DANAHER CORP /DE/
Form DEF 14A
March 28, 2018
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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

(RULE 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the

Securities Exchange Act of 1934

(Amendment No.)

Filed by the Registrant Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to § 240.14a-12

DANAHER CORPORATION

(Name of Registrant as Specified in its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

1) Title of each class of securities to which transaction applies:

2) Aggregate number of securities to which transaction applies:

3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

4) Proposed maximum aggregate value of transaction:

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Fee paid previously with preliminary materials.

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1) Amount Previously Paid:

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DANAHER CORPORATION

2200 Pennsylvania Avenue, N.W., Suite 800W

Washington, D.C. 20037-1701

March 28, 2018

NOTICE OF 2018 ANNUAL MEETING OF SHAREHOLDERS	
When:	May 8, 2018 at 3:00 p.m., local time.
Where:	Park Hyatt Washington, 1201 24th Street, NW, Washington, D.C.
Items of Business:	1. To elect the eleven directors named in the attached proxy statement to hold office until the 2019 annual meeting of shareholders and until their successors are elected and qualified.
	2. To ratify the selection of Ernst & Young LLP as Danaher s independent registered public accounting firm for the year ending December 31, 2018.
	3. To approve on an advisory basis the Company s named executive officer compensation.
	4. To act upon a shareholder proposal requesting that Danaher amend its governing documents to reduce the percentage of shares required for shareholders to call a special meeting of shareholders from 25% to 10%.
	5. To consider and act upon such other business as may properly come before the meeting or at any postponement or adjournment thereof.
Who Can Vote:	Shareholders of Danaher Common Stock at the close of business on March 12, 2018. YOUR VOTE IS IMPORTANT. PLEASE SUBMIT YOUR PROXY OR VOTING INSTRUCTIONS AT YOUR EARLIEST CONVENIENCE, WHETHER OR NOT YOU PLAN TO ATTEND THE ANNUAL MEETING.
Attending the Meeting:	Shareholders who wish to attend the meeting in person should review the instructions set forth in the attached proxy statement under General Information About the Annual Meeting Attending the Meeting.
Date of Mailing:	We intend to mail the Notice Regarding the Availability of Proxy Materials (Notice of Internet Availability), or the Proxy Statement and proxy card as applicable, to our shareholders on or about March 28, 2018.

By order of the Board of Directors,

JAMES F. O REILLY

Vice President, Associate General Counsel and Secretary

Review Your Proxy Statement and Vote in One of the Following Ways:

VIA THE INTERNET	BY TELEPHONE	BY MAIL
Visit the website listed on your Notice of Internet Availability, proxy card or voting instruction form	*Call the telephone number on your proxy card or voting instruction form*	*Sign, date and return your proxy card or voting instruction form in the enclosed envelope*

Please refer to the enclosed proxy materials or the information forwarded by your bank, broker, trustee or other intermediary to see which voting methods are available to you.

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2018 ANNUAL MEETING OF SHAREHOLDERS

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PROXY STATEMENT SUMMARY

To assist you in reviewing the proposals to be acted upon at our 2018 Annual Meeting, below is summary information regarding the meeting, each proposal to be voted upon at the meeting and Danaher Corporation s business performance, corporate governance and executive compensation. The following description is only a summary. For more information about these topics, please review Danaher s Annual Report on Form 10-K for the year ended December 31, 2017 and the complete Proxy Statement. In this Proxy Statement, the terms Danaher or the Company refer to Danaher Corporation, Danaher Corporation and its consolidated subsidiaries or the consolidated subsidiaries of Danaher Corporation, as the context requires.

2018 Annual Meeting of Shareholders

DATE AND TIME: May 8, 2018, 3:00 p.m. local time

PLACE: Park Hyatt Washington, 1201 24th Street, NW, Washington, D.C.

RECORD DATE: March 12, 2018

Voting Matters

PROPOSAL	DESCRIPTION	BOARD RECOMMENDATION
Proposal 1: Election of directors (page 1)	We are asking our shareholders to elect each of the eleven directors identified below to serve until the 2019 Annual Meeting of shareholders.	ü **FOR** each nominee
Proposal 2: Ratification of the appointment of the independent registered public accounting firm (page 19)	We are asking our shareholders to ratify our Audit Committee s selection of Ernst & Young LLP (E&Y) to act as the independent registered public accounting firm for Danaher for 2018. Although our shareholders are not required to approve the selection of E&Y, our Board believes that it is advisable to give our shareholders an opportunity to ratify this selection.	ü **FOR**
Proposal 3: Advisory vote to	We are asking our shareholders to cast a non-binding, advisory vote on the compensation of the executive officers named in the Summary Compensation Table (the	ü **FOR**

approve named executive officer compensation (page 54)	named executive officers). In evaluating this year s say on pay proposal, we recommend that you review our Compensation Discussion and Analysis, which explains how and why the Compensation Committee of our Board arrived at its executive compensation actions and decisions for 2017.	
Proposal 4: Shareholder proposal (page 55)	You are being asked to consider a shareholder proposal requesting that Danaher s Board of Directors amend its governing documents to reduce the percentage of shares required for shareholders to call a special meeting of shareholders from 25% to 10%.	O **AGAINST**

Please see the sections titled General Information About the Meeting and Other Information beginning on page 56 for important information about the proxy materials, voting, the Annual Meeting, Company documents, communications and the deadlines to submit shareholder proposals and director nominations for next year s annual meeting of shareholders.

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Business Highlights

2017 Performance

In 2017, Danaher:

- continued to invest in future growth, investing $1.1 billion in research and development and deploying over $385 million across 10 strategic acquisitions that complement our Life Sciences, Dental and Environmental & Applied Solutions segments;

- continued the integration of our 2015, $13.6 billion acquisition of Pall Corporation and our 2016, $4.0 billion acquisition of Cepheid, eliminating more than $200 million of annual costs across both businesses;

- returned over $375 million to shareholders through cash dividends, marking the **25th year in a row Danaher has paid a dividend** (Danaher s per-share quarterly dividend has increased more than 500% over the last five years); and

- grew our business on a year-over-year basis:

DANAHER 2016-2017 YEAR-OVER-YEAR GROWTH FROM CONTINUING OPERATIONS

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Long-Term Performance

We believe a long-term performance period most accurately compares relative performance within our peer group. Over shorter periods, performance comparisons may be skewed by the easier performance baselines of peer companies that have experienced periods of underperformance.

Danaher has not experienced a sustained period of underperformance over the last twenty-five years, and we believe the consistency of our performance over that period is unmatched within our peer group. Danaher ranks number one in its peer group over the past twenty-five years based on compounded average annual shareholder return, and is the only company in its peer group whose total shareholder return (TSR) outperformed the S&P 500 Index:

over every rolling 3-year period from and including 1993-2017; and

by more than 600 basis points over every rolling 3-year period from and including 2008-2017.

Danaher s compounded average annual shareholder return has outperformed the S&P 500 Index over each of the last three, five-, ten-, fifteen-, twenty- and twenty-five year periods:

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Corporate Governance Highlights

Our Board of Directors recognizes that Danaher s success over the long-term requires a robust framework of corporate governance that serves the best interests of all our shareholders. Below are highlights of our corporate governance framework.

Board refreshment remains a key area of focus for us, as evidenced by the recent addition of Raymond C. Stevens, Ph.D. to our Board.

Our Bylaws provide for proxy access by shareholders.

Our Chairman and CEO positions are separate.

Our Board has established a Lead Independent Director position.

All of our directors are elected annually.

In uncontested elections, our directors must be elected by a majority of the votes cast, and an incumbent director who fails to receive such a majority automatically tenders his or her resignation

Our shareholders have the right to act by written consent.

Shareholders owning 25% or more of our outstanding shares may call a special meeting of shareholders.

We have never had a shareholder rights plan.

We have no supermajority voting requirements in our Certificate of Incorporation or Bylaws.

All members of our Audit, Compensation and Nominating and Governance Committees are independent as defined by the New York Stock Exchange listing standards and applicable SEC rules.

Danaher (including its subsidiaries during the period we have owned them) has made no political contributions since at least 2012 and has no intention of contributing any Danaher funds or assets for political purposes, and we disclose our political expenditures policy on our public website.

Shareholder Engagement Program

We actively seek and highly value feedback from our shareholders. During 2017, in addition to our traditional Investor Relations outreach efforts, we engaged with shareholders representing approximately 25% of our outstanding shares on topics including our business and financial performance, governance and executive compensation programs and sustainability initiatives. Feedback received during these meetings was shared with our Nominating & Governance Committee and Compensation Committee, informing their decision-making.

Board of Directors

Below is an overview of each of the director nominees you are being asked to elect at the 2018 Annual Meeting.

NAME	DIRECTOR SINCE	PRINCIPAL PROFESSIONAL EXPERIENCE	COMMITTEE MEMBERSHIPS	OTHER PUBLIC COMPANY BOARDS
Donald J. Ehrlich* Lead Independent Director	1985	Former President and CEO, Schwab Corp.	A, C (Chair)	0
Linda Hefner Filler*	2005	Former President of Retail Products and Chief Merchandising Officer, Walgreen Co.	N (Chair)	0
Thomas P. Joyce, Jr.	2014	President and Chief Executive Officer, Danaher Corporation	F, E	0
Teri List-Stoll*	2011	Executive Vice President and Chief Financial Officer, Gap Inc.	A	1
Walter G. Lohr, Jr.*	1983	Retired partner, Hogan Lovells	C, F, N	0
Mitchell P. Rales	1983	Chairman of the Executive Committee, Danaher Corporation	F (Chair), E (Chair)	2
Steven M. Rales	1983	Chairman of the Board, Danaher Corporation	F, E	1
John T. Schwieters*	2003	Principal, PerseusTDC	A (Chair), N	0
Alan G. Spoon*	1999	Partner Emeritus, Polaris Partners	C	4
Raymond C. Stevens, Ph.D.*	2017	Provost Professor of Biological Sciences and Chemistry, and Director of The Bridge Institute, at the University of Southern California		0
Elias A. Zerhouni, M.D.*	2009	President, Global Research & Development, Sanofi S.A.	N	0

* = Independent director
A = Audit Committee
C = Compensation Committee
E = Executive Committee
F = Finance Committee
N = Nominating & Governance Committee

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Executive Compensation Highlights

Overview of Executive Compensation Program

As discussed in detail under Compensation Discussion and Analysis, with the goal of building long-term value for our shareholders, we have developed an executive compensation program designed to:

- attract and retain executives with the leadership skills, attributes and experience necessary to succeed in an enterprise with Danaher s size, diversity and global footprint;
- motivate executives to demonstrate exceptional personal performance and perform consistently at or above the levels that we expect, over the long-term and through a range of economic cycles; and
- link compensation to the achievement of corporate goals that we believe best correlate with the creation of long-term shareholder value.

To achieve these objectives our compensation program combines annual and long-term components, cash and equity, and fixed and variable elements, with a bias toward long-term equity awards tied closely to shareholder returns and subject to significant vesting and/or holding periods. Our executive compensation program rewards our executive officers when they build long-term shareholder value, achieve annual business goals and maintain long-term careers with Danaher.

