



SUSTAINABILITY REPORT 2019

Whatever comes next, we make sure life comes first



COMMUNICATION ON
PROGRESS

This is our **Communication on Progress** in implementing the principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.

Contents

President's statement	4
Radiometer at a glance.....	8
A global perspective on health care.....	10
Our sustainability commitment.....	11
People	14
Inspired to grow	16
Better together.....	18
United by purpose.....	25
Enhancing our work environment.....	27
Environment and climate	28
Connected beyond the box.....	30
Continuously improving environmental performance.....	31
The society around us	32
Running our business with integrity.....	34
Working responsibly with suppliers.....	37
Giving back.....	39
Appendix.....	40

President's statement

In our customers' line of work, life is not a given – it is the ultimate goal. They face constant change and challenging situations and never know what to expect when they start work each day caring for critically ill patients.

Since the very beginning in 1954, our mindset and purpose have revolved around empowering caregivers to make diagnostic decisions to improve patient care. Although the technology we use and the eyes through which we see the world have changed, we still believe that a seamless relationship between people and technology is crucial in the most critical care situations.

We have been supporting and advocating for Sustainable Development Goal No. 3 “Good Health and Well-being” since before it was a common goal and we are proud and humbled by the impact we make.

In health care we do not always know what comes next, but we do know that our constant ambition to support caregivers will make Radiometer continue to deliver great value to our customers and health care communities around the world. For Radiometer, answering what's next in health care starts with what comes first — life.

Life first. Always.

Rooted deeply in the values across our parent company, Danaher, our relationship with our customers is vital to our business. When they talk, we listen, because in order to provide them with the best support possible we need to understand their world better than anyone else.

It's all about collaboration. We work with customers and partners to ensure a constant focus on improving patient care - together. We do this by taking the expertise within diagnostic and monitoring solutions that we have built up for decades and making it available to health care professionals in acute care diagnostics across the world. To us this is unity in support of the overarching purpose in health care – to nurture life.

We value the trust our customers and partners place in us and work every day to ensure that we continue to develop and deepen that relationship. We strive to go the extra mile for our customers and are happy to see this reflected in a recent global satisfaction survey, where customers gave our field service engineers the highest score when assessing their experience working with Radiometer:



The support from the field service engineers is key to keeping our service running.

Comment from customer in the survey

Our commitment

As a global diagnostics company we have the opportunity as well as the obligation to pursue our business and strategic objectives in a way that fulfills our responsibilities to the society in which we operate.

As a UN Global Compact signatory member Radiometer supports the Ten Principles, which cover the areas of human rights, labor, environment and anti-corruption. We have built our sustainability focus on three pillars that put health at the heart of our work: People, Environment and climate and The society around us.

As our industry is changing at an ever faster pace with new technological advancements, we will continue to put caregivers and their needs in the center of everything we do. We will continuously seek to better understand their challenges in an ever changing world, advocate for a collaborative approach and make sure that we ourselves make necessary changes.

Henrik Schimmell

President



A handwritten signature in black ink that reads "Henrik Schimmell". The signature is written in a cursive, flowing style.



We believe that the ones who build the strongest partnerships will make the greatest impact.

Henrik Schimmell

President

OUR MISSION

We help caregivers make diagnostic decisions that save lives

OUR PROMISE

Whatever comes next, we make sure life comes first

OUR VISION

Improving global health care with reliable, fast and easy patient diagnoses



#LifeFirst

Radiometer at a glance

Radiometer develops, manufactures and markets solutions for blood sampling, blood gas analysis, transcutaneous monitoring, immunoassay testing and the related IT management systems and digital services.

Owned by the Danaher Corporation

As a global market leader within blood gas, we have a strong foundation to continue to improve the value we deliver to our customers. Our work at Radiometer is supported by Danaher.



In **1954**

we launched the world's first commercially available blood gas analyzer

Today over **130** countries benefit from our products and solutions

**Specialist
by blood**

We have refined deep knowledge and experience in acute care diagnosis since 1954

**Whatever comes next,
we make sure life comes first**

**Connected
beyond the box**

We bring reliable
connected
solutions to critical
care settings

**Better
together**

We collaborate with customers
and partners to focus on
improving patient care

A global perspective on health care

As the global market leader within blood gas with solutions in hospitals, clinics and labs in over 130 countries, supporting sustainability goal number 3 - ensuring healthy lives and promote well-being for all at all ages - is at the core of our business.

When the polio epidemic swept across Europe in the early 1950s, many children were at risk of respiratory failure. Professor Poul Astrup and anesthesiologist Bjørn Ibsen discovered the right diagnosis by measuring the pH value in blood using Radiometer's pH meters.

This groundbreaking discovery soon formed the basis for Radiometer's entry into medical technology with Radiometer developing the world's first commercially available blood gas analyzer in 1954.

It started as an idea for a better solution, but like all powerful ideas, it evolved into a passion. Since then, we have continuously advanced our acute care diagnostic solutions with dedication, clinical evidence, attention to details and heartfelt passion.



“
In Africa the population will double within the coming ten years which will further increase the pressure on the infrastructure. To support the development of critical care in Africa, Radiometer is collaborating with its channel partners, government ministries of health, public and private sector health providers, NGO's and funders to improve access to acute health care and provision in Africa.

Nomagugu Masuku-Mukadah
Partnerships for Health Lead (Africa)

Our sustainability commitment

Our commitment to sustainability, compliance and continuous improvement is grounded in our Code of Conduct and Sustainability Policy both of which are essential to how we conduct business in a responsible and fair manner.



Code of Conduct

Our Code of Conduct is the cornerstone of our compliance culture and applies to all employees at all Danaher operating companies worldwide. It provides a framework for our employees to develop and nurture a compliance culture that guides and assists them in making fair and honest decisions, but our Code of Conduct reaches beyond ourselves. We also expect our agents, distributors, representatives, independent contractors, consultants, suppliers, business partners and others who support our business to comply with our Code of Conduct and play and apply by the same rules as we do.

Our Sustainability Policy

Our approach to corporate social responsibility is based on conducting business with respect for the triple bottom line; people, planet and economy while ensuring responsible and ethical business processes throughout our organization and activities.

Our policy is built upon internationally recognized principles on human rights, environment and anti-corruption. These principles derive from the UN Global Compact; the United Nations' corporate social responsibility initiative that we joined in 2010.

In practice, our policy means that we work to identify, prevent and mitigate adverse impacts on the triple bottom line. We will work actively to balance economic progress, social responsibility and environmental protection. In this report, we communicate transparently about how we manage this work on an annual basis - about our progress, challenges and goals.

People

At Radiometer, people are at the heart of our work. Supporting the engagement and well-being of our employees is of the highest priority as 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.



Employee Satisfaction



Diversity and Inclusion

Environment and climate

As a global production company, we undeniably have an impact on the environment.

We acknowledge the effects that GHG emissions related to human activities have on climate change and follow all applicable rules and regulations related to this. We consider and implement energy efficiency measures in construction and renovation projects.



Energy Consumption



Product End-of-Life



Customers' Sustainability Priorities

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.



