

CSR  
REPORT  
2013

# Letter from the President

Since the founding of Radiometer in 1935 the company has been guided by the same corporate values: continuous improvement, respect for people, customer focus, quality, innovation and constructive diversity. In the early 1950s Radiometer changed its business focus from the radio industry to acute care as a producer of blood gas measurement instruments to respond to the polio epidemic that had reached Denmark. By 1998, the scientific and analytical business divisions were divested, and Radiometer Medical as we know it today was a reality.

Over the years, Radiometer's values have gradually been formalised into corporate policies and embedded in our daily work. When Radiometer Medical became a part of the Danaher Corporation in 2004, our values matched well with the Danaher Business System, which is founded on the principle of 'Kaizen' ('Kaizen' means 'continuous improvement' in Japanese). Today, 'Kaizen' guides us in every aspect of our business and way of life.

Fundamental to our business achievements is our dedication to sustainability that has brought unique focus to various areas such as health and safety issues, recycling, the environment, and the very fabric that binds our business together: people.

At Radiometer Medical we know that people make the difference, which is why we have recently embraced new initiatives that include in-job training, Advanced Lean Education and technical training programs to ensure that our employees develop and expand their knowledge and skills. Outside the Radiometer Medical organisation, we also continue our commitment to sustainability, both locally and globally, by engaging in initiatives that range from supporting socially marginalised youth in the local community to assisting with capacity building in the healthcare sector in developing markets.

These are all initiatives that we are proud to be a part of and that contribute to the sustainable future of society as a whole as well as to our business.



*Peter Kintin*

President, Radiometer Medical ApS



# Standards of Conduct

*As a part of the Danaher Corporation, Radiometer Medical is committed to business integrity and to maintaining a reputation for dealing honestly and fairly with investors, business partners, customers, employees and competitors.*

Radiometer Medical's commitment to integrity and our reputation for fairness and honesty are fundamental to our continued success. This aim is contingent on ensuring that our employees conduct business with integrity and in full compliance with applicable legislation as well as with our corporate Standards of Conduct, operating policies and procedures.

Radiometer Medical furthermore complies with the Eucomed Guidelines on Interactions with Healthcare Professionals.

Please visit [www.danaher.com](http://www.danaher.com) to access a copy of our Standards of Conduct.



# Corporate values

*The core values of Radiometer Medical are aimed at ensuring customer-oriented service and innovative drive.*

## **The 'Kaizen' philosophy**

'Kaizen' is Japanese for 'change for the better' or 'continuous improvement'. As one of Danaher's core values, the principle of Kaizen guides our everyday business and encourages us to continuously find new, creative and effective ways to improve the way we do things as a company. 'Kaizen' has become our way of life.

## **Respect for people**

Respect for people is a core value that influences the way our company is organised and the way our employees are shown as much individual consideration as possible in relation to the physical, psychological and social work environment.

Respect for people as a principle also applies to the way we set objectives, so that ambitious goals and tough requirements for the development and design of our products are tempered with the necessary managerial support and help.

## **Customer oriented**

The most vital relationships will remain those with our customers. Radiometer Medical seeks to be an attractive supplier by offering products and services that offer value to our customers. We also give great importance to perceiving our colleagues and internal business partners as customers and users of our services.

## **Quality**

Quality is a key business parameter for Radiometer:

- Quality of products
- Quality in relation to our customers
- Quality in relation to timing and meeting deadlines
- Quality in relation to our colleagues, work tasks and working environment

## **Innovation**

Radiometer Medical's employees must be:

- Good at developing exciting new products
- Innovative in the way we organise our work and how we work together
- Versatile and good at adapting
- Good at acquiring new personal and professional skills

## **Constructive diversity**

Radiometer Medical celebrates diversity. We believe that new ideas and lasting solutions spring from the ability to draw on different perspectives, personalities and professional skills.

We demonstrate the value of diversity in our ability to develop shared visions and strategies and in our multi-disciplinary approach, etc.