Compensation Governance

Our Compensation Committee also recognizes that the success of our executive compensation program over the long-term requires a robust framework of compensation governance. As a result, the Committee regularly reviews external executive compensation practices and trends and incorporates best practices into our executive compensation program:

WHAT WE DO	WHAT WE DON T DO
Five-year vesting requirement for equity awards (or in the case of PSUs, three-year vesting and a further two-year holding period)	No tax gross-up provisions (except as applicable to management employees generally such as relocation policy)
Incentive compensation programs feature multiple, different performance measures aligned with business strategy	No dividend/dividend equivalents paid on unvested equity awards
Rigorous clawback policy that is triggered even in the absence of wrongdoing	No single trigger change of control benefits

Minimum one-year vesting requirement for 95% of shares granted under the Company s stock plan	No active defined benefit pension program since 2003
Stock ownership requirements for all executive officers	No hedging of Danaher securities permitted
Limited perquisites and a cap on CEO/CFO personal aircraft usage	No long-term incentive compensation is denominated or paid in cash
Independent compensation consultant that performs no other services for the Company	No above-market returns on deferred compensation plans

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Named Executive Officers 2017 Compensation

The following table sets forth the 2017 compensation of our named executive officers. Please see pages 36-38 for information regarding 2016 and 2015 compensation, as well as footnotes.

NAME AND PRINCIPAL POSITION	SALARY	BONUS	STOCK AWARDS	OPTION AWARDS	NON-EQUITY INCENTIVE PLAN COMPENSATION	CHANGE IN PENSION VALUE AND NONQUALIFIED DEFERRED COMPENSATION EARNINGS	ALL OTHER COMPENSATION	TOTAL
Thomas P. Joyce, Jr., President and CEO	$ 1,200,000	0	$ 5,559,897	$ 4,413,654	$ 3,100,000	$ 6,863	$ 505,927	$ 14,786,341
Daniel L. Comas, Executive Vice President and CFO	$ 905,476	0	$ 2,168,648	$ 1,721,412	$ 1,600,000	$ 5,203	$ 294,764	$ 6,695,503
Rainer M. Blair, Executive Vice President	$ 625,000	0	$ 1,390,207	$ 1,103,517	$ 1,000,000	0	$ 112,539	$ 4,231,263
William K. Daniel II, Executive Vice President	$ 773,953	0	$ 1,946,104	$ 1,544,841	$ 1,300,000	0	$ 165,556	$ 5,730,454
Angela S. Lalor, Senior Vice President Human Resources	$ 634,185	0	$ 1,167,663	$ 926,946	$ 1,050,000	0	$ 120,285	$ 3,899,079

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PROPOSAL 1 ELECTION OF DIRECTORS OF DANAHER

The Board has fixed the number of directors at eleven and our entire Board is elected annually. We are seeking your support for the election of the eleven candidates that the Board has nominated to serve on the Board of Directors (each of whom currently serves as a director of the Company), to serve until the 2019 Annual Meeting of shareholders and until his or her successor is duly elected and qualified. We believe these nominees have qualifications consistent with our position as a large, global and diversified science and technology company. We also believe these nominees have the experience and perspective to guide Danaher as we expand our business in high-growth geographies and high-growth market segments,

identify, consummate and integrate appropriate acquisitions, develop innovative and differentiated new products and services, adjust to rapidly changing technologies, business cycles and competition and address the demands of an increasingly regulated environment.

Proxies cannot be voted for a greater number of persons than the eleven nominees named in this Proxy Statement. In the event a nominee declines or is unable to serve, the proxies may be voted in the discretion of the proxy holders for a substitute nominee designated by the Board, or the Board may reduce the number of directors to be elected. We know of no reason why this will occur.

2018 Director Nominees

DONALD J. EHRLICH

AGE 80 **DIRECTOR SINCE:** 1985

Mr. Ehrlich served as President and Chief Executive Officer of Schwab Corp., a manufacturer of fire-protective safes, files, cabinets and vault doors, from January 2003 until his retirement in July 2008, and has also served on the boards of private and non-profit organizations.

Mr. Ehrlich also founded and served as the chairman and chief executive officer of an NYSE-listed publicly-traded manufacturing company, and has founded and served as CEO of two privately held manufacturing companies. As an entrepreneur and business leader who began his career on the factory floor, has been awarded over fifteen patents and worked his way to leadership of an NYSE-listed publicly-traded company, Mr. Ehrlich has a broad understanding of the strategic challenges and opportunities facing a publicly-traded company such as Danaher. He also has a broad, functional skill-set in the areas of engineering, finance, capital allocation and executive compensation.

LINDA HEFNER FILLER

AGE 57 **DIRECTOR SINCE:** 2005

Ms. Hefner Filler served as President of Retail Products and Chief Merchandising Officer of Walgreen Co., a national drugstore chain, from January 2015 to April 2017. From March 2013 until June 2014, Ms. Hefner Filler served as President, North America of Claire s Stores, Inc., a specialty retailer; from May 2007 to June 2012, as Executive Vice President of Wal-Mart Stores Inc., an operator of retail stores and warehouse clubs, and from April 2009 to June 2012 also as Chief Merchandising Officer for Sam s Club, a division of Wal-Mart; and from May 2004 through December 2006, as Executive Vice President Global Strategy for Kraft Foods Inc., a food and beverage company.

Ms. Hefner Filler has served in senior management roles with leading retail and consumer goods companies, with general management responsibilities and responsibilities in the areas of marketing, branding and merchandising. Understanding and responding to the needs of our customers is fundamental to Danaher s business strategy, and Ms. Hefner Filler s keen marketing and branding insights have been a valuable resource to Danaher s Board. Her prior leadership experiences with large public companies have given her valuable perspective for matters of global portfolio strategy and capital allocation as well as global business practices.

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Proposal 1 Election of Directors of Danaher

THOMAS P. JOYCE, JR.

AGE 57 **DIRECTOR SINCE:** 2014

Mr. Joyce has served as Danaher s President and Chief Executive Officer since September 2014. Mr. Joyce joined Danaher in 1989 and served in leadership positions in a variety of different functions and businesses before his promotion to President and Chief Executive Officer. His broad operating and functional experience and in-depth knowledge of Danaher s businesses and of the Danaher Business System are particularly valuable to the Board given the complex, diverse nature of Danaher s portfolio.

TERI LIST-STOLL

AGE 55 **DIRECTOR SINCE:** 2011

Ms. List-Stoll has served as Executive Vice President and Chief Financial Officer of Gap Inc., a global clothing retailer, since January 2017. Prior to joining Gap, she served as Executive Vice President and Chief Financial Officer of Dick s Sporting Goods, Inc., a sporting goods retailer, from August 2015 to August 2016, and with Kraft Foods Group, Inc., a food and beverage company, as Advisor from March 2015 to May 2015, as Executive Vice President and Chief Financial Officer from December 2013 to February 2015 and as Senior Vice President of Finance from September 2013 to December 2013. From 1994 to September 2013, Ms. List-Stoll served in a series of progressively more responsible positions in the accounting and finance organization of The Procter & Gamble Company, a consumer goods company, most recently as Senior Vice President and Treasurer. Prior to joining Procter & Gamble, Ms. List-Stoll was employed by the accounting firm of Deloitte & Touche for almost ten years. Ms. List-Stoll is a member of the board of directors of Microsoft Corporation.

Ms. List-Stoll s experience dealing with complex finance and accounting matters for Gap, Dick s, Kraft and Procter & Gamble have given her an appreciation for and understanding of the similarly complex finance and accounting matters that Danaher faces. In addition, through her leadership roles with large, global companies she has insight into the business practices that are critical to the success of a large, growing public company such as Danaher.

WALTER G. LOHR, JR.

AGE 74 **DIRECTOR SINCE:** 1983

Mr. Lohr was a partner of Hogan Lovells, a global law firm, for over five years until retiring in June 2012 and has also served on the boards of private and non-profit organizations.

Prior to his tenure at Hogan Lovells, Mr. Lohr served as assistant attorney general for the State of Maryland. He has extensive experience advising companies in a broad range of transactional matters, including mergers and acquisitions, contests for corporate control and securities offerings. His extensive knowledge of the legal strategies, issues and dynamics that pertain to mergers and acquisitions and capital raising has been a critical resource for Danaher given the importance of its acquisition program.

MITCHELL P. RALES

AGE 61 **DIRECTOR SINCE:** 1983

Mr. Rales is a co-founder of Danaher and has served as Chairman of the Executive Committee of Danaher since 1984. He was also President of the Company from 1984 to 1990. Mr. Rales is also a member of the board of directors of each of Colfax Corporation and Fortive Corporation, and is a brother of Steven M. Rales.

The strategic vision and leadership of Mr. Rales and his brother, Steven Rales, helped create the Danaher Business System and have guided Danaher down a path of consistent, profitable growth that continues today. In addition, as a result of his substantial ownership stake in Danaher, he is well-positioned to understand, articulate and advocate for the rights and interests of the Company s shareholders.

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STEVEN M. RALES

AGE 66 **DIRECTOR SINCE:** 1983

Mr. Rales is a co-founder of Danaher and has served as Danaher s Chairman of the Board since 1984. He was also CEO of the Company from 1984 to 1990. Mr. Rales is also a member of the board of directors of Fortive Corporation, and is a brother of Mitchell P. Rales.

The strategic vision and leadership of Mr. Rales and his brother, Mitchell Rales, helped create the Danaher Business System and have guided Danaher down a path of consistent, profitable growth that continues today. In addition, as a result of his substantial ownership stake in Danaher, he is well-positioned to understand, articulate and advocate for the rights and interests of the Company s shareholders.

JOHN T. SCHWIETERS

AGE 78 **DIRECTOR SINCE:** 2003

Mr. Schwieters has served as Principal of Perseus TDC, a real estate investment and development firm, since July 2013. He also served as a Senior Executive of Perseus, LLC, a merchant bank and private equity fund management company, from May 2012 to June 2016 and as Senior Advisor from March 2009 to May 2012. Within the past five years Mr. Schwieters has served as a director of Smithfield Foods, Inc. and Choice Hotels International, Inc.

In addition to his roles with Perseus, Mr. Schwieters led the Mid-Atlantic region of one of the world s largest accounting firms after previously leading that firm s tax practice in the Mid-Atlantic region, and has served on the boards and chaired the audit committees of several NYSE-listed public companies. He brings to Danaher extensive knowledge and experience in the areas of public accounting, tax accounting and finance, which are areas of critical importance to Danaher as a large, global and complex public company.

ALAN G. SPOON

AGE 66 **DIRECTOR SINCE:** 1999

Mr. Spoon has served as Partner Emeritus of Polaris Partners, a company that invests in private technology and life science firms, since January 2015. Mr. Spoon has been a partner at Polaris since May 2000, and served as Managing General Partner from 2000 to 2010. Mr. Spoon is also a member of the board of directors of each of Fortive Corporation, IAC/InterActiveCorp., Match Group, Inc. and Cable One, Inc.