Foundation for Sustainable Business

Improving global health care with reliable, fast and easy patient diagnoses

Towards the UN Sustainable Development Goals

People



Employee Satisfaction



Diversity and Inclusion

Environment and Climate



Energy Consumption



Product End-of-Life



Customers' Sustainability
Priorities

The society around us



Foundation for
Sustainable Business



People





As a former Intensive Care Unit nurse I have witnessed firsthand the impact that our solutions can have on a patient's life. It brings me great purpose to be part of a company that makes a real difference for health care providers globally.

Nicolai Pedersen,
Account Manager, Denmark



Reporting requirements

Danish Financial Statements Act §99a, Social and employee conditions

Danish Financial Statements Act §99b, Underrepresented gender

UN Global Compact COP, Labor conditions



Employee Satisfaction



Diversity and Inclusion

Inspired to grow

At Radiometer we believe that innovation and improvement come from personal and professional development.

The success of our business is based upon continuously providing our employees with a space where they can grow, learn and push for the greater solutions e.g. through clear goals and on-the-job learning. Only when our people are constantly learning, growing and challenging themselves are we as a company able to develop and deliver some of the world's most advanced health care solutions – now and in the future.

Clear goals as a basis for success

Through our Performance for Growth Cycle, our employees are supported in setting clear goals that are aligned to the strategic priorities of the organization and goals that they can assess their performance against. We focus on both the WHAT, and the HOW and that's because how we do it is as important as what we do.



This is why people leaders and employees collaborate every year to align not only on performance expectations, but also on the way these objectives are met. Ultimately, the process supports our employees in receiving ongoing feedback, which helps them grow and develop and ensures their success. At Radiometer, realizing the potential of our employees through development is as important as ensuring high performance throughout.

On the job learning

A lot of development at Radiometer takes place on-the-job and we believe in unleashing potential through informal and experiential learning. As with performance objectives, people leaders and employees collaborate to formulate impactful development plans based on the adult learning model: 70-20-10. 70% of a person's learning at work comes from learning on the job by engaging and exposing themselves to new projects, tasks and responsibilities, 20% comes from coaching and feedback and 10% of learning is realized through formal training.

We believe in exposing our employees to situations where they will be able to practice and learn until they master new skills that will help them realize their aspirations and potential.

Powered by Danaher

Like no other, being part of the Danaher family, provides us the opportunity to offer worldwide challenges to our employees – both within our industry and outside. With 25 world-class operating companies¹ doing business in countries throughout the world, Danaher offers dynamic and challenging careers.

With the Danaher Business System, which is a set of tools that enable continuous improvement around lean, growth and leadership, our employees are equipped to achieve success – whether it's in Danaher or outside. We use the Danaher Business System to guide what we do, measure how well we execute, and drive a continuous cycle of change and improvement. For our own professional development, but ultimately for the benefit of critically ill patients around the world.

Better together

We believe that the best results are achieved together.

'Best team wins' is a core value of ours. And one which is well incorporated across our business. In it lies our special focus on ensuring equal access to positions, development opportunities and management roles at all levels. We strive to realize this through our strategic actions within Talent Acquisition, Talent Management and Talent Acceleration.²

We work strategically with Diversity and Inclusion with a clear vision, created from the voice of our own employees, where they helped us define it alongside with the initiatives that are meaningful for them. With this we strive to welcome everyone into our company just as they are and are dedicated to invest in the growth and development of the individual, because we know that the best team consists of people, who are supported in being the best possible version of themselves.



Working with Diversity and Inclusion it is key to focus on diversity of thought and create a culture of inclusion where all associates feel confident to share their perspectives, ideas, knowledge and experience. We need to be alert when we see signs of “groupthink” where roles and norms become established and there is a pressure to conform. Instead we must work to unfold the total potential of our employees and support them in having life long careers where they can bloom and develop to fulfill their aspirations and our business needs.

Rikke Tengberg

Vice President, HR and Communications



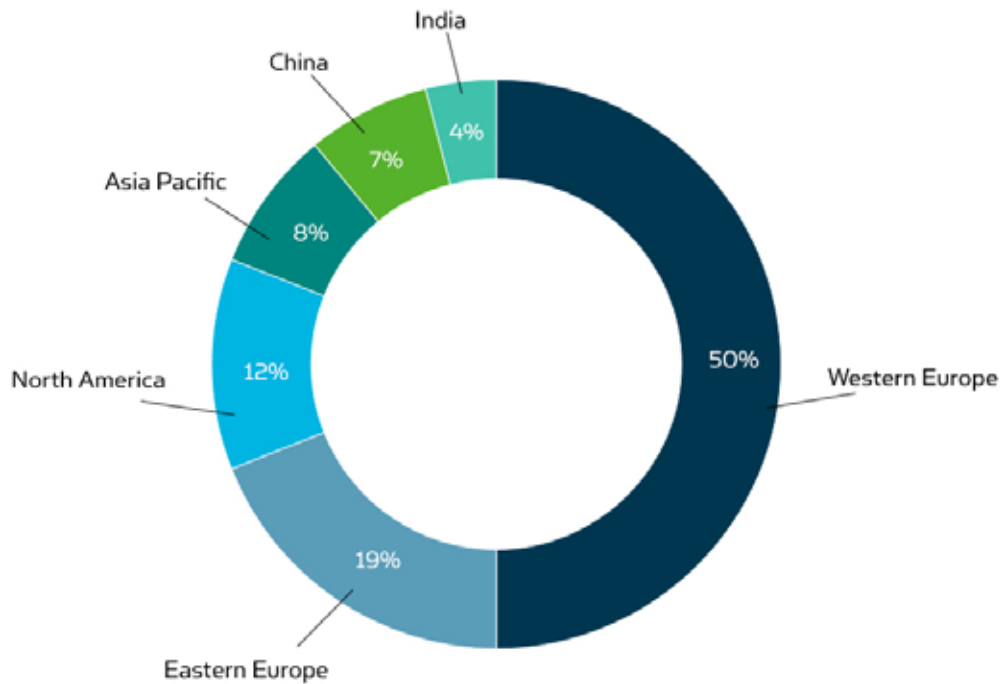
As specialists with a wide range of backgrounds, knowledge and skills united by a passion for serving our customers, we always strive to bring the best team to find solutions. What brings me purpose is that none of us are afraid to speak up and we all share the conviction of going the extra mile to build trusted relationships with caregivers globally.

Christian Wagner

Senior General Manager Europe & Global Commercial Excellence, Sales



Geographic distribution



An embracing culture

We have a strong process around the hiring of new associates to make sure we fight our unconscious biases and our hiring managers and recruiters are always seeking the best talent by making sure that we are reaching and involving a diverse slate of talents in the final round of candidates.

In general, we want and value associates who have their own unique characteristics and viewpoints – and encourage them to keep those. We believe that instead of spending time and energy to try to fit in, we want every single employee to come and show their true selves at work and use this energy to create an inclusive and embracing environment.

Diverse slates

By a diverse slate, we mean a list of prospects and or candidates for consideration that offers a mix of under-represented talent.

