</li> <li>- Local action plans carried out on all sites.</li> <li>- Increased employee benefits at the headquarters in Denmark.</li> <li>- New well-being initiatives launched in Denmark.</li> </ul>	<ul style="list-style-type: none"> <li>- Global, local and team-specific action plans based on the 2018 results.</li> </ul>

**Development**

Developing our people equals developing our business. In Radiometer, we support our managers in formulating development plans and in conducting regular career conversations to understand the aspirations of our employees and guide them.

**Well-being**

We care about creating conditions that make it possible for everyone to have a good relationship and balance between work, family life, and leisure. We are a company with big ambitions and high expectations, and that means we work hard to deliver to our customers. Though all associates in Radiometer have a responsibility to create, maintain and develop a safe, healthy and open working environment, managers have a special responsibility to do so and are empowered to take action.

To best support our leaders, we increased our focus on preventive actions to reduce and avoid stress starting in the Danish organization.

Existing Policies	Actions and results in 2018	Planned activities for 2019
Local employee policies, including work-life balance policy.	<ul style="list-style-type: none"> <li>- Introduced tools and models to guide Denmark-based managers in identifying signs of personal or work-related stress among themselves and their employees.</li> </ul>	<ul style="list-style-type: none"> <li>- Evaluate usage and effect of managers' tools and models.</li> <li>- Roll out tools among employees in Denmark.</li> <li>- Consider global applicability of tools and models.</li> </ul>

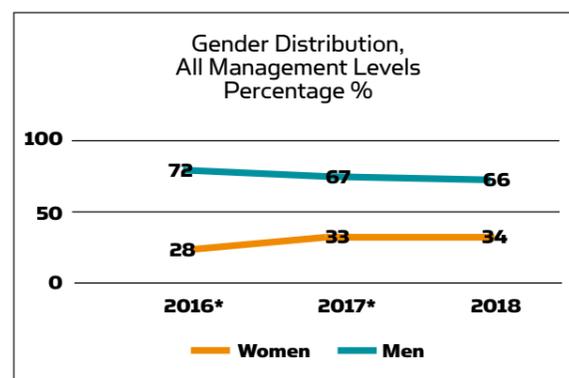
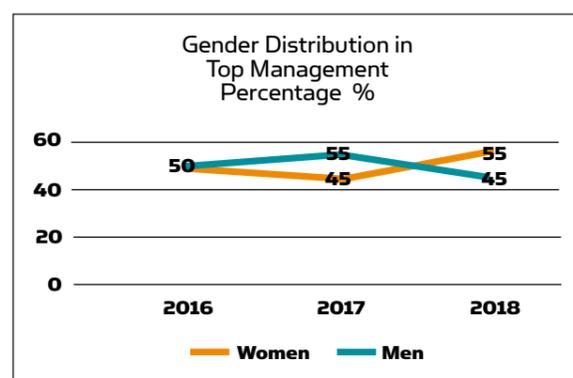
**Diversity and inclusion**

We know that a diverse and inclusive workforce is not only the right thing, it is good business. Therefore, we are highly committed to creating and sustaining an inclusive and bias-free culture. Our policies and actions in this area are prioritized at the highest level of our organization and in Danaher with specific targets to increase the number of women and, in the US, people of color across the organization.

**Women in Management**

In 2018, we saw good progress on our target to increase the number of women in management, and we're working hard to increase this trend in the coming years.

While women represented the majority of our top management in 2018, and we have an even distribution of men and women in our total workforce, women are still underrepresented in our management teams overall. Consequently, our diversity policies and actions are aimed at increasing the number of women in our management funnels.



\*Please note that the gender distribution at all management levels, unlike the 2018 numbers, includes HemoCue in 2016 and 2017.

Our top management consists of our President and Vice Presidents who lead the company on a daily basis. On our Board of Directors consisting of five members, excluding the employee-elected members, we have a distribution of 40% women and 60% men.