In addition to his leadership role at Polaris Partners, Mr. Spoon previously served as president, chief operating officer and chief financial officer of one of the country s largest, publicly-traded education and media companies, and has served on the boards of numerous public and private companies. His public company leadership experience gives him insight into business strategy, leadership and executive compensation and his public company and private equity experience give him insight into technology and life science trends, acquisition strategy and financing, each of which represents an area of key strategic opportunity for the Company.

RAYMOND C. STEVENS, PH.D.

AGE 54 **DIRECTOR SINCE:** 2017

Professor Stevens has served as Provost Professor of Biological Sciences and Chemistry, and Director of The Bridge Institute, at the University of Southern California, a private research university, since July 2014. From 1999 until July 2014, he served as Professor of Molecular Biology and Chemistry with The Scripps Research Institute, a non-profit research organization. Professor Stevens is also Founding Director of the iHuman Institute at ShanghaiTech University, and has launched multiple biotechnology companies focused on drug discovery.

Professor Stevens is considered among the world s most influential biomedical scientists in molecular research. A pioneer in human cellular behavior research, he has been involved in the creation of therapeutic molecules that led to breakthrough drugs aimed at curing influenza, childhood diseases, neuromuscular disorders and diabetes. Professor Stevens insights in the area of molecular research, as well as his experience bringing industry and academia together to advance drug development, are highly beneficial to Danaher given our strategic focus on the development of research tools used to understand the causes of disease, identify new therapies and test new drugs and vaccines.

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Proposal 1 Election of Directors of Danaher

ELIAS A. ZERHOUNI, M.D.

AGE 66 **DIRECTOR SINCE:** 2009

Dr. Zerhouni has served as President, Global Research & Development, for Sanofi S.A., a global pharmaceutical company, since January 2011. From 2008 until 2011, he provided advisory and consulting services to various non-profit and other organizations as Chairman and President of Zerhouni Holdings. From 2002 to 2008, Dr. Zerhouni served as director of the National Institutes of Health, and from 1996 to 2002, he served as Chair of the Russell H. Morgan Department of Radiology and Radiological Sciences, Vice Dean for Research and Executive Vice Dean of the Johns Hopkins School of Medicine.

Dr. Zerhouni, a physician, scientist and world-renowned leader in radiology research, is widely viewed as one of the leading authorities in the United States on emerging trends and issues in medicine and medical care. These insights, as well as his deep, technical knowledge of the research and clinical applications of medical technologies, are of considerable importance given Danaher s strategic focus in the medical technologies markets. Dr. Zerhouni s government experience also gives him a strong understanding of how government agencies work, and his experience growing up in North Africa, together with the global nature of the issues he faced at NIH and his role at France-based Sanofi, give him a global perspective that is valuable to Danaher.

The Board of Directors recommends a vote FOR each of the foregoing nominees.

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Proposal 1 Election of Directors of Danaher

Board Selection and Refreshment

Director Selection.

The Board and its Nominating and Governance Committee believe that it is important that our directors demonstrate:

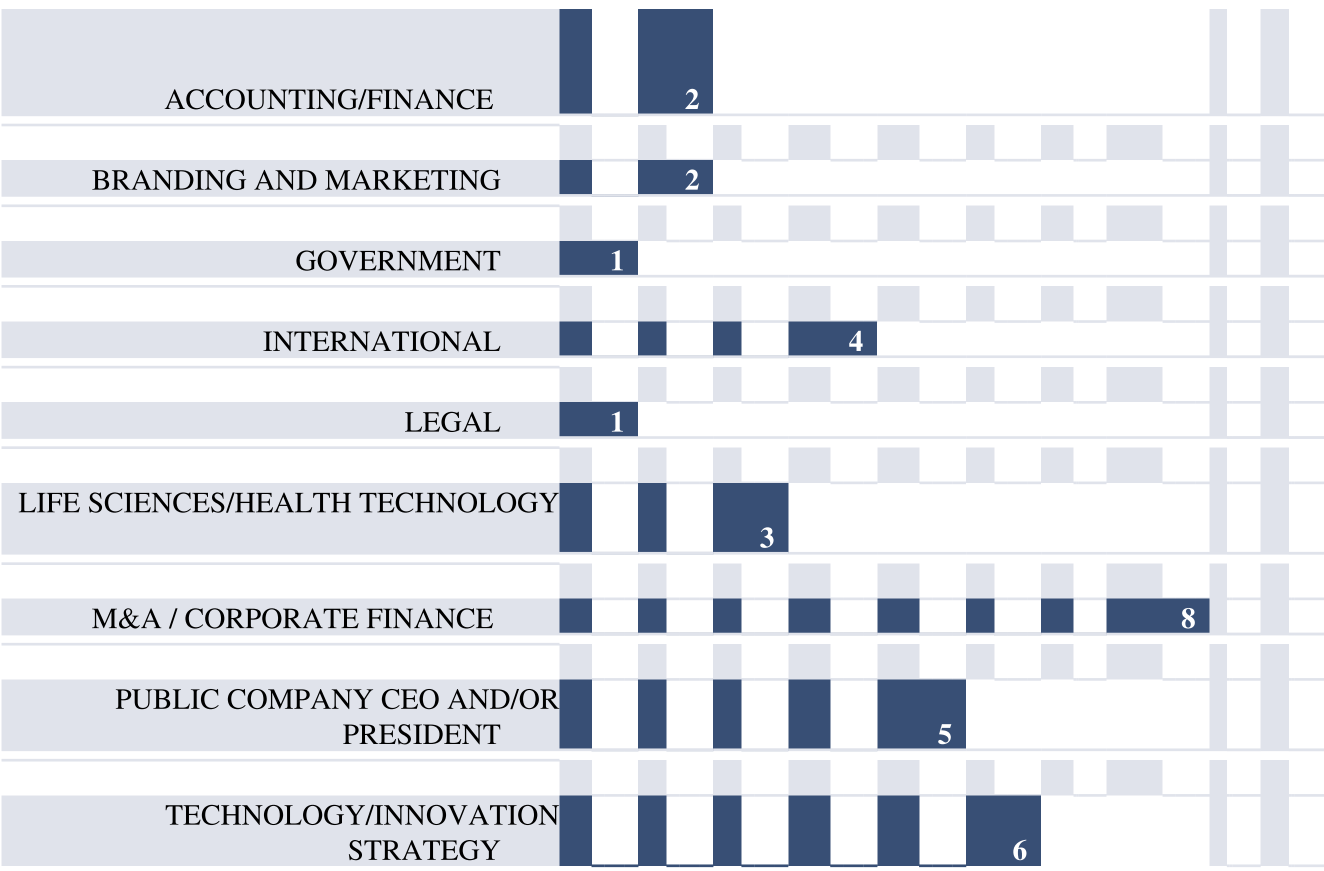
- personal and professional integrity and character;
- prominence and reputation in his or her profession;
- skills, knowledge and expertise (including business or other relevant experience) that in aggregate are useful and appropriate in overseeing and providing strategic direction with respect to Danaher s business and serving the long-term interests of Danaher s shareholders;
- the capacity and desire to represent the interests of the shareholders as a whole; and
- availability to devote sufficient time to the affairs of Danaher.

The Nominating and Governance Committee is responsible for recommending to the Board a slate of nominees for election at each annual meeting of shareholders. Nominees may be suggested by directors, members of management, shareholders or, in some cases, by a third-party search firm. The Committee considers a wide range of factors when assessing potential director nominees. This includes consideration of the current composition of the Board, any perceived need for one or more particular areas of expertise, the balance of management and independent directors, the need for committee-specific expertise, the evaluations of other prospective nominees and the qualifications of each potential nominee relative to the attributes, skills and experience described above. The Board does not have a formal or informal policy with respect to diversity but believes that the Board, taken as a whole, should embody a diverse set of skills, knowledge, experiences and backgrounds appropriate in light of the Company s needs, and in this regard also subjectively takes into consideration the diversity (with respect to race, gender and national origin) of the Board when considering director nominees. The Board does not make any particular weighting of diversity or any other characteristic in evaluating nominees and directors.

A shareholder who wishes to recommend a prospective nominee for the Board should notify the Nominating and Governance Committee in writing using the procedures described below under Other Information Communications with the Board of Directors with whatever supporting material the shareholder considers appropriate. If a prospective nominee has been identified other than in connection with a director search process initiated by the Committee, the

Committee makes an initial determination as to whether to conduct a full evaluation of the candidate. The Committee s determination of whether to conduct a full evaluation is based primarily on the Committee s view as to whether a new or additional Board member is necessary or appropriate at such time, the likelihood that the prospective nominee can satisfy the evaluation factors described above and any other factors as the Committee may deem appropriate. The Committee takes into account whatever information is provided to the Committee with the recommendation of the prospective candidate and any additional inquiries the Committee may in its discretion conduct or have conducted with respect to such prospective nominee.

The graph below illustrates the diverse set of skills, knowledge, experiences and backgrounds represented on our Board:



Board Refreshment

Our Board actively considers Board refreshment. Using our Board skills matrix as a guide as well as the results of our annual Board and committee self-assessment process, the Nominating and Governance Committee evaluates Board composition at least annually and

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Proposal 1 Election of Directors of Danaher

identifies for Board consideration areas of expertise that would complement and enhance our current Board. In considering the Committee s recommendations, the Board seeks to thoughtfully balance the knowledge and experience that comes from longer-term Board service with the fresh ideas, energy and new domain expertise that can come from adding new directors. The recent addition of Raymond C. Stevens, Ph.D. to our Board is evidence of our focus on refreshment.

Proxy Access

Our Amended and Restated Bylaws (Bylaws) permit a shareholder, or a group of up to twenty shareholders, owning three percent or more of the Company s outstanding shares of Common Stock continuously for at least three years to nominate and include in the Company s annual meeting proxy materials a number of director nominees up to the greater of (x) two, or (y) twenty percent of the Board, provided that the shareholder(s) and nominee(s) satisfy the requirements specified in the Bylaws.

Majority Voting Standard

General

Our Bylaws provide for majority voting in uncontested director elections, and our Board has adopted a director resignation policy. Under the policy, our Board will not appoint or nominate for election to the Board any person who has not tendered in advance an irrevocable resignation effective in such circumstances where the individual does not receive a majority of the votes cast in an uncontested election and such resignation is accepted by the Board. If an incumbent director is not elected by a majority of the votes cast in an uncontested election, our Nominating and Governance Committee will submit for prompt consideration by the Board a recommendation whether to accept or reject the director s resignation. The Board expects the director whose resignation is under consideration to abstain from participating in any decision regarding that resignation.

Contested Elections

At any meeting of shareholders for which the Secretary of the Company receives a notice that a shareholder has nominated a person for election to the Board of Directors in compliance with the Company s Bylaws and such nomination has not been withdrawn on or before the tenth day before the Company first mails its notice of meeting to the Company s shareholders, the directors will be elected by a plurality of the votes cast. This means that the nominees who receive the most affirmative votes would be elected to serve as directors.