1. Shows the possibility and/or range of talent
2. Has viable qualifications for the role
3. May include prospects, passive profiles and active candidates



A three legged focus on Diversity & Inclusion

Your time is now!
Join us and help us
challenge the status quo

Be your true self!
We like it that way



Growing Inclusive Teams

To ensure that we can continue to understand and serve an increasingly diverse customer base, and build inclusive teams where people feel they belong and can grow we launched a new training in 2019 called Growing Inclusive Teams. In this training, people leaders and employees are introduced to the concepts, definitions, tools and approaches needed to effectively leverage the diversity within their team. The scope of this training will be offered to more employees in 2020-2021.

Focus on what we believe will make a difference

We focus on diversity in the areas where we need it the most. Globally, our focus is balancing for better around our gender representation in our workforce. Additionally, in the U.S, the focus is around strengthening our People of Color representation.³ These focus areas will continue in 2020.

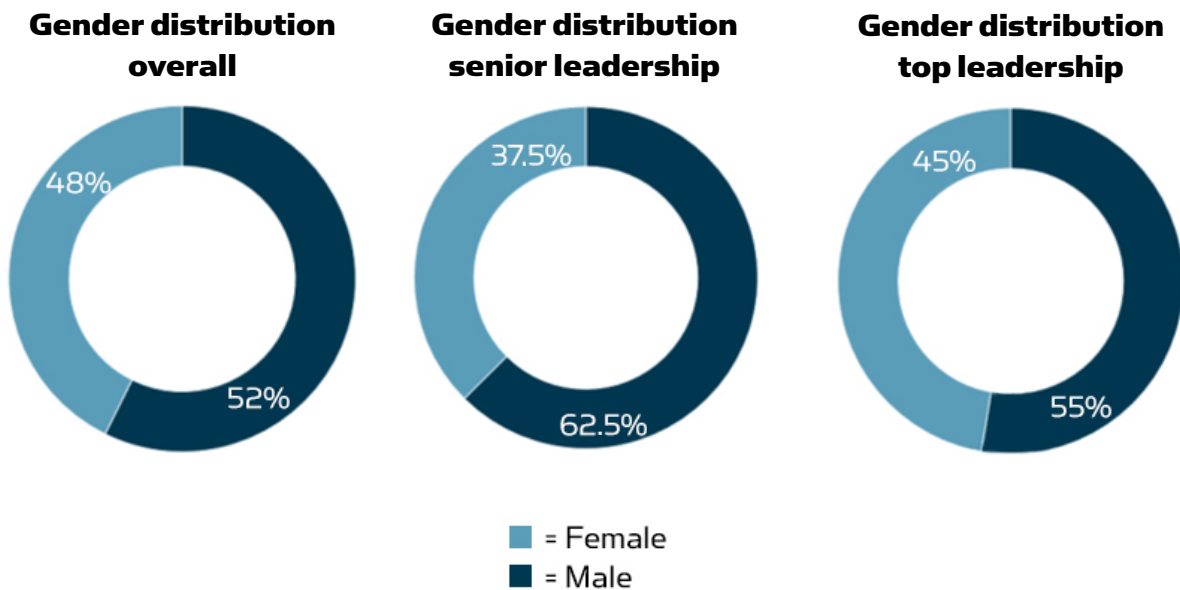
Women in leadership

We want our leadership teams to have a gender balance that is representative for the world's population. To ensure gender balance in our leadership teams we have an extraordinary focus on developing and retaining our female emerging talents and female leaders, as we still have a gap in our global gender distribution in general and among our Senior Leaders in particular. By the end of 2019, Radiometer has decided to establish a jump off point by monitoring the following metrics: Global Gender Representation and Global Senior Leader Gender Representation. Top Management Gender Representation will continue to be one of our metrics.

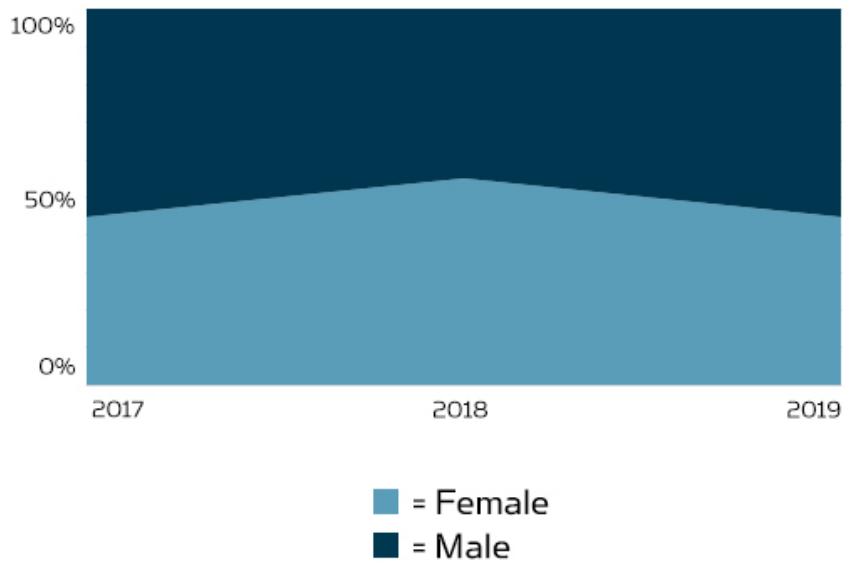
Our top management consists of our President and Vice Presidents who lead the company on a daily basis. Within this group we have a balanced distribution of gender with 45% female and 55%

male. However, since last year we have experienced a gap in the gender distribution of our Board of Directors due to a change in our top management team. Our former Vice President of Global Operations, Marianne Ovesen, was appointed to a new Danaher position at Beckman Coulter, leaving her seat in the top management and the Board of Directors to her successor, Niels Fogelstrøm. This has resulted in a gender distribution of 80% male and 20% female amongst the five members of our Board of Directors, (excluding the employee-elected members) compared to last year. Our goal is unchanged. By 2023 at the latest, we will work to have 40% of the underrepresented gender in the Board of Directors, mirroring the group management of Radiometer. Gender distribution.

Please see gender distribution below.⁴



Gender distribution in top leadership⁴ percentage %



We have a strong focus on leadership development, and leaders have the possibility to engage in exciting development programs both internally and externally. In 2019, we had our first 21 female leaders completing The Fast-Track Program⁵ for Emerging Female Managers and expect 19 more to complete

the program in 2020. The Fast-Track Program is an immersive one-week leadership development experience hosted by an external partner. Through this program our emerging female managers learn tools and techniques to lead themselves and their teams more effectively.



Despite the fact that as women we are all diverse, we are also very similar to each other in basic values and the way we think about ourselves. Being part of the Fast-Track Program it was amazing to find out, that I am not alone with my thoughts, and that amazing women from all over the world have the same or very similar goals, ambitions and challenges.

Monika Wiącek,
Manager, Controlling



People of color

In USA, our employees have the opportunity to identify themselves in regards to their racial, national or sociocultural origin⁶ through a self-assessment. Based on this 42.2% of our employees identify themselves as a person of color, 48.5% identify themselves as black and 9.3% preferred not to answer or have not recorded their answer.