Existing Policies	Actions and results in 2018	Planned activities for 2019
<p>Danaher Code of Conduct, Diversity and Inclusion Chapter</p> <p>Radiometer Equal Treatment Policy</p> <p>Radiometer Diversity and Inclusion Action Plan</p>	<ul style="list-style-type: none"> <li>- Increased gender diversity in career framework categories Professional, Management and Executive.</li> <li>- 12% of managers trained in "Building Inclusive Leaders."</li> <li>- Joined the Diversity Council. Among the activities in the council, three of our female leaders participated as role models in the campaign #LeadtheFuture that aims to inspire female leaders of the future.</li> </ul>	<ul style="list-style-type: none"> <li>- Drive action in below-mentioned plan.</li> </ul>

#### Our gender diversity action plan at a glance:

2019 Targets	<p>Increase percentage of women from 38% to 40% in career level Professional (P) and Manager (M)</p> <p>Increase percentage of women from 38% to 39% in emerging leaders funnel and Danaher Senior Leader funnel</p>				
Main pillars	Infrastructure and Metrics	Talent Acquisition	Talent Management	Training	Inclusion
Main pillars	Analyze gender splits per function and share data with leadership teams on a regular basis.	Develop guidelines to get equal representation of men and women in our candidate pools for internal, external and university recruitment.	Increase nomination of females to leadership and development programs through existing talent management processes.	Train leaders and employees in "Growing Inclusive Teams".	Increase internal and external communication on diversity, inclusion and female leaders.

#### Health and Safety

Providing a healthy and safe working environment is fundamental to Radiometer, and while the Environment, Health and Safety (EHS) organization drives most projects, we all share the responsibility on a daily basis. This year our largest site and headquarters in Brønshøj, Denmark, with more than 1100 employees working in R&D, production and various staff functions, won Danaher's "Most Improved EHS Program Europe" award. This award recognized the long list of initiatives we carried out within environment, health and safety in 2017-2018.

Existing Policies	Actions and results in 2018	Planned activities for 2019
Danaher Environment, Health & Safety (EHS) Policy	<ul style="list-style-type: none"> <li>- Initiated development of a global EHS policy for Radiometer.</li> <li>- Introduced various EHS and LEAN tools aimed at engaging associates at all levels of the organization in occupational health and safety activities at our global manufacturing sites.</li> </ul>	<ul style="list-style-type: none"> <li>- Develop and implement the global EHS policy for Radiometer.</li> <li>- Increase awareness and engagement in occupational health and safety among associates by expanding the use of collaborative and empowering EHS tools and systems.</li> </ul>

#### Customers

Customer-centricity is one of our core values. The focus is to continuously improve products, services and processes as to add value to the everyday of our customers, simplifying and enhancing their experience of what it is to be a Radiometer customer.

This value is tied to sustainability. Our customers have a natural concern for patient treatment, safety and compliance. However, an increasing number of customers is also asking Radiometer about policies regarding e.g. the environment, energy and waste reduction. Therefore, we believe our customer-centricity and sustainability focus are intertwined and we will dig deeper into current and future customer sustainability priorities in the coming year.

# Environment and climate

## Environment and climate

As a global production company, we are committed to operating with respect for the environment and climate.

### Our SDGs



### Priorities



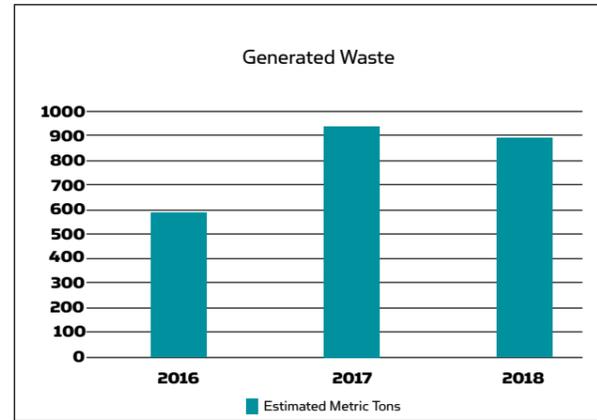
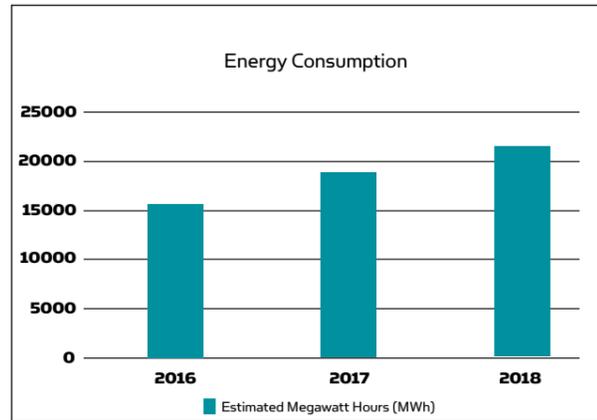
### Reporting requirements