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CORPORATE GOVERNANCE

Corporate Governance Overview

Our Board of Directors recognizes that Danaher s success over the long-term requires a robust framework of corporate governance that serves the best interests of all our shareholders. Below are highlights of our corporate governance framework, and additional details follow in the sections below.

Board refreshment remains a key area of focus for us, as evidenced by the recent addition of Raymond C. Stevens, Ph.D. to our Board.

Our Bylaws provide for proxy access by shareholders.

Our Chairman and CEO positions are separate.

Our Board has established a Lead Independent Director position.

All of our directors are elected annually.

In uncontested elections, our directors must be elected by a majority of the votes cast, and an incumbent director who fails to receive such a

Shareholders owning 25% or more of our outstanding shares may call a special meeting of shareholders.

We have never had a shareholder rights plan.

We have no supermajority voting requirements in our Certificate of Incorporation or Bylaws.

All members of our Audit, Compensation and Nominating and Governance Committees are independent as defined by the New York Stock Exchange listing standards and applicable SEC rules.

Danaher (including its subsidiaries during the period we have owned them) has made no political contributions since at least 2012 and has no intention of contributing any Danaher funds or assets for political purposes, and we disclose our political expenditures policy on our public website.

majority automatically tenders his or her resignation

Our shareholders have the right to act by written consent.

Shareholder Engagement Program

We actively seek and highly value feedback from our shareholders. During 2017, in addition to our traditional Investor Relations outreach efforts, we engaged with shareholders representing approximately 25% of our outstanding shares on topics including our business and financial performance, governance and executive compensation programs and sustainability initiatives. Feedback received during these meetings was shared with our Nominating & Governance Committee and Compensation Committee, informing their decision-making.

Board Leadership Structure, Risk Oversight and CEO Succession Planning

Board Leadership Structure

The Board has separated the positions of Chairman and CEO because it believes that, at this time, this structure best enables the Board to ensure that Danaher s business and affairs are managed effectively and in the best interests of shareholders. This is particularly the case in light of the fact that the Company s Chairman is Steven Rales, a co-founder of the Company who owns approximately 6.2 percent of the Company s outstanding shares, served as CEO of the company from 1984 to 1990 and continues to serve as an executive officer of the company. As a result of his substantial ownership stake in the Company, the Board believes that Mr. Rales is uniquely able to understand, articulate and advocate for the rights and interests of the Company s shareholders. Moreover, Mr. Rales uses his management experience with the Company and Board tenure to help ensure that the non-management directors have a keen understanding of the Company s business as well as the strategic and other risks and opportunities that the Company faces. This enables the Board to more effectively provide insight and direction to, and exercise oversight of, the Company s President and CEO and the rest of the management team responsible for the Company s day-to-day business (including with respect to oversight of risk management).

Because Mr. Rales is not independent within the meaning of the NYSE listing standards, our Corporate Governance Guidelines require the appointment of a Lead Independent Director and Mr. Ehrlich has been appointed as our Lead Independent Director. As the Lead Independent Director, Mr. Ehrlich:

presides at all meetings of the Board at which the Chairman of the Board and the Chair of the Executive Committee are not present, including the executive sessions of non-management directors;

has the authority to call meetings of the independent directors;

acts as a liaison as necessary between the independent directors and the management directors; and

advises with respect to the Board s agenda.

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Corporate Governance

Risk Oversight

The Board s role in risk oversight at the Company is consistent with the Company s leadership structure, with management having day-to-day responsibility for assessing and managing the Company s risk exposure and the Board and its committees overseeing those efforts, with particular emphasis on the most significant risks facing the Company. Each committee reports to the full Board on a regular basis, including as appropriate with respect to the committee s risk oversight activities. On an annual basis, the Company s Risk Committee (consisting of members of senior management) inventories, assesses and prioritizes the most significant risks facing the Company as well as related mitigation efforts and provides a report to the Board. With respect to the manner in which the Board s risk oversight function impacts the Board s leadership structure, as described above our Board believes that Mr. Rales management experience and tenure help the Board to more effectively exercise its risk oversight function.

BOARD/COMMITTEE	PRIMARY AREAS OF RISK OVERSIGHT
Full Board	Risks associated with Danaher s strategic plan, acquisition and capital allocation program, capital structure, liquidity, organizational structure and other significant risks, and overall risk assessment and risk management policies.
Audit Committee	Major financial risk exposures, significant legal, compliance, reputational and cyber security risks and overall risk assessment and risk management policies.
Compensation Committee	Risks associated with compensation policies and practices, including incentive compensation.
Nominating and Governance Committee	Risks related to corporate governance, effectiveness of Board and committee oversight and review of director candidates, conflicts of interest and director independence.

CEO Succession Planning

With the support of our Nominating and Governance Committee, our Board maintains and annually reviews both a long-term succession plan and emergency succession plan for the CEO position. The foundation of the long-term succession planning process is a CEO development model consisting of two dimensions, leadership behaviors and development experiences. The Board uses the development model as a guide in preparing candidates, and also in evaluating candidates for the CEO and other executive positions at the Board s annual talent review and succession planning session. At the annual session, the Board evaluates and compares candidates using the development model, and reviews each candidate s development actions and progress over time as well as business performance. The candidate evaluations are supplemented with periodic 360-degree performance appraisals, and the Board also regularly interacts with candidates at Board dinners and lunches, through Board meeting presentations and at the Company s annual leadership conference.

Board of Directors and Committees of the Board

General

The Board met seven times during 2017. All directors attended at least 75% of the aggregate of the total number of meetings of the Board and of all committees of the Board on which they served (during the period they so served) during 2017. Danaher typically schedules a Board meeting in conjunction with each annual meeting of shareholders and as a general matter expects that the members of the Board will attend the annual meeting. Eleven of our directors attended the Company s annual meeting in May 2017.

The membership of each of the Board s committees as of March 12, 2018 is set forth to the right. While each of the Committees is authorized to delegate its powers to sub-committees, none of the Committee did do so during 2017. The Audit, Compensation and Nominating and Governance Committees report to the Board on their actions and recommendations at each regularly scheduled Board meeting.

NAME OF DIRECTOR	AUDIT	COMPENSATION	NOMINATING AND GOVERNANCE	EXECUTIVE	FINANCE
Donald J. Ehrlich	X	Chair			
Linda Hefner Filler			Chair		
Thomas P. Joyce, Jr.				X	X
Walter G. Lohr, Jr.		X	X		X
Teri List-Stoll	X				
Mitchell P. Rales				Chair	Chair
Steven M. Rales				X	X
John T. Schwieters	Chair		X		
Raymond C. Stevens, Ph.D.					
Alan G. Spoon		X			
Elias A. Zerhouni, M.D.			X		

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Corporate Governance

Audit Committee

The Audit Committee met seven times during 2017. The Audit Committee prepares a report as required by the SEC to be included in this Proxy Statement and assists the Board in overseeing:

- the quality and integrity of Danaher s financial statements;
- the effectiveness of Danaher s internal control over financial reporting;
- the qualifications, independence and performance of Danaher s independent auditors;
- the performance of Danaher s internal audit function and independent auditors;
- Danaher s compliance with legal and regulatory requirements;
- the risks described above under -Risk Oversight ; and
- the Company s swaps and derivatives transactions and related policies and procedures.

The Board has determined that each of the members of the Audit Committee is independent for purposes of Rule 10A-3(b)(1) under the Securities Exchange Act of 1934, as amended (Securities Exchange Act) and the NYSE listing standards, qualifies as an audit committee financial expert as that term is defined in Item 407(d)(5) of Regulation S-K under the Securities Exchange Act and is financially literate within the meaning of the NYSE listing standards. The Committee typically meets in executive session, without the presence of management, at its regularly scheduled meetings.

Compensation Committee

The Compensation Committee met seven times during 2017. The Compensation Committee discharges the Board s responsibilities relating to the compensation of our executive officers, including setting goals and objectives for, evaluating the performance of, and approving the compensation paid to, our executive officers. The Committee also:

reviews and discusses with Company management the Compensation Discussion and Analysis and recommends to the Board the inclusion of the Compensation Discussion and Analysis in the annual meeting proxy statement;

reviews and makes recommendations to the Board with respect to the adoption, amendment and termination of all executive incentive compensation plans and all equity compensation plans, and exercises all authority of the Board (and all responsibilities assigned by such plans to the Committee) with respect to the oversight and administration of such plans;

reviews and considers the results of shareholder advisory votes on the Company s executive compensation, and makes recommendations to the Board regarding the frequency of such advisory votes;

monitors compliance by directors and executive officers with the Company s stock ownership requirements;

assists the Board in overseeing the risks described above under -Risk Oversight ;

prepares the report required by the SEC to be included in the annual meeting proxy statement; and

considers factors relating to independence and conflicts of interests in connection with the compensation consultants that provide advice to the Committee.

Each member of the Compensation Committee is an outside director for purposes of Section 162(m), a non-employee director for purposes of Rule 16b-3 under the Securities Exchange Act and, based on the determination of the Board, independent under the NYSE listing standards and under Rule 10C-1 under the Securities Exchange Act.

Management Role in Supporting the Compensation Committee

Our Senior Vice President-Human Resources, Vice President-Compensation and Secretary generally attend, and from time-to-time our CEO attends, the Compensation Committee meetings. In particular, our CEO:

provides background regarding the interrelationship between our business objectives and executive compensation matters and advises on the alignment of incentive plan performance measures with our overall strategy;

participates in the Committee s discussions regarding the performance and compensation of the other executive officers and provides recommendations to the Committee regarding all significant elements of compensation paid to such officers, their annual, personal performance objectives and his evaluation of their performance (the Committee gives considerable weight to our CEO s evaluation of and recommendations with respect to the other executive officers because of his direct knowledge of each such officer s performance and contributions); and provides feedback regarding the companies that he believes Danaher competes with in the marketplace and for executive talent.

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Corporate Governance

Our human resources and legal departments also assist the Committee Chair in scheduling and setting the agendas for the Committee s meetings, prepare meeting materials and provide the Committee with data relating to executive compensation as requested by the Committee. At the Committee s regularly scheduled meetings, the Committee typically meets in executive session without the presence of management.

Independent Compensation Consultant Role in Supporting the Compensation Committee

Under the terms of its charter, the Committee has the authority to engage the services of outside advisors and experts to assist the Committee. The Committee has engaged Frederic W. Cook & Co., Inc. (FW Cook) as the Committee s independent compensation consultant since 2008. The Committee engages FW Cook because it is considered one of the premier independent compensation consulting firms and has never provided any services to the Company other than the compensation-related services provided to or at the direction of the Compensation Committee and the Nominating and Governance Committee. FW Cook takes its direction solely from the Committee (and with respect to matters relating to the non-management director compensation program, the Nominating and Governance Committee). In addition to the director compensation advice provided to the Nominating and Governance Committee, FW Cook s primary responsibilities in 2017 were to:

- provide advice and data in connection with the structuring of Danaher s executive compensation and equity compensation programs and the compensation levels for the Company s executive officers and directors compared to their respective peers;
- assess the Company s executive compensation program in the context of compensation governance best practices;
- update the Committee regarding legislative and regulatory initiatives and other trends in the area of executive compensation;
- provide data regarding the share dilution and compensation costs attributable to the Company s equity compensation program; and
- advise regarding the Company s executive compensation public disclosures.