# Part of the UN Global Compact

*In 2009, Radiometer Medical joined the UN Global Compact program as a natural next step on our road to continuously improving our CSR commitments. Since then we have gained experience with a number of initiatives, many with great success. All activities have helped Radiometer Medical gain valuable knowledge and experience with pursuing sustainable business.*

## Global Compact principles:

### Human Rights

Radiometer Medical has a longstanding tradition of supporting the local community, working with local organisations and authorities to contribute to social change. We consider access to better healthcare a human right and with our long-term strategy of social responsibility we also endeavour to make a difference in developing countries by forging close working partnerships with governments, healthcare institutions and developmental agencies to improve the treatment of critically ill patients worldwide.

**Principles 1-2: Businesses should support and respect the protection of internationally proclaimed human rights; and make sure that they are not complicit in human rights abuses.**

Human rights are at the core of our corporate value system. The human rights principles 1-2 in the UN Global Compact framework derive from the 1948 Universal Declaration of Human Rights that aims to set international minimum standards for the protection of rights and freedom for the individual.

Radiometer Medical furthermore complies with Danaher's Standards of Conduct as well as all applicable legislation, including:

- EU Directive 00/43/EC of 29 June 2000 on equal treatment between persons irrespective of racial and ethnic origin.
- EU Directive 00/78/EC of 27 November 2000 on a general framework on equal treatment in employment and occupation.
- The European Convention on Human Rights of 4 November 1950.
- The UN Convention on the Elimination of All Forms of Racial Discrimination of 21 December 1965.
- The UN Convention on the Elimination of All Forms of Discrimination Against Women of 18 December 1979.
- ILO Convention No. 100 of 29 June 1951 on Equal Remuneration.
- ILO Convention No. 111 of 25 June 1958 on Discrimination.
- ILO Convention No. 169 of 27 June 1989 on Indigenous Peoples.

### **Supplier Code of Conduct**

Firm in our commitment to human rights, Radiometer Medical furthermore requires all associates, sales subsidiaries, suppliers and affiliates to commit themselves to the standards of the Danaher Supplier Code of Conduct.

For a full electronic version visit [www.danaher.com/suppliers](http://www.danaher.com/suppliers) - Click on Supplier Code of Conduct.

### **Local initiatives**

Radiometer Medical has a longstanding tradition of supporting the local community and we contribute to projects initiated by NGOs and local organisations as well as the city of Copenhagen. We see it as our duty to invest in our communities and proactively contribute to creating social activities that will deliver social change and development.

Our commitment to social change includes supporting initiatives in the local community of Tingbjerg, home to the Radiometer Medical headquarters. The area is currently struggling with an image of deprivation and is suffering relatively high crime rates.

### **The Hard Work Program**

Initiated by the City of Copenhagen, the Hard Work Program helps support and empower disenfranchised youth, regardless of their ethnic background, by offering internships and mentoring programs for those who either lack educational or vocational skills or lack motivation to pursue a career.

Employment Coordinator Jette Nielsen manages the Hard Work Program at Radiometer Medical in close collaboration with the City of Copenhagen and the trainees themselves:

*"It is the company's responsibility to help when and where possible, and this often comes with great reward, not only for the trainees involved, but also for our employees. Since we engaged in the Hard Work Program, our staff members have become more open-minded towards letting young people in, regardless of their background."* Jette Nielsen, Employment Coordinator.

### **Tingbjerg community services**

Radiometer Medical actively supports grassroots initiatives in close partnership with local sports and cultural associations and social services. The initiatives include sponsoring musical instruments, clubhouse furniture and sports kits for Livsbanen, a club for boys aged 14-17. Another sponsorship recipient is Lektiecafeen, an organisation of volunteers who help local schoolchildren with their homework.

### **Innovation and local entrepreneurship**

Radiometer Medical also actively seeks to promote and support innovation and local entrepreneurship in the community. We work closely with the city's municipal business services, taking part in workshops and discussion groups on how to promote local entrepreneurship.