Danish Financial Statements Act, §99a, Environment and climate  
UN Global Compact, COP, Environment

### Environmental performance

As we continue to grow, so does our production set-up. Therefore, we are very mindful of our impact and are determined to improve our environmental performance continuously as expressed in the Danaher Policy for environment, health and safety. We identified generation of waste, use of hazardous chemicals and energy consumption as our significant environmental aspects to limit and avoid risk of negative impact. As a first step in our ambition to contribute to Sustainable Development Goal number 13 on climate change, we have initiated a roadmap to lower the energy consumption of our operations. We have not identified any significant risks of our business having adverse impacts on climate change, nor have we identified risk of climate change affecting our business.

As we had some challenges with our data management systems in our Environment, Health and Safety (EHS) organization in 2018, we can unfortunately not confirm the fullness of the data shown in this chapter. However, this is a focus area of 2019, where we will work on our action plan to further reduce our energy consumption.



Existing Policies	Actions and results in 2018	Planned activities for 2019
Danaher Environment, Health & Safety (EHS) Policy	<ul style="list-style-type: none"> <li>- Commenced work on developing a global, Radiometer specific, EHS policy that includes policy statements on climate actions.</li> <li>- Substituted hazardous chemicals for various less hazardous chemicals in our selected manufacturing processes.</li> <li>- Introduced various EHS and LEAN tools aimed at engaging associates at all levels of the organization in minimizing waste, prevent spillage and be environmentally conscious.</li> </ul>	<ul style="list-style-type: none"> <li>- Finish and roll out the global EHS policy.</li> <li>- Conduct an Energy Kaizen to identify where and how we can reduce the energy consumption at the Danish headquarters.</li> <li>- Improve the gathering and quality of energy data.</li> <li>- Launch the second round of energy audits of our European facilities under the EU Energy Efficiency Directive.</li> <li>- When feasible, continue the substitution of hazardous chemicals.</li> </ul>

# The society around us

## The society around us

As a company operating in over 130 countries, we have a responsibility to ensure that our business does not have a negative impact on the societies that surround us, but that our presence can contribute to sustainable development in the countries and regions in question.

### Our SDGs



### Priorities



### Reporting requirements

- Danish Financial Statements Act, §99a, Human rights
- Danish Financial Statements Act, §99a, Anti-corruption and bribery
- UN Global Compact, COP, Human rights
- UN Global Compact, COP, Anti-corruption

### Anti-corruption, integrity and compliance

Doing business with integrity is not up for discussion in Radiometer – nor in Danaher as a whole. We expect everyone to live the principles of our Code of Conduct and speak up if they observe unethical or illegal behavior.

As a large, global company, we will from time to time face risks of corruption-related behavior. We acknowledge that corruption poses a considerable obstacle for economic and social development around the world as well as it impedes business growth, escalates costs and poses serious legal and reputational risks to a company. We consider corruption to be a constant significant risk to our company and it needs to be addressed every year. Based on a corruption risk assessment, we apply ongoing monitoring and specific audit activities on high risk markets as well as ensure anti-corruption training for our associates and apply a thorough due diligence of our partners. In 2018, Radiometer and Danaher took further strides to ensure the ethical conduct of our associates and partners.

Existing Policies	Actions and results in 2018	Planned activities for 2019
Danaher Code of Conduct	<ul style="list-style-type: none"> <li>- Implemented the new Danaher Code of Conduct, replacing our Standards of Conduct.</li> <li>- Assessed existing audit program led by Danaher.</li> <li>- Developed new audit program ensuring regular audits of Danaher Operating Companies' sites based on risk-assessment.</li> <li>- Online compliance training in the Code of Conduct combined with tailored, in-depth, face-to-face training of specific groups such as management, newcomers, and sales and marketing associates.</li> <li>- 92% percent of our employees, who are required to take our online compliance training, completed all of their training. Non-completion directly affects the performance review of the employees in question.</li> </ul>	<ul style="list-style-type: none"> <li>- Launch new and improved audit and monitoring programs.</li> <li>- Continue the compliance training program and the communication on the importance of completion and implementation.</li> </ul>

#### Human rights

As communicated in our Code of Conduct and our current Sustainability policy, we are committed to respecting everyone's human rights and dignity, and we support international efforts to promote and protect human rights. As a signatory member of the United Nations Global Compact, we participate actively in the Human Rights working group of the Global Compact Network Denmark as part of our efforts to manage potential and actual adverse impacts of our business. In our last Human Rights assessment, we did not identify any salient human rights issues. Nevertheless, we are aware that risks of adverse impacts can arise. You can read about our responsible procurement procedures below and our work with the wellbeing of our associates and work-related human rights risks in the People Section.