The Committee does not place any material limitations on the scope of the feedback provided by FW Cook. In the course of discharging its responsibilities, FW Cook may from time to time and with the Committee s consent, request from management information regarding compensation amounts and practices, the interrelationship between our business objectives and executive compensation matters, the nature of the Company s executive officer responsibilities and other business information. The Committee has considered whether the compensation consultant work performed for or at the direction of the Compensation Committee and the Nominating and Governance Committee raises any conflict of interest, taking into account the factors listed in Securities Exchange Act Rule 10C-1(b)(4), and has concluded that such work does not create any conflict of interest.

Nominating and Governance Committee

The Nominating and Governance Committee met four times in 2017. The Nominating and Governance Committee:

- assists the Board in identifying individuals qualified to become Board members, and makes recommendations to the Board regarding all nominees for Board membership;
- makes recommendations to the Board regarding the size and composition of the Board and its committees;
- makes recommendations to the Board regarding matters of corporate governance and oversees the operation of Danaher s Corporate Governance Guidelines and Related Person Transactions Policy;
- develops and oversees the annual self-assessment process for the Board and its committees;
- assists the Board in CEO succession planning;
- assists the Board in overseeing the risks described above under -Risk Oversight
- reviews and makes recommendations to the Board regarding non-management director compensation;
- oversees the orientation process for newly elected members of the Board and continuing director education;
- as it determines appropriate, considers matters regarding corporate social responsibility.

The Board has determined that all of the members of the Nominating and Governance Committee are independent within the meaning of the NYSE listing standards.

Finance Committee

The Finance Committee met once in 2017. The Finance Committee approves business acquisitions, investments and divestitures up to the levels of authority delegated to it by the Board.

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Corporate Governance

Executive Committee

The Executive Committee did not meet in 2017. The Executive Committee exercises between meetings of the Board such powers and authority in the management of the business and affairs of the Company as are specifically delegated to it by the Board from time to time.

Corporate Governance Guidelines, Committee Charters and Standards of Conduct

As part of its ongoing commitment to good corporate governance, our Board of Directors has codified its corporate governance practices into a set of Corporate Governance Guidelines and has also adopted written charters for each of the committees of the Board. Danaher has also adopted a code of business conduct and ethics for directors, officers (including our principal executive officer, principal financial officer and principal accounting officer) and employees, known as the Standards of Conduct. The Corporate Governance Guidelines, charters of each of the Audit, Compensation and Nominating and Governance Committees and Standards of Conduct are available in the Investors Corporate Governance section of our website at http://www.danaher.com.

Corporate Social Responsibility

Corporate social responsibility is deeply ingrained in our culture and work, and has been for decades. We are a science and technology innovator committed to solving customers most complex challenges, and improving quality of life around the world. We are also placing a greater emphasis on complementing our external performance with internal initiatives that help ensure supportive, diverse and inclusive work environments worldwide places where our associates can be themselves, engage deeply with their work and seize opportunities to realize their own potential through professional development. More information about Danaher s corporate social responsibility efforts is included in our latest Corporate Social Responsibility Report available in the Investors Corporate Governance section of our website at http://www.danaher.com.

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DIRECTOR COMPENSATION

Director Compensation Program

Director Compensation Philosophy

We use a combination of cash and equity-based compensation to attract and retain qualified candidates to serve on the Board. In setting director compensation, the Board and the Nominating and Governance Committee are guided by the following principles:

- compensation should fairly pay directors for work required in a company of our size and scope, and differentiate among directors where appropriate to reflect different levels of responsibilities;

- a significant portion of the total compensation should be paid in stock-based awards to align directors interests with the long-term interests of our shareholders; and

- the structure of the compensation program should be simple and transparent.

Process for Setting Director Compensation

The Nominating and Governance Committee is responsible for reviewing and making recommendations to the Board regarding non-management director compensation (although the Board makes the final determination regarding the amounts and type of non-management director compensation). Since 2011, the Committee has engaged FW Cook, the Board s independent compensation consultant, to prepare regular reports on market non-management director compensation practices and evaluate our program in light of the results of such reports. The Committee anticipates reviewing, and seeking advice from FW Cook regarding, the Company s non-management director compensation on an annual basis.

Danaher s 2007 Omnibus Incentive Plan (the Plan or the Omnibus Plan) limits the amount of cash and equity compensation that we may pay to a non-management director each year. Under the plan terms, an annual limit of $800,000 per calendar year applies to the sum of all cash and equity-based awards (calculated based on the grant date fair value of such awards for financial reporting purposes) granted to each non-management director for services as a member of the Board (plus an additional limit of $500,000 per calendar year with respect to any non-executive Board chair or vice chair).

Director Compensation Structure

Effective as of January 1, 2018, each non-management director receives:

An annual cash retainer of $115,000, paid in four, equal installments following each quarter of service.

If a director attends more than twenty (20) Board and Board committee meetings in aggregate during a calendar year, a cash meeting fee of $2,000 for each Board and committee meeting attended during such year in excess of such threshold, paid in aggregate following completion of such year.

An annual equity award with a target award value of $175,000, divided equally between options and RSUs. The options are fully vested as of the grant date. The RSUs vest upon the earlier of (1) the first anniversary of the grant date, or (2) the date of, and immediately prior to, the next annual meeting of Danaher s shareholders following the grant date, but the underlying shares are not issued until the earlier of the director s death or the first day of the seventh month following the director s retirement from the Board.

Reimbursement for Danaher-related out-of-pocket expenses, including travel expenses.

In addition, the lead independent director receives an annual cash retainer of $30,000, the chair of the Audit Committee receives an annual cash retainer of $25,000, the chair of the Compensation Committee receives an annual cash retainer of $20,000 and the chair of the Nominating and Governance Committee receives an annual cash retainer of $15,000, in each case paid in four, equal installments following each quarter of service.

Directors Deferred Compensation Plan

Each non-management director can elect to defer all or part of the cash director fees that he or she earns with respect to a particular year under the Non-Employee Directors Deferred Compensation Plan, which is a sub-plan under the Omnibus Plan. Amounts deferred under the plan are converted into a particular number of phantom shares of Danaher Common Stock, calculated based on the closing price of Danaher s Common Stock on the date that such quarterly fees would otherwise have been paid. A director may elect to have his or her plan balance distributed upon cessation of Board service, or one, two, three, four or five years after cessation of Board service. All distributions from the plan are in the form of shares of Danaher Common Stock.

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Director Compensation

Director Stock Ownership Requirements

Our Board has adopted stock ownership requirements for non-management directors. Under the requirements, each non-management director (within five years of his or her initial election or appointment) is required to beneficially own Danaher shares with a market value of at least five times his or her annual cash retainer (excluding the additional cash retainers paid to the committee chairs and the Lead Independent Director). Once a director has acquired a number of shares that satisfies such ownership multiple, such number of shares then becomes such director s minimum ownership requirement (even if his or her retainer increases or the fair market value of such shares subsequently declines). Under the policy, beneficial ownership includes RSUs held by the director, shares in which the director or his or her spouse or child has a direct or indirect interest and phantom shares of Danaher Common Stock in the Non-Employee Directors Deferred Compensation Plan, but does not include shares subject to unexercised stock options or pledged shares. Each Danaher director is in compliance with the policy.

Anti-Pledging/Hedging Policy

In 2013 Danaher s Board adopted a policy that prohibits any director or executive officer from pledging as security under any obligation any shares of Danaher Common Stock that he or she directly or indirectly owns and controls. The Board exempted from the policy shares of Danaher Common Stock that were already pledged as of the time the policy was adopted, but pledged shares of Danaher Common Stock do not count toward stock ownership requirements and the pledging of any additional shares is prohibited. Certain shares of Common Stock owned by Messrs. Steven and Mitchell Rales were exempted from the policy because such shares have been pledged for decades, to secure lines of credit that reduce the need to sell shares for liquidity purposes. Messrs. Steven and Mitchell Rales acquired these shares in cash purchase transactions between 1983 and 1988, and did not receive them as compensation or purchase them from Danaher.

Notwithstanding that these shares are exempted from Danaher s policy, as part of its risk oversight function the Audit Committee of Danaher s Board regularly reviews these share pledges to assess whether such pledging poses an undue risk to the Company. The Committee has concluded that the existing pledge arrangements do not pose an undue risk to the Company, based in particular on its consideration of the following factors:

- the degree of overcollateralization (i.e., the amount by which the market value of the shares pledged as collateral exceeds the amount of secured indebtedness), which the Committee believes is a key factor in assessing the degree of risk posed by the pledging arrangements;

- the number of shares and percentage of total outstanding shares pledged; and the 15% reduction since 2013 in the number of shares pledged by Messrs. Steven Rales and Mitchell Rales. Danaher policy also prohibits Danaher directors and employees (including executive officers) from engaging in any transactions involving a derivative of a Danaher security, including hedging transactions.

Director Summary Compensation Table

The table below summarizes the compensation paid by Danaher to the non-management directors for the year ended December 31, 2017. Each of Steven Rales, Mitchell Rales and Thomas P. Joyce, Jr. serves as a director and executive officer of Danaher but does not receive any additional compensation for services provided as a director. Neither Steven Rales nor Mitchell Rales is a named executive officer. Details regarding the 2017 executive compensation provided to each of Steven Rales and Mitchell Rales is set forth under Director Independence and Related Person Transactions.

NAME	FEES EARNED OR PAID IN CASH ($)	STOCK AWARDS ($) (1)(2)	OPTION AWARDS ($) (1)(2)	TOTAL ($)
Donald J. Ehrlich	$ 167,000	$ 81,032	$ 67,225	$ 315,257
Linda Hefner Filler (3)	0	$ 211,032	$ 67,225	$ 278,257
Robert J. Hugin (4)	$ 115,000	$ 81,032	$ 67,225	$ 263,257
Teri List-Stoll (3)	0	$ 196,032	$ 67,225	$ 263,257
Walter G. Lohr, Jr.	$ 115,000	$ 81,032	$ 67,225	$ 263,257
John T. Schwieters	$ 140,000	$ 81,032	$ 67,225	$ 288,257
Alan G. Spoon (3)	0	$ 196,032	$ 67,225	$ 263,257
Raymond C. Stevens, Ph.D. (3)(5)	0	$ 179,740	$ 67,225	$ 246,965
Elias A. Zerhouni, M.D. (3)	0	$ 196,032	$ 67,225	$ 263,257

(1) The amounts reflected in these columns represent the aggregate grant date fair value of the applicable award computed in accordance with FASB ASC Topic 718. With respect to stock awards, the grant date fair value under FASB ASC Topic 718 is calculated based on the number of shares of

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Director Compensation

Common Stock underlying the award, times the closing price of the Danaher Common Stock on the date of grant. With respect to stock options, the grant date fair value under FASB ASC Topic 718 has been calculated using the Black-Scholes option pricing model, based on the following assumptions (and assuming no forfeitures): an 8.0 year option life, a risk-free interest rate of 2.21%; a stock price volatility rate of 16.88%; and a dividend yield of 0.67% per share.