### **International initiatives**

At Radiometer Medical, we consider access to better healthcare a human right and we take great pride in finding ways to exploit our company's resources to improve the treatment of critically ill patients in less privileged regions of the world.

With our long-term strategy of conducting business with a high level of social responsibility in developing countries and with the objective of supporting the United Nations Development Goals for 2015, Radiometer Medical endeavours to make a difference by forging close working partnerships with governments, healthcare institutions and developmental agencies worldwide to give special emphasis to reducing child mortality, improving maternal health and combating HIV/AIDS and other life threatening diseases such as malaria and TB.

### **Building capacity and knowledge in Uganda**

Engaging in and initiating projects aimed at supporting sustainable development is of key importance to Radiometer Medical. One example is our DANIDA (Danish International Development Assistance) supported partnership in Uganda, which allows us to make a deeper impact not only in Uganda but also throughout East Africa. The objective of the partnership is to make blood gas solutions available in as many Ugandan hospitals as possible. This includes the intense training of our local business partner and the healthcare sector in Uganda in all aspects of the blood gas business, including technical, clinical, and application areas in order to help improve patient care. As stated by Sarah Kataike, Ugandan Minister of State for Health: *"Health infrastructure represents a critical bottleneck in the ability of the sector to attain its health delivery priorities. Our health facilities still lack the necessary equipment for diagnosing and managing the various medical and surgical conditions."*



With the aim of expanding and enhancing the capacity within the Ugandan healthcare sector, more than 500 Ugandan doctors and nurses have received clinical training from Radiometer Medical with support from our local partner, Surgipharm Uganda Ltd. Through our business partnership, 16 hospitals have received demo analysers, six of which are now installing 1-2 analysers, enabling Ugandan hospitals to provide optimal patient care. Providing training is aligned with Radiometer Medical's overall target of contributing to a sustainable development through transfer of knowledge and training in acute care settings. We believe it would be irresponsible to install analysers without adequately transferring the knowledge and expertise needed to support the doctors, nurses and other healthcare personnel in the healthcare facilities since training is necessary to ensure high quality results and optimal patient care which ultimately saves lives.

## Labour Standards

*We believe in the benefits of providing equal employment, training and career opportunities for all, regardless of gender, age, religion, sexual orientation and ethnic background. We are proud of having a diverse workforce. At our headquarters in Denmark alone, 29 nationalities are represented. Talented and empowered employees are fundamental for the successful development of our company, which is why we offer best practice in-job training programs to improve work skills and job satisfaction.*

**Principle 3-6: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining; the elimination of all forms of forced and compulsory labour; the effective abolition of child labour; and the elimination of discrimination in respect of employment and occupation.**

Radiometer Medical observes the fundamental principles and rights at work set out by the International Labour Organization (ILO), thus ensuring that all our activities are in compliance with international and local legislation. Our company supports non-discrimination in relation to promotion, salaries, working conditions and job training. All decisions regarding recruitment, promotion, dismissal, salary and working conditions are based on relevant and objective criteria.

We believe in the benefits of providing equal employment, training and career opportunities for all, regardless of gender, age, religion, sexual orientation and ethnic background. We emphasize the importance of improving the skills of our employees and find it essential that all employees are treated as equals with equal opportunities to excel professionally. We are proud of having a diverse workforce.

### **In-job training**

Talented and empowered employees are fundamental for the continuous and successful development of a company. Therefore, all employees at Radiometer Medical are offered in-job training programs to support them in acquiring and developing the necessary knowledge and skills. The purpose of the training is not only to improve their working skills, but also to improve their overall job satisfaction.

### **The in-job training is divided into two categories:**

#### **• Lifelong Learning and Capacity Building Courses:**

- Internal and external training courses
- Lectures, seminars, congresses, conferences, exhibitions, etc. - Study tours
- Self-improvement courses, e.g. languages and IT-skills

#### **• Educational Programs:**

- College programs
- Vocational education and training programs (VET) - Diploma programs
- Various technical training programs

Managers and employees select the courses jointly.