Existing Policies	Actions and results in 2018	Planned activities for 2019
CSR policy and Danaher Code of Conduct	<ul style="list-style-type: none"> <li>- Revised Sustainability policy and commenced update on Human Rights.</li> <li>- New Human Rights chapter in the Danaher Code of Conduct.</li> </ul>	<ul style="list-style-type: none"> <li>- Roll out updated Sustainability policy.</li> </ul>

#### Responsible procurement

Our commitment to responsible procurement and supplier relationships is included in the Danaher Supplier Code of Conduct, and it explains our expectation that our suppliers comply with all applicable laws and regulations within integrity and compliance, labor and employment and environment, health and safety. Our Supplier Code of Conduct is supported by our governance procedures in Radiometer and across Danaher.

Our continued growth requires a solid and responsible supplier base. The integration of responsible procurement is done through Radiometer's Supplier Base Management process. We continuously monitor our supplier base and work together with them to make a difference.

#### Channel partners

In Danaher and Radiometer, we take a systematic approach to ensuring that our channel partners comply with our Code of Conduct. The process includes screening of new partners and regular training and follow-up processes all monitored through an online system. Depending on the risk level of the country in question, we determine the scope and detail of the investigations that are all carried out by a third party.

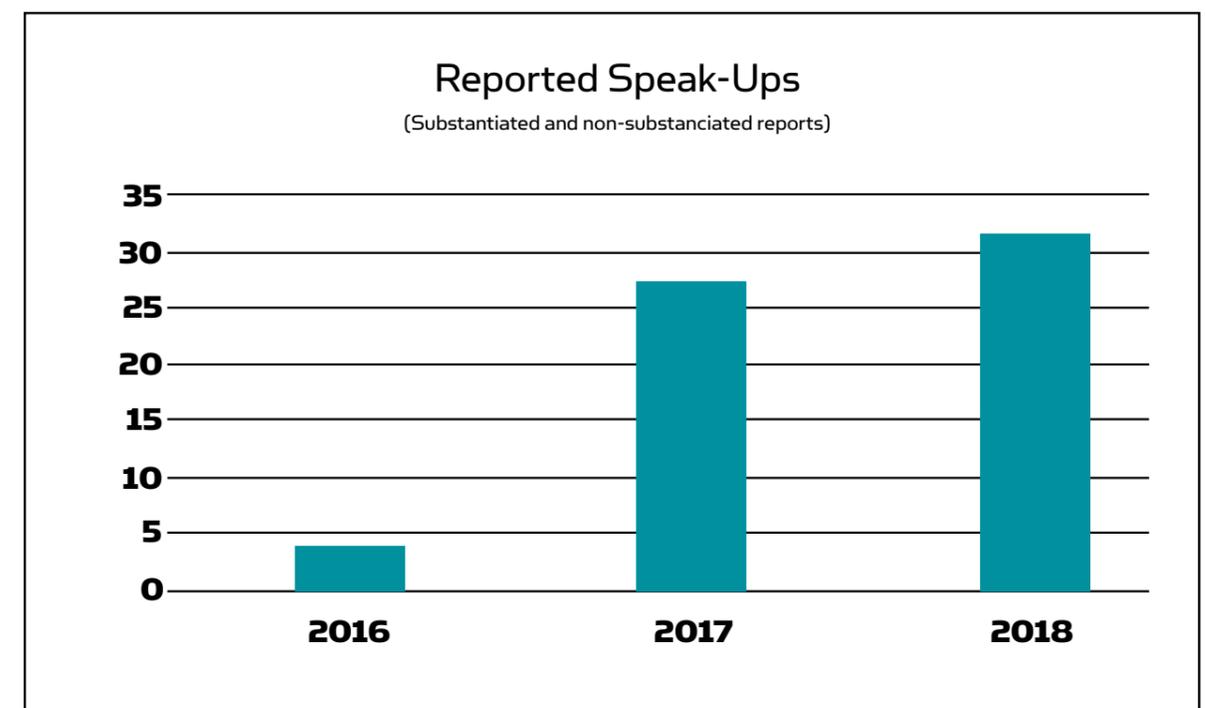
#### Speak up!