Our work with ensuring that we embrace our colleagues no matter the color of their skin or sociocultural or national origin manifests in the launch of resource groups in the US for specific affinity audiences like Asian, Latin and black. This continues to be a focus in terms of our talent acquisition and talent management activities in 2020.

The invisible differences

However, we don't stop at ensuring that we visibly are different from each other. We also want to make sure that we have diversity in terms of invisible differences and similarities. We therefore seek to hire people from diverse backgrounds, people with individual experiences, people at different life stages, people with their own aspirations, people who represent diversity of thought and people who then together can grow and achieve extraordinary results.

We help our people leaders and employees through this learning journey by inviting them to participate in the Growing Inclusive Teams training and by helping them understand the perception of their teams and their levels of inclusivity by diving deeper, when needed, into the engagement results that speak to these behaviors.

Our vision for Diversity and Inclusion

We want to be better every day at welcoming you as you are. We believe in embracing our differences, igniting alternative mindsets and skillsets to enable trust-building, learning and togetherness.



Something fundamentally changes when you're able to look at any given process from the customer perspective. Is it value adding? Is it intuitive? Is it helpful? Does it make the everyday of our customers easier? In working with Customer Experience at Radiometer, the ability to go to Gemba and use tried-and-tested tools such as Voice of the Customer, Value Stream & Process Maps and Daily Management ensures that we continue to focus on and sustain the most impactful initiatives for our customers. It has made all the difference.

Ana Magalhaes,
Customer Experience Director, Marketing



**Together we dream more,
together we achieve more
and together we succeed more**

United by purpose

Radiometer is a highly purpose driven company where our employees go to work every day to make a difference. This sense of purpose is reflected in our high sense of engagement that benefits not only our employees, but our customers as well.

Motivation, engagement and enablement are not only essential to our employees' well-being; they are key to the positive experience our teams provide to our customers every day. The results of our annual engagement cycle generate data and insights that help us continuously improve the way we work, to the benefit of our teams and our customers.

We measure and follow up on the level of engagement among our employees through our annual engagement cycle. Through this cycle we generate insights and data that help us identify the themes that are important to our employees and set ourselves ambitious goals to improve.

Highly engaged colleagues

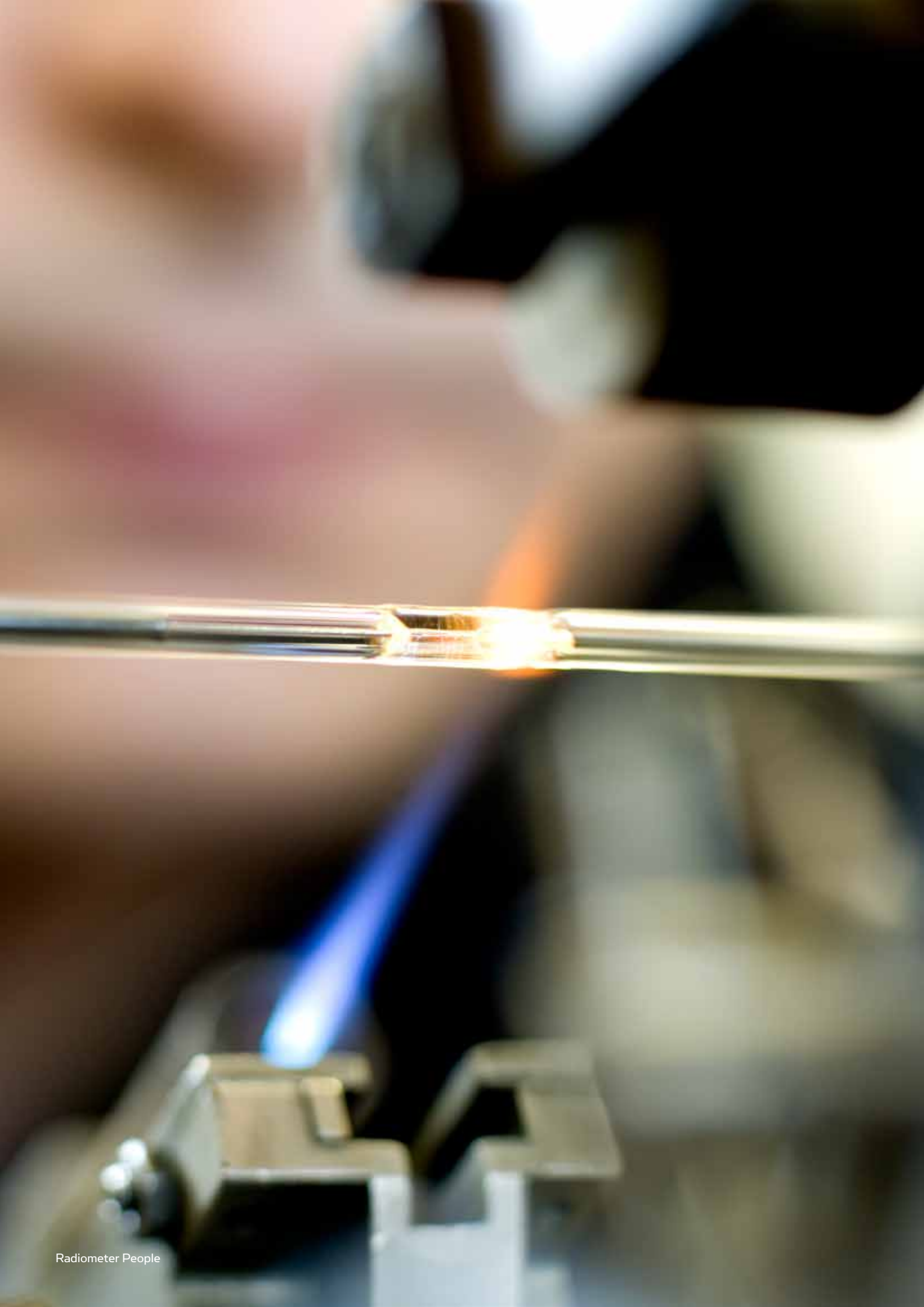
We are proud to have highly engaged colleagues all around the world, who make Radiometer a great place to work. In 2019, an impressive 91% of our total employees made their voice heard through our annual engagement survey with several geographies reaching 100% participation rate. Overall, we improved our company engagement score by 3 points to 72%⁷ and even though we are now above the global IBM norm for engagement⁸, we will use the results as the basis for both a global companywide action plan and local action plans, so we can become an even better place to work.

Customer focus and care & well-being in centre

Customer focus and care & well-being are two factors that tie closely to the success of our business. Our strong customer focus helps us create innovative solutions that directly address the needs of our customers. We also care about creating conditions that make it possible for everyone to have good relationships and balance between work, family life and spare time as there is no doubt that having capable, motivated associates is key to our success.

However, the scores in the 2019 engagement survey in these two areas were lower than we had hoped. At the company level, we are therefore specifically focusing on improving customer focus as well as care & well-being. We are conducting focus groups among our associates to better understand how the two areas are experienced in 2020. This will enable us to continuously improve as a workplace and create the best conditions for our employees.⁹





Enhancing our work environment

Our promise to put life first is not limited to the people we serve and lives saved by caregivers around the world. It extends to how we create working conditions that make it possible for everyone to stay healthy and safe as well as keeping a sustainable balance between work, family life and spare time.