(2) The table below sets forth as to each non-management director the aggregate number of unvested RSUs and aggregate number of stock options outstanding as of December 31, 2017. All of the stock options set forth in the table below are fully vested. The RSUs set forth in the table below vest in accordance with the terms described above.

NAME OF DIRECTOR	AGGREGATE NUMBER OF DANAHER STOCK OPTIONS OWNED AS OF DECEMBER 31, 2017	AGGREGATE NUMBE DANAHER RSUS OWN
Donald J. Ehrlich	46,862	990
Linda Hefner Filler	57,440	990
Robert J. Hugin	6,470	990
Teri List-Stoll	20,920	990
Walter G. Lohr, Jr.	57,440	990
John T. Schwieters	57,440	990
Alan G. Spoon	57,440	990
Raymond C. Stevens, Ph.D.	3,540	990
Elias A. Zerhouni, M.D.	36,284	990

(3) Each of Mss. Hefner Filler and List-Stoll, Mr. Spoon, Professor Stevens and Dr. Zerhouni deferred 100% of his or her 2017 cash director fees into phantom shares of Danaher Common Stock under the Non-Employee Directors Deferred Compensation Plan and pursuant to such deferrals received a total of 1,455, 1,287, 1,287, 1,091 and 1,287 phantom shares, respectively. Since these phantom shares are accounted for under FASB ASC Topic 718, they are reported under the Stock Awards column in the table above.

(4) Mr. Hugin resigned from the Board in February 2018.

(5) Professor Stevens was appointed to the Board in February 2017.

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DIRECTOR INDEPENDENCE AND RELATED PERSON TRANSACTIONS

Director Independence

At least a majority of the Board must qualify as independent within the meaning of the listing standards of the NYSE. The Board has affirmatively determined that Mss. Hefner Filler and List-Stoll, Messrs. Ehrlich, Lohr, Schwieters and Spoon, Professor Stevens and Dr. Zerhouni are independent within the meaning of the listing standards of the NYSE. Prior to his resignation from the Board in February 2018, the Board had also determined that Mr. Hugin was independent within the meaning of the listing standards of the NYSE. The Board concluded that none of these directors possesses (or in Mr. Hugin s case possessed) any of the bright-line relationships set forth in the listing standards of the NYSE that prevent independence, or except as discussed below, any other relationship with Danaher other than Board membership.

In making its determination with respect to the independence of the directors identified above as independent, the Board considered that in 2017, the Company and its subsidiaries sold products and/or services to and purchased products and/or services from organizations with whom such directors are or were employed. In each case, the amount of sales and the amount of purchases in 2017 were less than 0.4% of the annual revenues of such other organization and of Danaher s 2017 revenues and the transactions were conducted in the ordinary course of business, on commercial terms and on an arms -length basis.

Danaher s non-management directors (all of whom are, as noted above, independent within the meaning of the listing standards of the NYSE) meet in executive session following the Board s regularly-scheduled meetings. The sessions are chaired by the Lead Independent Director.

Certain Relationships and Related Transactions

Policy

Under Danaher s written Related Person Transactions Policy, the Nominating and Governance Committee of the Board is required to review and if appropriate approve all related person transactions, prior to consummation whenever practicable. If advance approval of a related person transaction is not practicable under the circumstances or if Danaher management becomes aware of a related person transaction that has not been previously approved or ratified, the transaction is submitted to the Committee at the Committee s next meeting. The Committee is required to review and consider all relevant information available to it about each related person transaction, and a transaction is considered approved or ratified under the policy if the Committee authorizes it according to the terms of the policy after full disclosure of the related person s interests in the transaction. Related person transactions of an ongoing nature are reviewed annually by the Committee. The definition of related person transactions for purposes of the policy covers the transactions that are required to be disclosed under Item 404(a) of Regulation S-K under the Securities Exchange Act.

Relationships and Transactions

For their service as executive officers, each of Steven Rales and Mitchell Rales received a salary of $419,000 and 401(k) Plan contributions of $19,130 during 2017 and is entitled to participate in all of the benefits made generally available to salaried employees as well as all perquisites made generally available to Danaher s executive officers. The Rales do not receive cash incentive compensation or equity awards. In 2017, Danaher provided tax and accounting services to the Rales at a cost to Danaher of approximately $250,000 in the form of one full-time employee (plus health and welfare benefits for the employee), allowed the Rales to make personal use of designated Danaher office space at a cost to Danaher of approximately $440,000 and provided Mr. Steven Rales with a personal car and parking at a cost to Danaher of $3,708. The incremental cost to the Company of the perquisites set forth above is based on the Company s out-of-pocket costs. Separately, in 2017, Steven Rales and Mitchell Rales paid Danaher approximately $170,000 for providing benefits for, and as reimbursement for paying a portion of the salaries of, two persons who provide services to the Rales .

Steven Rales and Mitchell Rales collectively own more than 10% of the equity of Colfax Corporation, a publicly traded industrial technology company that provides air & gas handling and fabrication technology products and services. Certain of our subsidiaries sell products and services to, and/or purchase products and services from, Colfax from time to time in the ordinary course of business and on an arms -length basis. In 2017, our subsidiaries sold approximately $560,000 of products to, and purchased approximately $55,000 of products from, Colfax, which in each case is less than 0.02% of Colfax s, and of Danaher s, revenues for 2017. Our subsidiaries intend to sell products and services to and purchase products and services from Colfax in the future in the ordinary course of their businesses and on an arms -length basis.

On July 2, 2016, we completed the spin-off (Separation) of Fortive Corporation (Fortive), consisting of our former Test & Measurement segment, Industrial Technologies segment (excluding the product identification businesses) and retail/commercial petroleum business. Following the Separation, Danaher and Fortive operate as separate publicly-traded companies and neither entity

Director Independence and Related Person Transactions

has any ownership interest in the other. However, Steven Rales and Mitchell Rales collectively own more than 10% of the equity of Fortive. In connection with the Separation, Danaher and Fortive entered into various agreements to effect the Separation and provide a framework for their relationship after the Separation, including a transition services agreement, an employee matters agreement, a tax matters agreement, an intellectual property matters agreement and a license agreement with respect to the Danaher Business System, or DBS (a proprietary set of business processes and methodologies we use that are designed to continuously improve business performance). These agreements provide for the allocation between Danaher and Fortive of assets, employees, liabilities and obligations (including investments, property and employee benefits and tax-related assets and liabilities) attributable to periods prior to, at and after Fortive s separation from Danaher and govern certain relationships between Danaher and Fortive after the Separation. In addition, following the Separation certain of our subsidiaries sell products and services to, and/or purchase products and services from, Fortive from time to time in the ordinary course of business and on an arms -length basis. In 2017, Danaher collected on Fortive s behalf, and remitted to Fortive, approximately $11.0 million relating to procurement, compensation and other matters, and billed Fortive approximately $2.1 million for transition services. Our subsidiaries sold approximately $12.7 million of products and services to, and purchased approximately $17.8 million of products and services from, Fortive, which in each case is less than 0.3% of Fortive s, and of Danaher s, revenues for 2017. Our subsidiaries intend to sell products and services to and purchase products and services from Fortive in the future in the ordinary course of their businesses and on an arms -length basis.

FJ900, Inc. (FJ900), an indirect, wholly-owned subsidiary of Danaher, is party to an airplane management agreement with Joust Capital II, LLC (Joust II) and a substantially identical agreement with Joust Capital III, LLC (Joust III and together with Joust II, the Joust entities). Joust II is owned by Mitchell Rales and Joust III is owned by Steven Rales. Under the management agreements, FJ900 performs management services for the respective aircraft owned by each of the Joust entities in like manner to the management services provided by FJ900 for Danaher s aircraft. The management services provided by FJ900 include the provision of aircraft management, pilot services, maintenance, record-keeping and other aviation services. FJ900 receives no compensation for its services under the agreements. Having FJ900 perform management services for all of these aircraft enables Danaher and the Joust entities to share certain fixed expenses relating to the use, maintenance, storage, operation and supervision of their respective aircraft and utilize joint purchasing or joint bargaining arrangements where appropriate, allowing each party to benefit from efficiencies of scale and cost savings. We believe that this cost-sharing arrangement results in lower costs to Danaher than if we incurred these fixed costs on a stand-alone basis. Under the agreement, FJ900 prorates all shared expenses annually among the Joust entities and Danaher based on each party s flight hours logged for the year. The Joust entities pre-pay FJ900 on a quarterly basis for their estimated, prorated portion of such shared expenses, and the amounts are trued up at the end of the year. With respect to the year ended December 31, 2017, the Joust entities together paid FJ900 approximately $3 million for the Joust entities share of the fixed airplane management expenses shared with Danaher. Each Joust entity pays directly all expenses attributable to its aircraft that are not shared. Under the management agreements, each party is also required to maintain a prescribed amount of comprehensive aviation liability insurance and name the other party and its affiliates as additional named insureds, while the Joust entities must also maintain all-risk hull insurance for their aircraft. If either party suffers any losses in connection with the arrangements set forth in the management agreement, and such losses are due to the fault, negligence, breach or strict liability of the other party, the sole recourse of the party incurring the loss against the other party is to the available insurance proceeds. Each management agreement may be terminated by any party upon 30 days notice.

In addition, Danaher is party to substantially identical airplane interchange agreements with each of the Joust entities with respect to each respective aircraft owned by Danaher and by each of the Joust entities. Under each interchange agreement, the Joust entity has agreed to lease its aircraft to Danaher and Danaher has agreed to lease the respective Danaher aircraft to the Joust entity, in each case on a non-exclusive basis. Neither party is charged for its use of the other party s aircraft, the intent being that over the life of the contract each party s usage of the other party s aircraft will be generally equal. With respect to the year ended December 31, 2017, the incremental value of the use of the Joust aircraft by Danaher, net of the incremental value of the use of the Danaher aircraft by the Joust entities, was approximately $55,000. The owner of each aircraft, as operator of the aircraft, is responsible for providing a flight crew for all flights operated under the interchange agreement. Each owner/operator is required to maintain standard insurance, including all-risk hull insurance and a prescribed amount of comprehensive aviation liability insurance, and to name the other party and its affiliates as additional named insureds. With respect to any losses suffered by the party using the owner/operator s plane, the using party s recourse against the owner/operator is limited to the amount of available insurance proceeds. To the extent the using party and/or any third party suffers losses in connection with the using party s use of the owner/operator s aircraft, and recovers from the owner/operator an amount in excess of the available insurance proceeds, the using party will indemnify the owner/operator for all such excess amounts. The interchange agreements may be terminated by either party upon 10 days notice.