We value an open and honest working environment where employees know that we will deal with any compliance concerns in a fair and transparent manner. Our Speak Up! program is the reporting mechanism that allows all employees in Danaher to raise their concerns via a dedicated telephone line or via our company intranet. Employees can raise their concerns anonymously if they prefer to do so and can be sure that we track and investigate all cases.

All companies operating on a global scale will from time to time experience misconduct from employees or business partners. Recognizing this fact, Radiometer has set a target of one speak-up case per 100 employees, which reflects the medical device industry benchmark. In the chart below, you can see the development in cases over the last three years, which we believe shows that we are increasingly improving in terms of fostering an open working environment where all employees globally can raise concerns without the fear of retaliation. This year we received 31 reported cases in total – this includes both substantiated reports and non-substantiated reports.

#### Speak-Up cases can include:

- Financial cases: Unfair competition / revenue recognition / improper payments / gifts / fraud
- HR cases: Management or supervisory competence / behavior / retaliation / harassment
- Other cases: Conflict of interest / customs/import/export issues / quality and regulatory affairs issues



**Interaction with healthcare professionals**

As a company and leader within the diagnostics industry, we interact and collaborate with health care professionals across the world. Healthcare professionals receive our promotional materials, provide user feedback for our development processes and can submit requests for educational grants, donations and sponsorships. Our collaboration with healthcare professionals is instrumental to our ability to provide innovative, reliable and user-friendly products and services. Needless to say, it is important to us that the collaboration is done in a transparent way.

All interaction with healthcare organizations and professionals must respect the medical profession’s ability to make independent decisions regarding treatment of patients. Moreover, under no circumstances can there be any interaction with the purpose to influence healthcare professionals by offering them undue or improper advantages in order to promote a sale or the use of Radiometer’s products. Radiometer tracks and reports all collaboration in accordance with existing global disclosure requirements. As reporting requirements increase worldwide, so does Radiometer’s focus in this area, and we continue to work to enhance our reporting procedures.

**Sponsorship: Contributing to the fight against sepsis**

As few people outside the medical field are aware of sepsis and the signs, symptoms and treatment of this potentially fatal condition, an important part of the fight against sepsis is raising awareness. Therefore, we were proud to sponsor the 2018 World Sepsis Congress, an online and free event of 17 sessions designed to raise awareness about sepsis across the world.

To further build awareness about the importance of early diagnosis among health care professionals, we also sponsored a scientific supplement on sepsis, written by leading experts in the field and featured in the publication Hospital Healthcare Europe.

Existing Policies	Actions and results in 2018	Planned activities for 2019
Global Donations Policy & Grants, Donations and Sponsorships Procedure and Danaher Code of Conduct	- Developed and implemented a new Grants, Donations and Sponsorships Procedure to ensure that the transfer of values will not create improper influence on healthcare professionals.	- Offer more training in the procedures for responsible interaction with healthcare professionals.

**Supporting our communities**

In 2018, we formulated a new Global Donations Policy defining the scope for our charitable donations. We have a long tradition of supporting our local communities. Some of the causes we supported in 2018 included:

**Denmark:**

**Holiday Help** - Christmas can be a difficult season for economically challenged families. Every year in December, the Danish Red Cross grants “Holiday Help” to families who need a little financial support for the holiday season. Last year, 59 families in the Tingbjerg-Husum community close to our headquarters received Holiday Help in the form of gift certificates to a grocery store. We made a donation to cover all the families that the Red Cross expected to support in our community in 2018 through the Holiday-Help program.

**The Night Ravens in Husum and Tingbjerg** - An NGO of volunteers with the purpose of increasing the feeling of security in the neighboring streets of Radiometer’s headquarters, Husum and Tingbjerg streets, at night.

**Igne:oya** - Design workshop for women: An initiative that aims to create a social space for women new to the Danish society.