The main risks of securing a healthy and safe working environment and well-being for our employees are found to be mental and physical health of our employees.

A healthy and safe working environment

In 2019 we agreed on a final draft of a global Environment, Health and Safety policy for Radiometer, continued the deployment of a comprehensive Environment, Health and Safety risk assessment and layered audit tools¹⁰ across Radiometer production sites. This puts us in shape to focus on issuing and implementing the global Environment, Health and Safety policy and further develop the Radiometer Environment, Health and Safety management system in 2020.¹¹

Strong focus on well-being

As an ambitious company with high expectations to our employees, we emphasize that all employees have a responsibility to assist in creating, maintaining and developing a safe, healthy and inclusive working environment. However, managers have a special responsibility to do so and are empowered to take action.

To best support our leaders, we increased our focus in 2019 on preventive actions to reduce and avoid work related stress starting with the Danish organization.

Special focus on work related stress

In 2019, based on our local employee policies, we implemented a Radiometer Stress Prevention Action Plan for all employees including guiding principles for taking action if an employee identifies an employee or colleague with signs of stress. We did so by rolling out tools and models to guide Denmark based employees in identifying signs of personal or work-related stress among themselves and their employees and we invited for Go-Home-Meetings with focus on well-being for the entire organization.

Topics at these meetings included 'Stop stress' hosted by an external partner with a focus on how to prevent and reduce stress, 'Sleep2Perform' communicating the importance of restitution and advise for good sleep and 'Power Off' – a lecture on how to survive in a digital world, where we are never 'Off' and where we are accessible 24h/day.



We need our working environment to be safe and healthy – because it is good business and because respect for the individual is a value that lies at the heart of our business.

Per Strømsborg,

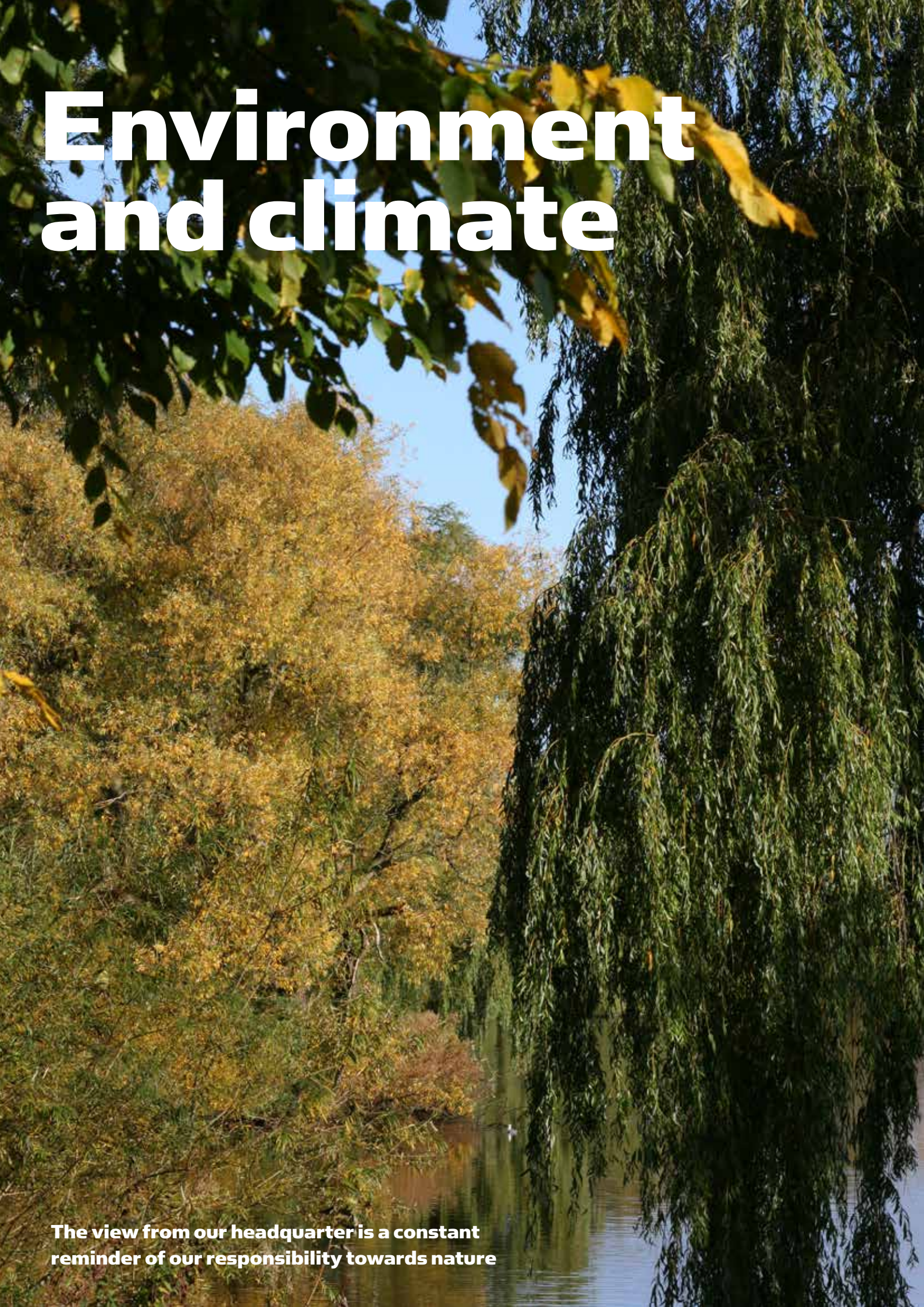
Director of Facility and Global EHS

Further, we continued to educate Denmark-based managers – 30 managers in 2019 and shop stewards, EHS representatives and HR employees in how to spot and prevent stress. We also evaluated usage and effect of managers' tools and models and we introduced health initiatives such as 'We bike to work', with free bike repair onsite, running training events preparing for a lake run and DHL.

In 2020 we will continue the roll out of tools and knowledge of stress prevention among employees in Denmark as well as training managers. We will continue to evaluate and improve our prevention tools and models based on 2019 feedback. As part of this, we will investigate global use of the existing tools and resources by assessing an online tool with 1-2 pilot projects in Radiometer subsidiaries during 2020.

We will continue our physical health initiatives for all employees in Denmark e.g. through 'We bike to work', free bike repair onsite, running training event, lake run and DHL 2020. In addition our Danish employees can look forward to more Go-Home-Meetings based on the topic of healthy lifestyle, how to increase your physical health, stress prevention and job satisfaction.

Environment and climate

A scenic view of a river or lake surrounded by lush green and yellowing trees, with a large weeping willow tree on the right side. The water is calm, reflecting the surrounding foliage. The sky is a clear, bright blue.

**The view from our headquarter is a constant
reminder of our responsibility towards nature**



We continuously work to minimize waste by improving quality of products and consumables, and to phase out toxic chemicals.

