

**Important Canadian Tax Information for Shareholders Concerning the
Veralto Corporation Stock Distribution**

**Section 86.1 Information for Canadian Shareholders of Danaher Corporation
and Additional Information for Québec and Alberta Income Tax Filers**

Dear Shareholder,

On September 30th, 2023 (the “**Distribution Date**”), Danaher Corporation (“**DHR**”) completed the separation of its Environmental & Applied Solutions segment through the distribution of its wholly-owned subsidiary, Veralto Corporation (“**VLTO**”) to the DHR shareholders (the “**Distribution**”). This memo may contain important Canadian tax information with respect to your receipt of VLTO shares on the Distribution.

Section 86.1 of the federal Canadian *Income Tax Act* (“**ITA**”) may apply to ensure that a Canadian-resident DHR shareholder is not required to include in the calculation of its income the value of the VLTO shares received on the Distribution, provided the Distribution satisfies the conditions of section 86.1 of the ITA and the shareholder complies with certain filing requirements specified therein.

The Canada Revenue Agency (“**CRA**”) has approved the Distribution as satisfying the conditions of section 86.1 of the ITA. This memo provides a basic overview of the filing requirements of section 86.1 of the ITA as they may apply to the Distribution. Additional information for Québec and Alberta income tax filers is provided in a separate section below.

Further additional information for Canadian shareholders can be found at:

<http://www.cra-arc.gc.ca/tx/bsnss/tpcs/spnffs-eng.html>

<http://www.cra-arc.gc.ca/tx/bsnss/tpcs/cdnshrholders-eng.html>

THIS INFORMATION IS SOLELY FOR ILLUSTRATIVE PURPOSES AND IS NOT TAX ADVICE. YOU SHOULD CONSULT YOUR TAX ADVISOR AS TO THE TAX CONSEQUENCES AND FILING REQUIREMENTS OF THE DISTRIBUTION.

A Summary of the Distribution. On the Distribution Date:

- 100% of the VLTO common shares held by DHR were distributed, through a pro-rata distribution, to holders of DHR common shares; and
- each DHR common shareholder received one (1) VLTO common share for every three (3) DHR common shares owned at the close of business on September 13th, 2023.

Basic Overview - Section 86.1 Election Requirements. In order to ensure that a Canadian-resident DHR shareholder is not required to include in the calculation of its income the value of the VLTO shares received on the Distribution, paragraph 86.1(2)(f) of the ITA requires the shareholder to provide the following documentation and information to the CRA:

1. A letter addressed to the CRA stating that the taxpayer wishes section 86.1 of the ITA to apply to the Distribution (the taxpayer must use a letter as there is currently no prescribed form for this specific election);
2. The letter must be filed with the taxpayer's income tax return within the prescribed filing time for the taxation year in which the Distribution took place (late filings may be accepted, but penalties may apply);
3. The letter must state the following information about the DHR common shares the taxpayer owned **immediately before** the Distribution:
 - i. The number of the DHR common shares owned;
 - ii. The aggregate adjusted cost base of all the DHR common shares to the taxpayer (i.e., the price the shareholder paid on acquisition of the DHR common shares);
 - iii. The aggregate fair market value of the DHR common shares (see section "Determining the Fair Market Value of the Shares" below);
4. The letter must state the following information about the VLTO common shares and DHR common shares the taxpayer owned **immediately after** the Distribution:
 - i. The number of the DHR common shares owned;
 - ii. The aggregate fair market value of the DHR common shares (see section "Determining the Fair Market Value of the Shares" below);
 - iii. The number of the VLTO common shares received;
 - iv. The aggregate fair market value of the VLTO common shares (see section "Determining the Fair Market Value of the Shares" below).

Determining the Fair Market Value of the DHR Common Shares and the VLTO Common Shares.

Canadian income tax law does not specifically identify how to determine the fair market value of the DHR common shares or the VLTO common shares. You should consult your tax advisor to determine the appropriate fair market values. One approach is to use the average of the high and low trading prices quoted on the New York Stock Exchange on September 29th, 2023, the last trading day before the Distribution in the case of the DHR common shares held immediately before the Distribution and October 2nd, 2023, the first trading day after the Distribution in the case of the DHR common shares and the VLTO common shares held immediately after the distribution.

Applying this methodology, before the Distribution the fair market value of a DHR common share was US \$248.29 and after the Distribution the fair market value of a DHR common share was US \$215.31 and of a VLTO common share was US \$85.26. Based on the three (3) to one (1) distribution ratio, this means that you received \$28.42 of VLTO common shares for each DHR common share you owned immediately before the Distribution.

The fair market value of one **DHR** common share **immediately before** the distribution: US \$248.29*

*Based on the average high-low trading price of a common share on the last trading day (September 29th, 2023) before the Distribution.

The fair market value of one **DHR** common share **immediately after** the distribution:

US \$215.31*

*Based on the average high-low trading price of a common share on the first trading day (October 2nd, 2023) after the Distribution.

The fair market value of one **VLTO common** share **immediately after** the distribution:

US \$85.26*

*Based on the average high-low trading price of a VLTO common share on the first trading day (October 2nd, 2023) after the Distribution.

For aggregate share fair market values, these amounts should be multiplied by the applicable numbers of the respective shares.

Additional Information for Québec Income Tax Filers. Québec income tax filers who wish to take advantage of section 86.1 for both, the federal and Québec tax purposes, should enclose, in their Québec income tax returns, a copy of the section 86.1 election letter addressed to the CRA and also a separate letter addressed to Revenue Québec explaining that the enclosed copy of the letter to the CRA is in compliance with subsection 578.1(f) of the Québec *Taxation Act* and sets out the information required by the second paragraph of section 578.3 of the Québec *Taxation Act*. Québec filers should additionally enclose a copy of the CRA letter which confirms the eligibility of the September 30th, 2023, spin-off. The election should be sent to the tax offices where your Income Tax Return is normally sent.

Additional Information for Alberta Income Tax Filers.

If you are a corporation that must file an Alberta Corporate Income Tax return, you should attach a copy of the federal election filed with the CRA to the Tax Return filed with the Alberta Tax and Revenue Administration. The election should be sent to the tax offices where your Income Tax Return is normally sent.