

Danaher

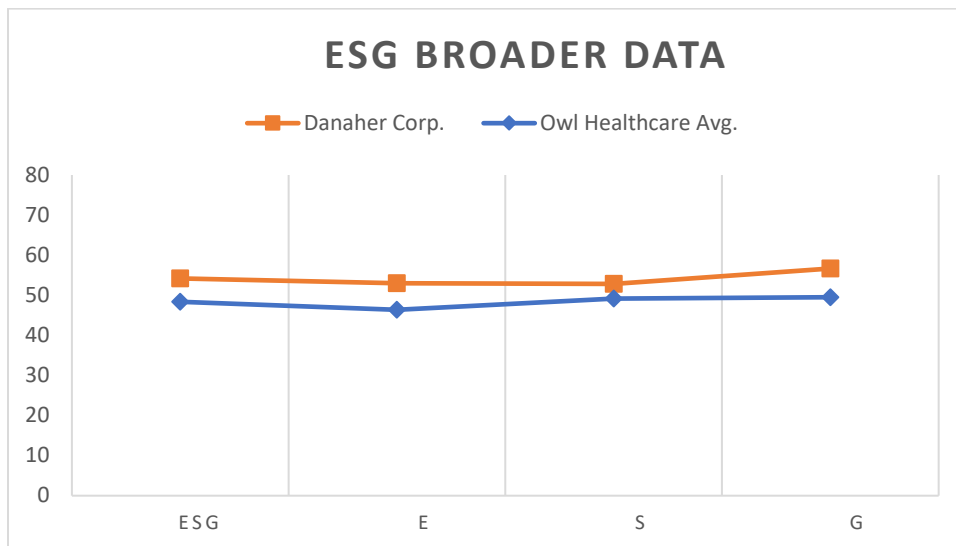
Named after the founders’s favorite Montana trout-fishing river, Danaher is a collection of medical, environmental and measurement technologies. It spun off its industrial subsidiary into a new company, Fortive, in 2016 and its dental division, Envista, in 2019.

Mitchell and Steven Riles, the two brothers who founded the company, are famous for their privacy (they have reportedly granted one interview since the company was created in 1983) and for their successful business philosophy built around continuous improvement. Codified as the Danaher Business System, it is modeled after the Japanese system of kaizen that seeks to empower workers to constantly seek improvement in quality and efficiency. The company appears to have extensive programs to help its employees continually gain new skills in the workplace. This program has been credited with significantly improving the financial outcomes of companies it has acquired.

While the company is famous for its dedication to measuring outcomes and seeking improvements, it does fall short on sharing these results on ESG issues. Danaher does prepare an annual Corporate Responsibility Report, but it focuses more on isolated achievements (such as reducing solid waste going to landfills by 92% since 2013) and not nearly enough on corporate-wide measures of environmental emissions and programs to reduce them. Despite not providing much ESG data, Danaher was ranked as the 53rd most sustainable company in the world by *Global Knights*.

It receives a perfect score from the Human Rights Campaign on non-discrimination issues related to LGBT workers.

Danaher has received some criticism for having an entrenched Board of Directors, possibly an outcome of the founding brothers controlling 12% of the stock and still being active in the company. We do note that while many companies have been criticized for political donations to candidates and causes, Danaher has a long-standing policy of making no such contributions. It also limits any trade association in which it belongs to using no more than \$25,000 of its dues for such purposes.



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