Kasper Schweitz
Vice President, R&D



Reporting requirements

Danish Financial Statements Act, §99a,
Environment and climate

UN Global Compact, COP, Environment



Energy Consumption



Product End-of-Life



Customers' Sustainability Priorities

Connected beyond the box

At Radiometer, we don't see improving patient care and accommodating for the environment as an either or.

Radiometer is on a fast track to change from a product-based model to a value-based model, driven by software-based services and solutions.

We are dedicated to bring people, data and processes together to deliver solutions that can help our customers improve patient care.

We believe patient outcomes can improve if we encourage people and technology to be better connected to one another.

Proactivity and remote support

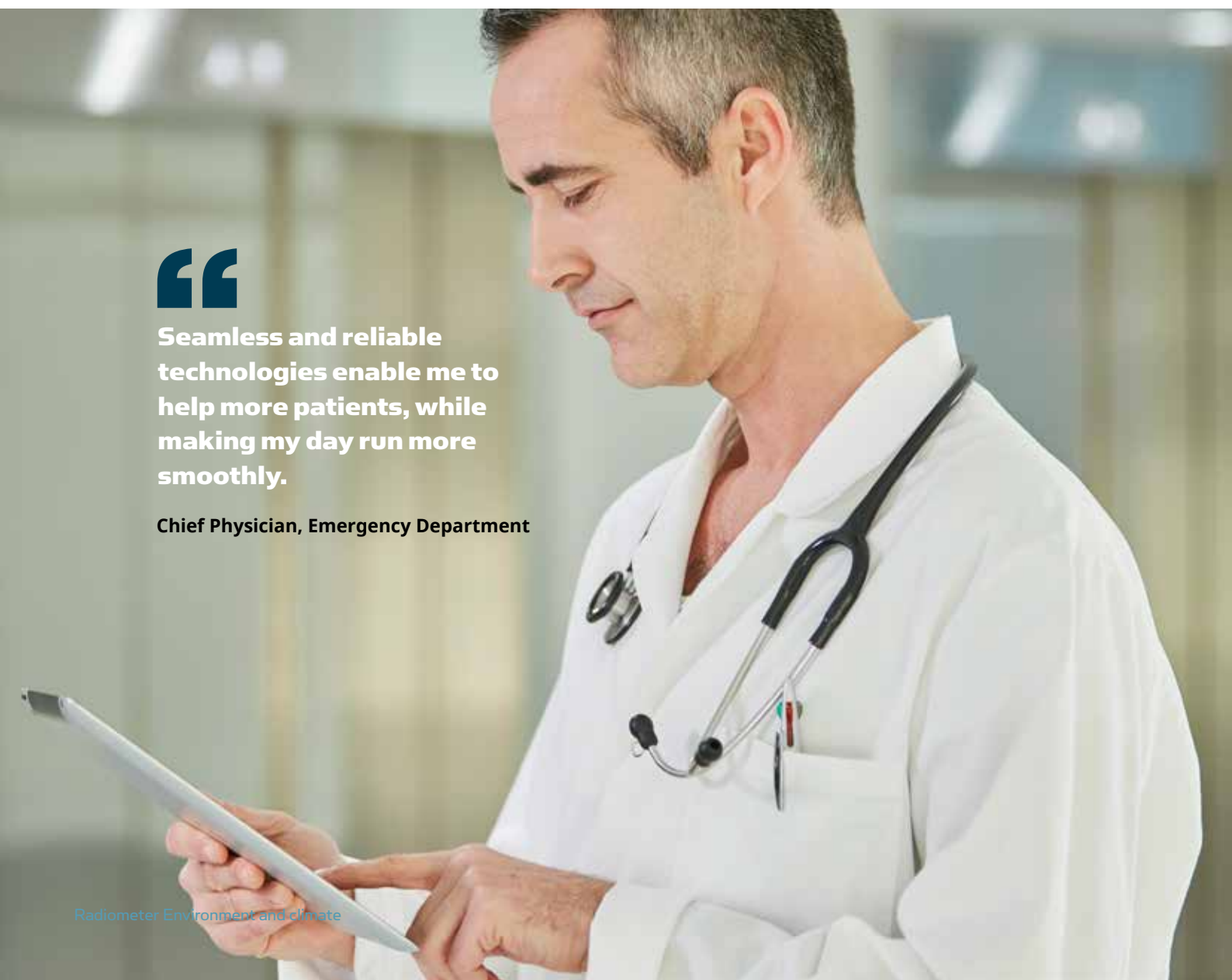
We strive to broaden our IT and Internet of Things portfolio to ensure the highest possible analyzer uptime for our customers – so that they can continuously enhance the efficiency and accuracy of patient evaluation and monitoring.

With our connected solutions, we aim to improve the operational productivity and effectiveness of health care organizations by helping them to streamline clinical processes, information, and workflows. This allows for proactivity and remote support which is one of the ways in which we are taking responsibility for our customers and the environment.



Seamless and reliable technologies enable me to help more patients, while making my day run more smoothly.

Chief Physician, Emergency Department



Continuously improving environmental performance

As a growing global production company, we undeniably have an impact on the environment. Being mindful of our impact and determined to improve our environmental performance continues to be an area of focus for us.¹²

We follow all rules and regulations, and want to do our part in fighting climate change. We have identified generation of waste, use of hazardous chemicals and energy consumption as our significant climate and environmental aspects.

In 2019 we agreed on a final draft of a global Environment, Health and Safety policy for Radiometer, we have undertaken second round of energy audits of applicable facilities under the EU Energy Efficiency Directive, we have improved processes for collection and quality of environmental data and have substituted hazardous chemicals for various less hazardous chemicals in select manufacturing processes. When looking to 2020, we plan to issue and implement the global Environment Health and Safety policy for Radiometer and when feasible, continue the substitution of hazardous chemicals.¹³

Customers' sustainability priorities

Customer-centricity is one of our core values. The focus is to continuously improve products, services and processes 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 are 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 continue to investigate how we can best support the sustainability priorities of our customers now and in the future – in 2020 and beyond.



The society around us





As a company deeply committed to ethical business practices and compliance, we have systems in place to train our employees in our Code of Conduct, detect any non-compliance and unethical behavior, and manage our channel partners.

Henrik Schimmell
President, Radiometer



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



Foundation for Sustainable Business

Running our business with integrity

At Radiometer, we base our collaboration with health care professionals on transparency and internally we promote an open and honest working environment where compliance concerns are raised.

Interaction with health care professionals

As a global company and a leader within the diagnostics industry, we interact and collaborate with health care professionals across the world.

Our Code of Conduct emphasizes that our interactions with customers must be based on achieving the best outcomes for patients. All interactions with health care organizations and professionals must respect the medical profession's ability to make independent decisions regarding treatment of patients. Under no circumstances can there be any interaction with health care professionals by offering them undue or improper advantages in order to promote a sale or the use of Radiometer's products.

Radiometer complies with existing global disclosure requirements and we continue to enhance and streamline our reporting procedures and processes internally to address the growing number of requirements across the globe.

In 2019, we developed a targeted Interacting with U.S. Health Care Professionals policy based on the updated AdvaMed Code of Ethics. This was a refresh of the principles that already guide our interactions with our customers to reflect evolving business models and ethical standards.

