

## **Important U.S. Federal Income Tax Information for Shareholders Concerning the Distribution of Shares of Veralto Corporation Common Stock**

Dear Shareholder,

On September 30, 2023, Danaher Corporation (“Danaher”) distributed to holders of Danaher common stock one share of Veralto Corporation (“Veralto”) common stock for every three shares of Danaher common stock held by such holders (except that any fractional shares of Veralto common stock that Danaher shareholders otherwise would have been entitled to receive in the distribution were aggregated and sold in the public market and the aggregate net cash proceeds of these sales were distributed to those shareholders who would otherwise have been entitled to receive such fractional shares) (the “Distribution”).

This letter describes how to allocate your tax basis between your Danaher common stock held immediately following the Distribution and the Veralto common stock you received in the Distribution for U.S. federal income tax purposes. A copy of Internal Revenue Service (“IRS”) Form 8937, Report of Organizational Actions Affecting Basis of Securities, is attached to this letter. The Form 8937 is required to be filed by issuers of stock that engage in organizational actions that affect the basis of that stock, in order to report certain information to shareholders and the IRS.

The following discussion is not tax advice and is directed only at U.S. holders who held their Danaher common stock as a capital asset (generally, property held for investment purposes). This discussion assumes that the U.S. federal income tax consequences of the Distribution are as described under the heading “*U.S. Federal Income Tax Considerations*” in the Registration Statement on Form 10 as filed by Veralto with the Securities and Exchange Commission on August 30, 2023.

**THIS INFORMATION IS SOLELY FOR ILLUSTRATIVE PURPOSES AND IS NOT TAX ADVICE. YOU SHOULD CONSULT YOUR TAX ADVISOR AS TO THE TAX CONSEQUENCES OF THE DISTRIBUTION UNDER U.S. FEDERAL, STATE, LOCAL AND NON-U.S. TAX LAWS.**

### **Tax Basis and Determination of Fair Market Values**

The aggregate tax basis of your shares of Danaher common stock held immediately prior to the Distribution must be allocated between (i) the Danaher common stock you continued to hold immediately following the Distribution and (ii) the Veralto common stock you received in the Distribution (including any fractional shares of Veralto common stock you were treated as having received), in proportion to their relative fair market values.

U.S. federal income tax laws do not specifically identify how to determine the fair market values of the Danaher common stock or the Veralto common stock. 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 October 2, 2023, the first trading day after the Distribution, as illustrated in the following example.

This example assumes you choose to use the average of the high and low trading prices on October 2, 2023, as the method of determining the fair market values of the Danaher common stock and the Veralto common stock. Using this method, after the Distribution, the fair market value of a share of Danaher common stock was \$215.31 and the fair market value of a share of Veralto common stock was \$85.26. Based on the one (1) to three (3) distribution ratio, this means that you would have received \$28.42 of Veralto common stock for each share of Danaher common stock you own. Based on these relative fair market values, your pre-Distribution basis in your Danaher common stock would be apportioned 88.340% to your post-Distribution Danaher common stock and 11.660% to your Veralto common stock (please see Exhibit 1 for an explanation of how these percentages were calculated). This calculation may be illustrated as follows:

- Assume you own a single block of 100 shares of Danaher common stock with a tax basis of \$30 per share (and a total tax basis of \$3000).
- You are entitled to receive 33 and one third (33.333) shares of Veralto common stock in the Distribution. Because no fractional shares are issued, you receive 33 shares of Veralto common stock and cash in lieu of 0.333 fractional shares.
- Your total tax basis in your pre-Distribution Danaher common stock is allocated \$2,650.20 to the Danaher common stock (88.340% of \$3000), or \$26.502 per share (i.e., \$2,650.20 divided by 100 shares), and \$349.80 to the Veralto common stock (11.660% of \$3000), or \$10.494 per share (i.e., \$349.80 divided by 33.333 shares).
- The portion of the tax basis allocated to your Veralto common stock that relates to the 0.333 fractional share of Veralto common stock for which you received cash is \$3.495 (0.333 fractional share multiplied by \$10.494 of tax basis per share of Veralto common stock). This would leave you with \$346.305 of tax basis in your remaining shares of Veralto common stock (i.e., \$349.80 minus \$3.495).