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BENEFICIAL OWNERSHIP OF DANAHER COMMON STOCK BY

DIRECTORS, OFFICERS AND PRINCIPAL SHAREHOLDERS

The following table sets forth as of March 12, 2018 (unless otherwise indicated) the number of shares and percentage of Danaher Common Stock beneficially owned by (1) each person who owns of record or is known to Danaher to beneficially own more than five percent of Danaher s Common Stock, (2) each of Danaher s directors and named executive officers, and (3) all executive officers and directors of Danaher as a group.

NAME	NUMBER OF SHARES BENEFICIALLY OWNED (1)	PERCENT OF CLASS (1)	NOTES
Donald J. Ehrlich	166,262	*	Includes options to acquire 46,862 shares, 2,600 shares owned by Mr. Ehrlich s spouse and 32,000 other shares owned indirectly. Mr. Ehrlich disclaims beneficial ownership of the shares held by his spouse.
Linda Hefner Filler	80,845	*	Includes options to acquire 57,440 shares and 3,068 phantom shares attributable to Ms. Hefner Filler s account under the Non-Employee Directors Deferred Compensation Plan.
Thomas P. Joyce, Jr.	557,647	*	Includes options to acquire 386,055 shares, 4,020 shares attributable to Mr. Joyce s 401(k) account and 149,590 shares attributable to Mr. Joyce s EDIP account.
Teri List-Stoll	24,420	*	Includes options to acquire 20,920 shares and 3,500 phantom shares attributable to Ms. List-Stoll s account

			under the Non-Employee Directors Deferred Compensation Plan.
Walter G. Lohr, Jr.	533,708	*	Includes options to acquire 46,862 shares, 38,846 shares held by a charitable foundation of which Mr. Lohr is president and 448,000 other shares held indirectly. Mr. Lohr disclaims beneficial ownership of the shares held by the charitable foundation.
Mitchell P. Rales	37,015,156	5.3%	Includes 34,000,000 shares owned by limited liability companies of which Mr. Rales is the sole member, 192,774 shares attributable to Mr. Rales 401(k) Plan account and 2,369,911 other shares owned indirectly. The shares held by the limited liability companies are pledged to secure lines of credit with certain banks and each of these entities and Mr. Rales is in compliance with these lines of credit. The business address of Mitchell Rales, and of each of the limited liability companies, is 11790 Glen Rd., Potomac, MD 20854.
Steven M. Rales	43,149,931	6.2%	Includes 34,000,000 shares owned by limited liability companies of which Mr. Rales is the sole member, 18,191 shares attributable to Mr. Rales 401(k) Plan account and 117,000 shares owned by a charitable foundation of which Mr. Rales is a director. Mr. Rales disclaims beneficial ownership of those shares held by the charitable foundation. The shares held by the limited liability companies are pledged to secure lines of credit with certain banks and each of these entities and Mr. Rales is in compliance with these lines of credit. The business address of Steven Rales, and of each of the limited liability companies, is 2200 Pennsylvania Avenue, N.W., Suite 800W, Washington, D.C. 20037-1701.

John T. Schwieters	65,815	*	Includes options to acquire 46,862 shares.
Alan G. Spoon	99,566	*	Includes options to acquire 46,862 shares.
Raymond C. Stevens, Ph.D.	4,633	*	Includes options to acquire 3,540 shares and 1,093 phantom shares attributable to Professor Stevens account under the Non-Employee Directors Deferred Compensation Plan.
Elias A. Zerhouni, M.D.	43,784	*	Includes options to acquire 36,284 shares and 7,500 other shares held indirectly.

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Beneficial Ownership of Danaher Common Stock by Directors, Officers and Principal Shareholders

NAME	NUMBER OF SHARES BENEFICIALLY OWNED (1)	PERCENT OF CLASS (1)	NOTES
Daniel L. Comas	571,244	*	Includes options to acquire 405,236 shares, 6,713 shares attributable to Mr. Comas 401(k) account, 44,656 shares attributable to Mr. Comas EDIP account, 2,543 shares held by Mr. Comas spouse and 38,804 shares held by a trust as to which Mr. Comas spouse is trustee. Mr. Comas disclaims beneficial ownership of the shares held by his spouse and by the trust.
Rainer M. Blair	48,083	*	Includes options to acquire 42,117 shares and 1,651 shares attributable to Mr. Blair s EDIP account.
William K. Daniel II	490,134	*	Includes options to acquire 402,269 shares and 25,089 shares attributable to Mr. Daniel s EDIP account.
Angela S. Lalor	110,852	*	Includes options to acquire 87,762 shares and 17,107 shares attributable to Ms. Lalor s EDIP account.
T. Rowe Price Associates, Inc.	44,827,919	6.4%	Derived from a Schedule 13G filed February 14, 2018 by T. Rowe Price Associates, Inc. (Price Associates), which sets forth their beneficial ownership as of December 31, 2017.

			According to the Schedule 13G, Price Associates has sole voting power over 13,912,016 shares and sole dispositive power over 44,827,919 shares. These shares are owned by various individual and institutional investors for which Price Associates serves as an investment adviser with power to direct investments and/or sole power to vote the securities. For purposes of the reporting requirements of the Securities Exchange Act, Price Associates is deemed to be a beneficial owner of such securities; however, Price Associates expressly disclaims that it is, in fact, the beneficial owner of such securities. The address of Price Associates is 100 E. Pratt Street, Baltimore, Maryland 21202.
The Vanguard Group	42,725,220	6.1%	Derived from a Schedule 13G filed February 9, 2018 by The Vanguard Group, which sets forth their beneficial ownership as of December 31, 2017. According to the Schedule 13G, The Vanguard Group has sole voting power over 860,340 shares, shared voting power over 155,821 shares, sole dispositive power over 41,729,978 shares and shared dispositive power over 995,242 shares. The address of The Vanguard Group is 100 Vanguard Blvd., Malvern, Pennsylvania 19355.
BlackRock, Inc.	40,984,366	5.9%	Derived from a Schedule 13G filed January 29, 2018 by BlackRock, Inc., which sets forth their beneficial ownership as of December 31, 2017. According to the Schedule 13G, BlackRock, Inc. has sole voting power over 34,399,059 shares and sole dispositive power over 40,984,366 shares. The address of BlackRock, Inc. is 55 East 52^{nd} Street, New York, New York 10055.

All current executive officers and directors as a group (20 persons)	83,605,149	11.9%	Includes options to acquire 2,117,684 shares, 221,711 shares attributable to executive officers 401(k) accounts, 350,926 shares attributable to executive officers EDIP accounts and 7,662 phantom shares attributable to directors accounts under the Non-Employee Directors Deferred Compensation Plan.

(1) Except as otherwise indicated and subject to community property laws where applicable, each person or entity included in the table above has sole voting and investment power with respect to the shares beneficially owned by that person or entity. For purposes of the table, the number of shares of Danaher Common Stock attributable to each executive officer s Executive Deferred Incentive Program (EDIP) account is equal to (1) the person s outstanding EDIP balance as of March 12, 2018 (to the extent such balance is vested or will become vested within 60 days of March 12, 2018), divided by (2) the closing price of Danaher Common Stock as reported on the NYSE on March 12, 2018; the number of shares attributable to each executive officer s 401(k) Plan account is equal to (a) the officer s balance, as of March 12, 2018, in the Danaher stock fund included in the executive officer s 401(k) Plan account, divided by (b) the closing price of Danaher Common Stock as reported on the NYSE on March 12, 2018; and the number of shares attributable to the Non-Employee Directors Deferred Compensation Plan is based on the number of shares that could be issued to directors pursuant to such plan within 60 days of March 12, 2018. The table also includes shares that may be acquired upon exercise of options that are exercisable within 60 days of March 12, 2018 or upon vesting of RSUs and PSUs that vest within 60 days of March 12, 2018.

* Represents less than 1% of the outstanding Danaher Common Stock.

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PROPOSAL 2 RATIFICATION OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Audit Committee on behalf of Danaher has selected Ernst & Young LLP, an international accounting firm of independent certified public accountants, to act as the independent registered public accounting firm for Danaher and its consolidated subsidiaries for the year ending December 31, 2018. Representatives of Ernst & Young LLP are expected to be present at the Annual Meeting, will have the opportunity to make a statement if they desire to do so and will be available to respond to appropriate questions. Although shareholder approval of the selection of Ernst & Young LLP is not required by law, Danaher s Board believes that it is advisable to give shareholders an opportunity to ratify this selection. If this proposal is not approved by Danaher s shareholders at the 2018 Annual Meeting, the Audit Committee will reconsider its selection of Ernst & Young LLP. Even if the selection of Ernst & Young LLP is ratified, the Audit Committee in its discretion may select a different independent registered public accounting firm at any time during the year if it determines that such a change would be in the best interests of Danaher and its shareholders.

The Board of Directors recommends that shareholders vote FOR ratification of the selection of Ernst & Young LLP to serve as the independent registered public accounting firm for Danaher for 2018.

Audit Fees and All Other Fees

The following table sets forth the fees for audit, audit-related, tax and other services rendered by Ernst & Young LLP to Danaher for 2017 and 2016.

	TWELVE MONTHS ENDED DECEMBER 31, 2017		TWELVE MONTHS ENDI DECEMBER 31, 2016	
Audit Fees. Fees for the audit of annual financial statements and internal control over financial reporting, reviews of quarterly financial statements, statutory audits required internationally, audit of captive insurance company, consents, review of documents filed with the SEC, and other services normally provided by the auditor in connection with statutory and regulatory filings or engagements.	$	20,054,000	$	21,273,000
Audit-Related Fees. Fees for assurance and related services reasonably related to the performance of the audit or review of financial statements and	$	973,757	$	566,190

internal control over financial reporting that are not reported under Audit Fees above, including audits of entities not otherwise required in connection with statutory or regulatory filings and employee benefit plan audits.				
Tax Fees. Aggregate fees for professional services rendered by Ernst & Young LLP for tax compliance, tax advice and tax planning. (1)	$	5,786,180	$	6,726,823
All Other Fees. Aggregate fees for products and services provided by Ernst & Young LLP, other than the services reported under Audit Fees, Audit-Related Fees or Tax Fees above.		0		0

(1) The nature of the services comprising the fees disclosed under Tax Fees is as follows:

	TWELVE MONTHS ENDED DECEMBER 31, 2017		TWELVE MONTHS ENI DECEMBER 31, 2016	
Tax Compliance. Includes tax compliance fees charged by Ernst & Young LLP for tax return review and preparation services and assistance related to tax audits by regulatory authorities.	$	3,987,888	$	2,653,973
Tax Consulting. Includes tax consulting services rendered by Ernst & Young LLP, including assistance related to tax planning.	$	1,798,292	$	4,072,850

The Audit Committee has considered whether the services rendered by the independent registered public accounting firm with respect to the fees described above are compatible with maintaining such firm s independence and has concluded that such services do not impair their independence.