In 2020, we will ensure continued and focused communication and training reinforcing our commitment to ethical decision making and compliance ownership and introduce a global system to manage the engagement process of health care professionals.



Speak up!

Integrity goes far beyond interacting with health care professionals. We value an open and honest working environment where we encourage employees to raise compliance concerns knowing that we will deal with them 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 benchmark across industries.

From 2018 to 2019 we have experienced a slight increase in speak-ups as the number of substantiated and non-substantiated reports has moved from 31 to 34, including both substantiated reports and non-substantiated reports.¹⁴ We will continue our efforts to promote the initiative and foster an open working environment where all employees globally can raise concerns without the fear of retaliation.

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



Radiometer does not accept any form of bribery or corruption. We require our employees and our third party partners to live the principles of our Code of Conduct and to speak up if they observe or suspect any unethical or illegal behavior. We are proud that our long-term commitment to ethical business practices ties directly with the UN's Sustainable Development Goal 16: Peace, Justice and Strong Institutions.

Marianne Helstrup,
Vice President, Legal, General Counsel



Anti-corruption, integrity and compliance

As a large, global company, we recognize the inherent risk when navigating in the global market. We also recognize that, from time to time, we may encounter corruption related behavior and that corruption poses a considerable obstacle for economic and social development around the world. Furthermore, it impedes business growth, escalates costs and poses serious legal and reputational risks to a company.

In response to this, Radiometer considers corruption as a significant on-going risk to our company. Based on an annual corruption risk assessment, we apply ongoing monitoring and specific audit activities on high-risk markets, ensure anti-corruption training for our employees and channel partners and apply a thorough due diligence of our partners.

In 2019 we based a number of initiatives on this topic based on our Code of Conduct. We implemented an improved audit and monitoring program, we continued efforts on online compliance training in the Code of Conduct combined with 72 tailored, training of Code of Conduct related topics and all of the 97.7% percent of our associates, who are required to take

our online compliance training, did so.¹⁵ In 2020, we will continue focusing on audit and monitoring by improving our standardized, systematic approach to closing any findings. Furthermore, we will continue the compliance training program and develop a more robust, risk-based approach to address training needs. Finally, we will put in place a more formal process to manage conflict of interests building further upon our Code of Conduct.

Human rights

As communicated in our Code of Conduct and our current Corporate Social Responsibility policy, we are committed to respecting the human rights and dignity of everyone, and we support international efforts to promote and protect human rights. We conducted a materiality assessment in 2018 to be able to work more strategically with sustainability. In this assessment we did not identify any salient Human Rights issues. In 2019, there has been no cause to change this assessment. 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 well-being of our employees and work-related human rights risks in the People Section.



Working responsibly with suppliers

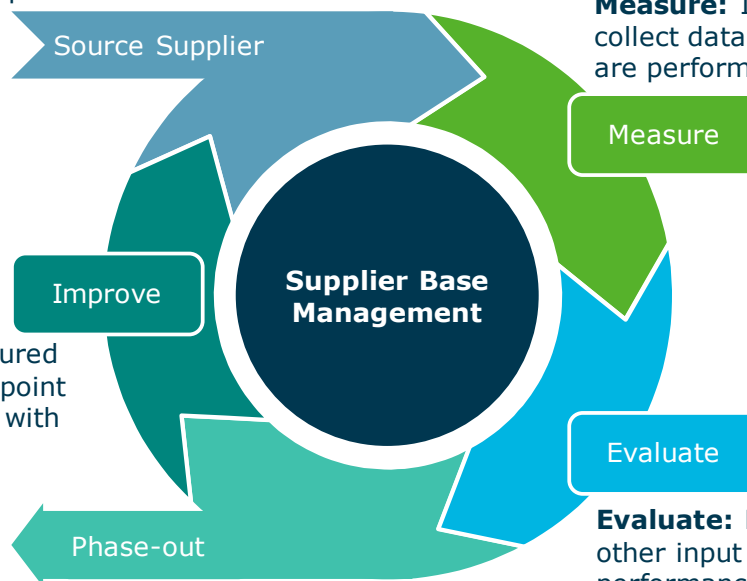
With our commitment to responsible procurement, we continuously work to ensure sustainable supply of high quality components, needed for our production as well as on-time delivery. This is a key part in our responsibility to support caregivers in helping critically ill patients across the globe.

With our commitment to responsible procurement and supplier relationships, we expect that our suppliers comply with all applicable laws and regulations within integrity and compliance, labor and employment and environment, health and safety.¹⁶

Our Supplier Base Management system provides us with tools and processes to ensure that the purchase of materials and services are appointed to the best performing suppliers using Quality, Delivery and Cost as the direction.

Source Supplier:

Approve/qualify new suppliers to the supplier base; Comply with the quality, technical and business requirements



Measure: In a consistent manner collect data on how the suppliers are performing

Improve: Using the measured performance as a starting point for improvement activities with the suppliers

Phase-out: Dictated by business needs, evaluation and external factors suppliers are phased out

Evaluate: Based on measured and other input evaluate the state and performance of the supplier base (QDC)

Supplier approval & qualification

When requesting a new supplier we align on all expectations up front, as we wish to develop long-term mutually beneficial relationships with our suppliers. Requesting a new supplier therefore includes a detailed description of quality, technical and business requirements as well as approval extent.

Supplier performance measurement

To make sure we stay aligned with the initial expectations, we measure the performance of our suppliers on a continuous basis. We do this by focusing on the number of defect components, the ability to deliver on time, specification deviation or work that fails to meet quality standards and by conducting Voice of Customer surveys.

Supplier base evaluation

Supplier scorecards and Quarterly Business Reviews are tools used to continuously and systematically work towards improving supplier performance, aligning on a common understanding and a focused effort to improve the cooperation between the companies.

Supplier risk management

In order to secure our supply chain we continuously assess how vulnerable we are and identify the suppliers most critical to our business. Through supplier risk assessments and risk mitigation plans, we work to minimize impact and secure fast recovery when crises occur.

Channel partners

In Danaher and Radiometer, we take a systematic risk-based approach to ensuring that our channel partners share the same ethics and values as we do. Depending on the risk level of the country in question, we determine the scope and detail of the investigations that are conducted by an independent third party. The process includes comprehensive due diligence screening of new channel partners, annual anti-corruption training, compliance to our Channel Partner Code of Conduct and re-screening of current channel partners. We manage these processes all through an online system.

In 2019, we implemented additional improvements to the process with additional guidance and training to aid the business on evaluating risk and implementing appropriate countermeasures where applicable.



Giving back

Giving back is part of Radiometer's commitment to corporate responsibility. Being a market leader within blood gas affecting millions of lives every year, we are aware of our responsibility to improve global health care and contribute to positive impact in our local communities.

As a medical device company we support causes or projects aligned with our business purpose or causes and activities with a positive impact on our local communities. We base our decisions to donate on our Global Donations Policy & Grants, Donations and Sponsorships Procedure, our policy for Interacting with U.S. Health care Professionals and our Code of Conduct.