### **Enhancing skills**

Radiometer Medical also actively extends new opportunities to unskilled labourers and has launched a new Industrial Operator program. Currently, three employees benefit from the program in addition to one staff member under rehabilitation.

### **Recruitment**

As a part of Radiometer Medical staff policy and values, we aim to employ skilled and committed staff members who value every aspect of their employment as an attractive personal opportunity and challenge.

When recruiting, we endeavour to find suitable internal candidates within Radiometer Medical. But it is also important for us to ensure an ongoing influx of new employees to challenge established methods and mind-sets.

Pay – together with many other factors – must serve to stimulate good performance, commitment, initiative and flexibility. Our salary policy is based on offering competitive salaries that reflect the demands of the job performance.

All employees, according to their abilities, must be offered and must actively pursue career opportunities and the enhancement of skills. Mutual expectations of this nature help ensure that employees remain attractive to Radiometer Medical and the labour market at large.

The age limit for employment at Radiometer Medical is 70 years, in accordance with the Act on Equal Treatment from 1 January 2008.

### **Advanced Lean Education generates job satisfaction**

Radiometer Medical has developed a unique educational concept where participants enjoy the opportunity to engage in the Danaher Business System (DBS). Advanced Lean Education (ALE) has been recognised as one of the best DBS educational programs at Danaher. ALE started in 2010 as a pilot project with the aim of enhancing DBS competencies among production operators. The six-month training program has since been extended to non-operational skilled workers, laboratory technicians, technicians, engineers and managers. Today, 77 employees from operations in Denmark have completed the program.

### **Four focus areas**

ALE is unique because it combines theory and practice as well as professional and personal development in four focus areas:

- New DBS tools, Lean culture/mind-set, and Danaher's core values
- Problem Solving Process (PSP)
- Kaizen – practical implementation of improvements incl. four or five boot camps
- Personal development, incl. a personal development plan

### **Meaning, control, and learning for the individual**

The ALE slogan is “Meaning, control, and learning for the individual.” These three important elements are to be continuously improved and challenged in order to enhance job satisfaction. During the ALE program, several Kaizen improvements are implemented within your own working area, important team issues are rendered visible, one or more Problem Solving Processes are started up, you become a 5S Kaizen leader, and you set out a personal and professional development plan.

*“ALE has really given Operations a DBS boost. The advantage of ALE is that the participants not only enhance their DBS competencies, they also work with their personal qualifications. The participants work with real problems, which they learn to solve (...) ALE works – our Lean culture is becoming stronger day by day.”*

Marianne Ovesen, VP Operations.

### **ALE: Best Practice**

At the annual Danaher Business System (DBS) conference in January 2013 for the European Danaher companies, ALE was presented as ‘Best Practice DBS training’, and all DBS leaders in Europe were encouraged to start similar programs in their companies. Experience shows that if companies are to be successful in achieving sustainable results through Lean initiatives then education and training are a MUST.

### **Master Lean Education**

A new supplementary educational course to ALE is to be introduced, called Master Lean Education. The course takes 12 months and focuses on DBS best practices, benchmarking between Danaher companies, and measurable improvements in own areas. The theory includes Lean management and personal development through Lean coaching.

### **ALE makes a difference**

ALE clearly makes a difference. Below are some statements from some of our newly qualified ALE colleagues:

*“There is no doubt that Lean has a positive effect on production, and the greater the number of employees who can help spread the knowledge of Lean, either through ALE or in other ways, the more this will contribute to Radiometer’s continued success.”*  
Leslie Schouv Hess, Chemical Engineer.

*“Through ALE I have become better at solving tasks in a more goal-oriented way.”*  
Linda Jeppsson, Operator.

*“I chose ALE for three reasons: Personal development; To be able to better support the events going on in my department; To be able to better support the employees who want this training.”* Jens Bisgaard, Manager, Operations - Instruments.