The above calculations are summarized in the following table:

| <b>Shares</b>               | <b>Number of Shares</b> | <b>Tax Basis Allocation (per share)</b> | <b>Tax Basis Allocation (total)</b> |
|-----------------------------|-------------------------|---|-------------------------------------|
| Danaher                     | 100                     | \$26.52                                 | \$2,650.20                          |
| Veralto                     | 33                      | \$10.494                                | \$346.305                           |
| Veralto (fractional Shares) | 0.333                   | \$10.494                                | \$3.495                             |
| Total Tax Basis             |                         |   | \$3000                              |

**Illustrative Calculation of Basis Allocation Percentages**

| <b>Common Stock</b>  | <b>Value/Percentage</b> |
|--|-------------------------|
| Danaher Value (a)  | \$215.31                |
| Value of Veralto stock received for each Danaher share owned (b) | \$28.42                 |
| (a) + (b) = (c)  | \$243.73                |
| Danaher Allocation $\%(a)/(c)$                                   | 88.340%                 |
| Veralto Allocation $\%(b)/(c)$                                   | 11.660%                 |

## **Exhibit 2**



**Part II** Organizational Action *(continued)*

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ [See attachment.](#)

Blank lines for listing applicable Internal Revenue Code sections.


18 Can any resulting loss be recognized? ▶ [See attachment.](#)

Blank lines for answering question 18.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ [See attachment.](#)

Blank lines for providing other information.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

**Sign Here**  
Signature ▶  Date ▶ October 2, 2023  
Print your name ▶ Brett Cornell Title ▶ Sr VP Tax, Treasury & Finance

|                               |                            |                      |      |   |              |
|-------------------------------|----------------------------|----------------------|------|---|--------------|
| <b>Paid Preparer Use Only</b> | Print/Type preparer's name | Preparer's signature | Date | Check <input type="checkbox"/> if self-employed | PTIN         |
|                               | Firm's name ▶              |                      |      |   | Firm's EIN ▶ |
|                               | Firm's address ▶           |                      |      |   | Phone no.    |

**Danaher Corporation**  
**Distribution of Veralto Corporation Common Stock**  
**Attachment to Form 8937**

**Part II**

**Line 14 – Describe the organizational action and, if applicable, the date of the action or the date against which shareholders’ ownership is measured for the action.**

On September 30, 2023, Danaher Corporation (“Danaher”) distributed to holders of Danaher common stock, on a pro rata basis, one hundred percent of the outstanding shares of Veralto Corporation (“Veralto”) common stock (except that any fractional shares of Veralto common stock that Danaher shareholders otherwise would have been entitled to receive in the distribution were aggregated and sold in the public market and the aggregate net cash proceeds of these sales were distributed to those shareholders who would otherwise have been entitled to receive such fractional shares) (the “Distribution”). Each Danaher shareholder received one share of Veralto common stock for every three shares of Danaher common stock held on September 13, 2023, the record date for the Distribution.

**The information contained herein does not constitute tax advice and is not intended or written to be used for the purpose of avoiding penalties under the Internal Revenue Code. In addition, this information does not purport to be complete or to describe the consequences that may apply to particular categories of Danaher shareholders.**

**Shareholders are urged to consult their own tax advisor regarding the particular consequences of the Distribution, including the applicability and effect of all U.S. federal, state and local, and foreign tax laws.**

**Line 15 – Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis.**

The aggregate tax basis of your shares of Danaher common stock held immediately prior to the Distribution must be allocated between (i) the Danaher common stock you continued to hold immediately following the Distribution and (ii) the Veralto common stock you received in the Distribution (including any fractional shares of Veralto common stock you were treated as having received), in proportion to their relative fair market values.

**Item 16 — Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of the securities and the valuation dates.**

U.S. federal income tax laws do not specifically identify how to determine the fair market values of the Danaher common stock or the Veralto common stock. One method for determining the fair market values is to use the average of the high and low trading prices of the Danaher common stock and the Veralto common stock on October 2, 2023, the first trading day after the

Distribution. Using this method, the fair market value of a share of Danaher common stock on October 2, 2023 was \$215.31 and the fair market value of a share of Veralto common stock on October 2, 2023 was \$85.26. Based on these fair market values and the distribution ratio of one share of Veralto common stock per three shares of Danaher common stock held, shareholders' pre-Distribution tax basis should be apportioned 88.340% to their Danaher common stock and 11.660% to their Veralto common stock.

**Item 17 — List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based.**

The applicable Internal Revenue Code sections upon which the tax treatment is based are sections 355, 358 and 368.

**Item 18 — Can any resulting loss be recognized?**

Danaher intends for the Distribution to qualify as a “reorganization” under sections 355 and 368(a)(1)(D) of the Internal Revenue Code. Assuming that this characterization is respected, Danaher shareholders generally will not recognize any loss on the Distribution for U.S. federal income tax purposes (except to the extent that a loss may be recognized with respect to any cash received in lieu of fractional shares of Veralto common stock).

**Item 19 — Provide any other information necessary to implement the adjustment, such as the reportable tax year.**

The Distribution occurred on September 30, 2023. As a result, the basis adjustments in the shares of Danaher common stock and Veralto common stock should be reported in the taxable year that includes this date. In the case of shareholders who are calendar year taxpayers, the Distribution is reportable in the tax year ending December 31, 2023.