Supporting our communities

To ensure that Radiometer's donations are beneficial, we focus our efforts on health care related activities including indigent care, patient education and awareness, advocacy and charitable endeavors related to the health care areas that are consistent with our Mission, Vision and Values, including charitable endeavors within our Radiometer communities where we maintain operations.

Radiometer is proud of our long tradition of supporting our local communities. Some of the causes we supported in 2019 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 2019 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 streets of Husum and Tingbjerg at night.

Ignе:oya - Design workshop for women: An initiative with the aim 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 2019, we supported with participation fees for vulnerable children.



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.



United States:

Radiometer America donated products to the medical mission trip of the Texas Children's Hospital's to Santa Cruz, Bolivia.

Appendix

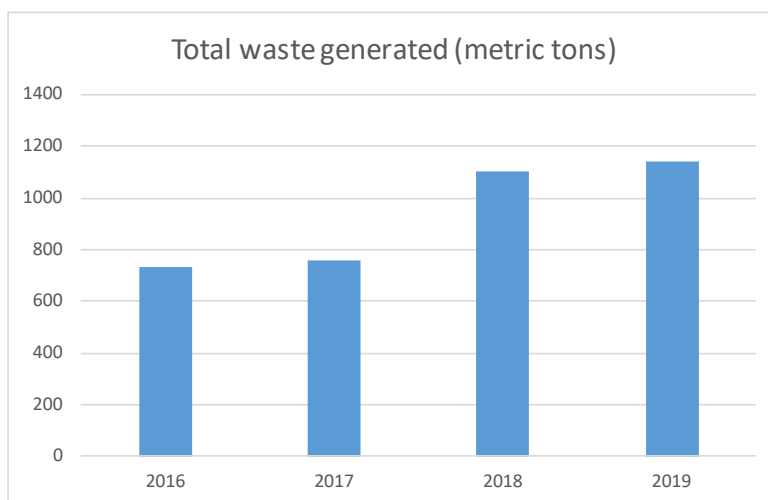
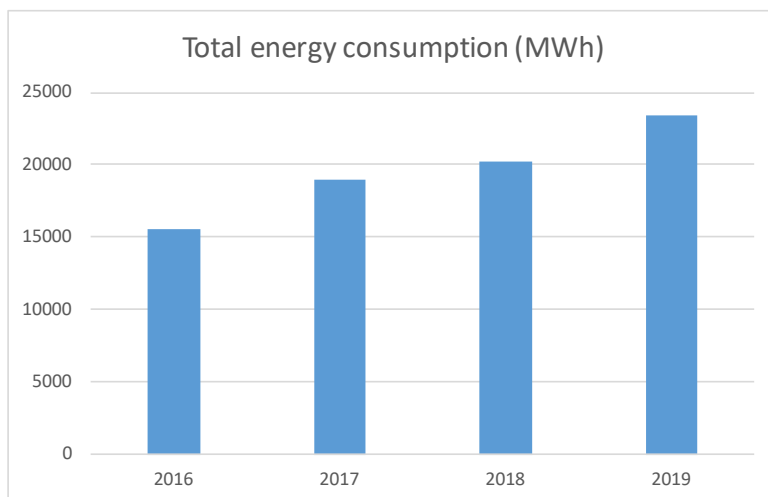
Geographic distribution of participants in Female Fast Track Program

Country	Cohort 1
Denmark	9
Finland	4
France	1
Netherlands	
Poland	1
Spain	
Sweden	2
United Kingdom	1
United States of America	3
Grand Total	21

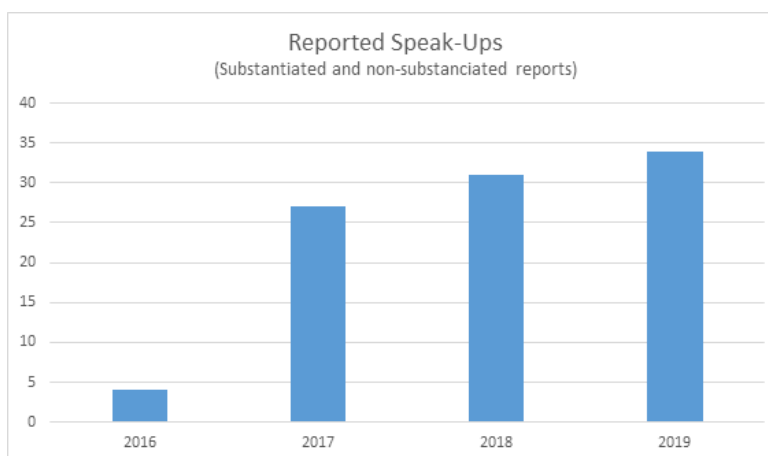
Elaborated update on progress on engagement

Existing Policies	Actions and results in 2019	Planned activities for 2020
Local employee policies	<p>Global focus on supervisor effectiveness and training of managers based on the 2018 engagement results. This resulted in a 3% improvement.</p> <p>Local action plans carried out on all sites.</p> <p>Company wide focus: Increased employees' perception of being proud to be associated with Radiometer, by focusing on communication.</p> <p>Perception of trust in our top management increased globally with 2% to a 7% above the global norm.</p>	<p>- Global, local and team-specific action plans based on the 2019 results.</p> <p>Focus group interviews to understand better how we can improve on customer focus and care & well-being.</p> <p>People Leaders with a direct supervisor effectiveness in the lowest quartile of our leaders, need to develop a development or performance objective related to leadership, to ensure improvement of their leadership of their team.</p>

Estimation energy consumption and generated waste



Number of speak-ups



References

1. https://www.danaher.com/our-businesses/business-directory?eref_node_titles=All
2. Talent: A general term embracing all people working at Radiometer globally
3. <https://www.census.gov/topics/population/race/about.html>
4. Data as of December 31, 2019 As defined by: Top management: Percentage of men and women at Vice President level or above.
5. For Geographic distribution of participants in Female Fast Track Program go to page 40
6. <https://www.census.gov/topics/population/race/about.html>
7. The general engagement score is calculated based on the responses to the four questions that are closest related to engagement within the total survey.
8. The global IBM norm for engagement allows us to compare ourselves with peers who use IBM to track their engagement progress
9. For more elaborated update on progress since 2018, please go to page 40
10. Layered audit tools ensure that processes are in place for regular consideration of Environment Health and Safety issues at all levels of the organization
11. Existing policies: Danaher Environment, Health & Safety (EHS) Policy
12. Expressed in the Danaher Policy for environment, health and safety
13. For Estimation of Energy Consumption and Generated Waste go to page 41
14. See more details in chart on page 41.
15. Non-completion directly affects the performance review of the associates in question
16. Our Supplier Code of Conduct is supported by our governance procedures in Radiometer and across Danaher and the integration of responsible procurement is done through Radiometer's Supplier Base Management process.

Whatever comes next, we make sure life comes first

Radiometer products and solutions are used in hospitals, clinics, and laboratories in over 130 countries, providing information on critical parameters in acute care diagnostics. Through connected solutions, expert knowledge, and trusted partnership, we help health care professionals make diagnostic decisions to improve patient care.

Contact

Karina Hagström Jensen
karinajensen@radiometer.dk
+45 3135 8272