### **Job satisfaction**

Every year, an Engagement Survey is conducted at Radiometer Medical, where employees are encouraged to participate in an online survey. In 2014, 97% of Radiometer employees took part in the survey. When results have been processed, workshops are held with the aim of creating local action plans to enhance employee engagement and ensure that Radiometer Medical continues to be a good place to work.

The Engagement Survey is an important tool when measuring and understanding what motivates employees to reach their objectives. Every quarter, the best engagement stories are selected and shared with all employees on the global Danaher Intranet. In addition, Radiometer Medical also offers online training in environmental, health and safety measures including workplace harassment.

The 2013 Engagement Survey identified communication as the driver of engagement at Radiometer. The result was a concerted effort to enhance communication of business results and initiatives across Radiometer and Danaher. The 2014 Engagement Survey found the rate of Radiometer employees to be highly motivated to be 59% and identified enhanced supervision efficiency and better communication of the corporate vision to be key to successfully increasing staff motivation even further.



## Environment

*Radiometer Medical is dedicated to creating optimal workplace conditions that are sustainable and environmentally friendly. As a global company we are committed to complying with international standards and local legislation to ensure that our production does not harm the environment or our employees.*

**Principles 7-9: Businesses should support a precautionary approach to environmental challenges; undertake initiatives to promote greater environmental responsibility; and encourage the development and diffusion of environmentally friendly technologies.**

### **We operate in accordance with:**

- EU directives on waste, hazardous waste and the supervision and control of shipments of waste within, into and out of the European Community
- The Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal
- The City of Copenhagen's Centre of Environmental Inspection VIII

As a Danaher associate, Radiometer Medical also commits to the Danaher Standards of Conduct of doing business in an environmentally responsible manner and to creating a healthy EHS workplace.

We continuously assess whether our environmental initiatives generate the desired outcome, a process that we document. All actions and changes are implemented in close partnerships with professional experts and providers where appropriate.

### **Workplace EHS initiatives include:**

- Ergonomically correct workplace
- Encouraging a healthy psychological work environment
- Introducing noise and chemical controls, waste sorting and recycling
- Designing our production units to minimise emissions of hazardous pollutants
- Assessing the environmental impact of production procedures and processes
- Generating a common understanding of EHS standards and values

## Anti-corruption

*At Radiometer Medical we are committed to doing business with integrity. Responsible conduct is a fundamental part of the business culture at Radiometer Medical, which is why we offer anti-bribery compliance training, have adopted a whistle-blower program and endeavour to ensure that our associates, sales subsidiaries, suppliers and affiliates abide by international and local anti-bribery and anti-corruption laws.*

### **Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.**

To ensure that Radiometer Medical delivers on our commitment to doing business with integrity, the company has adopted a number of mechanisms to ensure compliance. These include:

- **Online compliance training**

A yearly online program on the rules of the Foreign Corrupt Practices Act

- **Whistle-blower program**

A program where employees can draw attention to misconduct without having to worry about career repercussions

- **Compliance with AdvaMed and Eucomed guidelines** for interaction with health-care personnel, according to which no gifts or promotional items to healthcare personnel are allowed

- **Financial reporting**

Radiometer Medical also reports financial transactions with healthcare personnel in accordance with the US 'Sunshine Act' and similar legislation in other countries

- **Ensuring compliance among our partners**

Radiometer Medical seeks to ensure that associates, sales subsidiaries, suppliers and affiliates abide by international anti-corruption laws

*"Personally, I am very proud of the great results achieved by the Radiometer Medical organisation. But I am even more proud of the way we achieve them. There is broad support to do the right thing." Peter Kürstein, President.*



# Contact

Radiometer Medical ApS  
Åkandevej 21  
DK-2700 Brønshøj  
Denmark

Tel: +45 3827 3827  
Fax: +45 3827 2727

E-mail: [radiometer@radiometer.dk](mailto:radiometer@radiometer.dk)