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Proposal 2 Ratification of Independent Registered Public Accounting Firm

Audit Committee Pre-Approval of Audit and Permissible Non-Audit Services of Independent Auditors

Under its charter, the Audit Committee must pre-approve all auditing services and permitted non-audit services to be performed for Danaher by the independent registered public accounting firm. Each year, the Committee approves the independent registered public accounting firm s retention to audit Danaher s financial statements and internal control over financial reporting before the filing of the preceding year s annual report on Form 10-K. The Committee also establishes detailed pre-approved categories of non-audit services that may be performed by the independent auditor during the year, subject to certain dollar limits. With respect to additional non-audit services by the independent auditors that either are not covered by the pre-approved categories, or exceed the pre-approved dollar limits, the Committee approves or rejects each engagement. In each case, the Committee takes into account whether the services are permissible under applicable law and the possible impact of each non-audit service on the independent registered public accounting firm s independence from management. The Committee may delegate to a subcommittee of one or more members the authority to grant preapprovals of audit and permitted non-audit services, and the decisions of such subcommittee to grant preapprovals must be presented to the full Committee at its next scheduled meeting. The Committee has not made any such delegation as of the date of this Proxy Statement.

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AUDIT COMMITTEE REPORT

This report is not deemed to be soliciting material or to be filed with the SEC or subject to the SEC s proxy rules or to the liabilities of Section 18 of the Securities Exchange Act of 1934, and shall not be deemed to be incorporated by reference into any prior or subsequent filing by Danaher under the Securities Act of 1933 or the Securities Exchange Act of 1934, except to the extent Danaher specifically incorporates this report by reference therein.

The Audit Committee assists the Board in overseeing the quality and integrity of Danaher s financial statements, the effectiveness of Danaher s internal control over financial reporting, the qualifications, independence and performance of Danaher s independent auditors, the performance of Danaher s internal audit function, Danaher s compliance with legal and regulatory requirements, Danaher s major financial risk exposures, significant legal, compliance, reputational and cyber security risks and overall risk assessment and risk management policies, and Danaher s swaps and derivatives transactions and related policies and procedures.

The Audit Committee is directly responsible for the appointment, compensation and oversight of the independent registered public accounting firm retained to audit Danaher s financial statements, and has appointed Ernst & Young LLP as Danaher s independent registered public accounting firm for 2018. Ernst & Young has been retained as Danaher s independent registered public accounting firm continuously since 2002. The Audit Committee periodically considers the advisability and impact of rotating our independent registered public accountants. In conjunction with the mandated rotation of Ernst & Young s lead engagement partner, the Audit Committee and its chair are directly involved in the selection of Ernst & Young s new lead engagement partner. The Audit Committee is also responsible for the audit fee negotiations associated with Danaher s retention of Ernst & Young. Danaher s Board of Directors and Audit Committee believe they have undertaken appropriate steps with respect to oversight of Ernst & Young s independence and that the continued retention of Ernst & Young to serve as Danaher s independent registered public accounting firm is in the best interests of Danaher and its shareholders.

In fulfilling its responsibilities, the Audit Committee has reviewed and discussed with Danaher s management and Ernst & Young Danaher s audited consolidated financial statements and internal control over financial reporting.

The Audit Committee has discussed with Ernst & Young the matters required to be discussed by Auditing Standard No. 1301, Communications with Audit Committees, as adopted by the Public Company Accounting Oversight Board (PCAOB). In addition, the Audit Committee has received the written disclosures and the letter from Ernst & Young required by the PCAOB regarding the independent registered public accounting firm s communications with the Audit Committee concerning independence, and has discussed with Ernst & Young its independence. The Audit Committee has concluded that Ernst & Young s provision of non-audit services as described in the table on page 19 is compatible with Ernst & Young s independence.

Based on the reviews and discussions referred to above, the Audit Committee recommended to the Board that the audited consolidated financial statements for Danaher for the fiscal year ended December 31, 2017 be included in Danaher s Annual Report on Form 10-K for the year ended December 31, 2017 for filing with the SEC.

Audit Committee of the Board of Directors

John T. Schwieters (Chair)

Donald J. Ehrlich

Teri List-Stoll

COMPENSATION DISCUSSION AND ANALYSIS

The following section discusses and analyzes the compensation provided to each of the executive officers set forth in the Summary Compensation Table below, also referred to as the named executive officers, or NEOs.

Executive Summary

Introduction

With the goal of building long-term value for our shareholders, we have developed an executive compensation program designed to:

- attract and retain executives with the leadership skills, attributes and experience necessary to succeed in an enterprise with Danaher s size, diversity and global footprint;
- motivate executives to demonstrate exceptional personal performance and perform consistently at or above the levels that we expect, over the long-term and through a range of economic cycles; and
- link compensation to the achievement of corporate goals that we believe best correlate with the creation of long-term shareholder value.

To achieve these objectives our compensation program combines annual and long-term components, cash and equity, and fixed and variable elements, with a bias toward long-term equity awards tied closely to shareholder returns and subject to significant vesting and/or holding periods. Our executive compensation program rewards our executive officers when they build long-term shareholder value, achieve annual business goals and maintain long-term careers with Danaher.

2017 Say-On-Pay Vote

We provide our shareholders the opportunity to cast an annual advisory vote with respect to our named executive officer compensation as disclosed in our annual proxy statement (the say on pay proposal). **At our annual meeting of shareholders in May 2017, 97% of the votes cast on the say on pay proposal were voted in favor of the proposal.** The Committee believes this result affirms shareholders support of the Company s named executive officer compensation and did not make changes to the Company s executive compensation program as a result of such vote.

2017 Performance

In 2017, Danaher:

continued to invest in future growth, investing $1.1 billion in research and development and deploying over $385 million across 10 strategic acquisitions that complement our Life Sciences, Dental and Environmental & Applied Solutions segments;

continued the integration of our 2015, $13.6 billion acquisition of Pall Corporation and our 2016, $4.0 billion acquisition of Cepheid, eliminating more than $200 million of annual costs across both businesses;

returned over $375 million to shareholders through cash dividends, marking the **25th year in a row Danaher has paid a dividend** (Danaher s per-share quarterly dividend has increased more than 500% over the last five years); and

grew our business on a year-over-year basis:

DANAHER 2016-2017 YEAR-OVER-YEAR GROWTH FROM CONTINUING OPERATIONS

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Compensation Discussion and Analysis

Long-Term Performance

We believe a long-term performance period most accurately compares relative performance within our peer group. Over shorter periods, performance comparisons may be skewed by the easier performance baselines of peer companies that have experienced periods of underperformance.

Danaher has not experienced a sustained period of underperformance over the last twenty-five years, and we believe the consistency of our performance over that period is unmatched within our peer group. Danaher ranks number one in its peer group over the past twenty-five years based on compounded average annual shareholder return, and is the only company in its peer group whose total shareholder return, or TSR, outperformed the S&P 500 Index:

over every rolling 3-year period from and including 1993-2017; and

by more than 600 basis points over every rolling 3-year period from and including 2008-2017.

Danaher s compounded, average annual shareholder return has outperformed the S&P 500 Index over each of the last three, five-, ten-, fifteen-, twenty- and twenty-five year periods:

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Compensation Discussion and Analysis

2017 Executive Compensation

The chart below summarizes key information with respect to each pay element represented in Danaher s 2017 executive compensation program:

PAY ELEMENT	PRIMARY OBJECTIVES	FORM	KEY COMMITTEE CONSIDERATIONS PERFORMANCE REQUIREMENT	KEY COMMITTEE CONSIDERATIONS IN DETERMINING 2017 COMPENSATION	2016-2017 CHANGE IN AMOUNT REPORTED IN SUMMARY COMPENSATION TABLE*
Long-Term Incentive Compensation (Equity)	Attract, retain and motivate skilled executives Align the interests of management and shareholders by ensuring that realized compensation is:	Stock options (50%)	5-year, time-based vesting schedule Options only have value if Danaher stock price increases	This element represented the most significant component of compensation for each named executive officer for 2017. Because this element best supports our retention and motivation objectives and aligns the interests of our executives and shareholders, it has the heaviest weighting of all our executive compensation program elements.	+27% (CEO) +11 26% (other NEOs)

¡ in the case of stock options, commensurate with long-term changes in share price; ¡ in the case of PSUs, tied to (1) long-term changes in share price at all performance levels, and (2) attainment of TSR-based performance goals; and ¡ in the case of RSUs, tied to (1) long-term changes in share price at all performance levels, and (2) attainment of financial performance goals.	Performance stock units (PSUs) (25%)	3-year relative TSR performance (plus additional 2-year holding period)
	Restricted stock units (RSUs) (25%)	5-year, time-based vesting schedule, plus performance-based vesting criteria

* Only includes NEOs who were executive officers for all of 2016-2017.

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Compensation Discussion and Analysis

PAY ELEMENT	PRIMARY OBJECTIVES	FORM	PERFORMANCE REQUIREMENT		KEY COMMITTEE CONSIDERATIONS IN DETERMINING 2017 COMPENSATION	2016-2017 CHANGE IN AMOUNT REPORTED IN SUMMARY COMPENSATION TABLE*
Annual Cash Incentive Compensation	Motivate executives to achieve near-term operational and financial goals that support our long-term business objectives Attract, retain and motivate skilled executives Allow for meaningful pay differentiation tied to performance of individuals and groups	Cash	Company Financial Performance (60%)	Adjusted EPS** (70%) Free Cash Flow-to-Adjusted Net Income Ratio** (20%) ROIC** (10%)	This element represented the second-most significant element of compensation for each named executive officer for 2017. Its focus on near-term performance and the cash nature of the award complement the longer-term, equity-based compensation elements of our program.	-11% (CEO) -4% - +4% (other NEOs)
			Personal Performance (40%)			
Fixed Annual Compensation (Salary)	Provide sufficient fixed compensation to (1) allow a reasonable	Cash	N/A		Base salary should be sufficient to avoid competitive disadvantage while facilitating a	+9% (CEO)

	standard of living relative to peers, and (2) mitigate incentive to pursue inappropriate risk-taking to maximize variable pay			sustainable fixed cost structure. We also periodically use fixed cash bonuses for recruitment purposes to competitively attract and compensate high-performing executives.	+5 - 6% (other NEOs)
Other Compensation	Make our total executive compensation plan competitive Improve cost-effectiveness by delivering perceived value that exceeds our actual costs	Employee benefit plans; perquisites; severance benefits	N/A	We believe these elements of compensation make our total executive compensation plan competitive and are generally commensurate with the benefits offered by our peers. We believe the perquisites we offer are cost-effective in that the perceived value is higher than our actual cost, and they help to maximize the amount of time that executives spend on Danaher business.	+1% (CEO) +7 - 49% (other NEOs)

* Only includes NEOs who were executive officers for all of 2016-2017.

** Adjusted EPS, Free Cash Flow-to-Adjusted Net Income Ratio (which we also refer to as Free Cash Flow Ratio) and Return-on-Invested Capital (ROIC) are financial measures that do not comply with generally accepted accounting principles (GAAP). **Appendix A to this Proxy Statement defines these non-GAAP financial measures and reconciles them to the comparable 2017 GAAP financial measures.**

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Compensation Discussion and Analysis

Compensation Governance

The Committee recognizes that the success of our executive compensation program over the long-term requires a robust framework of compensation governance. As a result, the Committee regularly reviews extern