**Brønshøj Football Club** - A club with a long history as the social gathering point for people of all ages in the area of Brønshøj. In 2018, we supported with participation fees for vulnerable children.

**Germany:**

**Running for change** - Radiometer in Germany participated in, and donated to, various charity runs raising money for causes such as children’s hospitals, vulnerable families, and people suffering from severe diseases.

**Japan:**

**Ogyaa Donation Fund** - Radiometer in Japan donated to the “Japan-Mother Ogyaa Donation Fund.” The vision of the Ogyaa Fund is to save and help disabled children in Japan. One of the main objectives for the fund is to raise public awareness about mentally and physically disabled children.

**National Cerebral and Cardiovascular Center -**

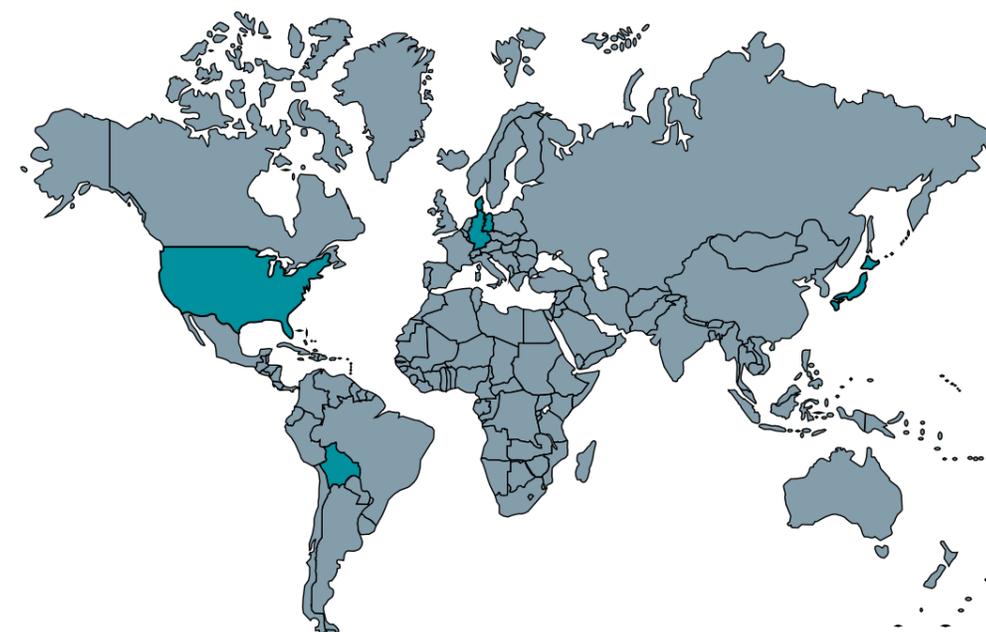
Radiometer in Japan made a donation to support the rebuilding of the center that was partially destroyed by the earthquake in Osaka in June 2018.

**Poland:**

**Stargard Rescue Lab** - Radiometer in Poland funded professional equipment needed in the non-profit rescue lab that just opened its doors. It is the second of its kind in Poland and raises awareness about the importance of knowing first aid while offering free first aid training.

**United States:**

**Medical mission** - Radiometer America donated products to the Texas Children’s Hospital’s medical mission trip to Santa Cruz, Bolivia, and to the medical tent of Wisconsin Hospitals and Clinics in the Ironman Triathlon in Madison, Wisconsin.



# Accounting principles

## People

<b>Engagement score</b>	The general engagement score is calculated based on the responses to the four questions that are closest related to engagement within the total survey.
<b>Gender distribution</b>	Top management - percentage of men and women at VP level or above.  Board of Directors - percentage of men and women in the Board of Directors, not including employee-elected members.

## Environment and climate

<b>Energy consumption</b>	Estimated energy consumption (MWh) at production sites and on-site offices, excluding transport.
<b>Waste generation</b>	Waste from production sites in metric tons.

## The society around us

<b>Speak-up cases</b>	All reported cases (substantiated and non-substantiated cases).
-----------------------	---

## **OUR MISSION**

We help caregivers make diagnostic decisions that save lives

## **OUR VISION**

Improving global healthcare with reliable, fast and easy patient diagnoses

Contact

**Katrine Rørdam**

[katrine.roerdam@radiometer.dk](mailto:katrine.roerdam@radiometer.dk)

+45 30 29 33 31