



Veralto™

Safeguarding the World's Most Vital Resources

Investor and Analyst Presentation | September 6, 2023

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Agenda

1 Introduction to Veralto

Jennifer L. Honeycutt

President and Chief Executive Officer

2 Water Quality

Melissa Aquino

SVP, Water Quality

3 Product Quality & Innovation

Mattias Byström

SVP, Product Quality & Innovation

4 Financial Overview

Sameer Ralhan

SVP, Chief Financial Officer

5 Conclusions

Jennifer L. Honeycutt

President and Chief Executive Officer

6 Q&A



Veralto™

Introduction to Veralto

Jennifer L. Honeycutt

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Veralto / A premier technology leader in water and product quality

- 1 A LEADER IN WATER & PRODUCT QUALITY
- 2 PREMIER FINANCIAL PROFILE
- 3 PROVEN VALUE CREATION PLAYBOOK

1 A LEADER IN WATER & PRODUCT QUALITY

~80% of sales in water, food, pharma

Attractive markets, secular drivers

High-end water solutions

Digital workflow solutions

2 PREMIER FINANCIAL PROFILE

Durable sales growth

2020-2022 average

MSD core sales growth*

High profitability

57% recurring sales

Strong cash generation

57% gross profit margin

23% Adj. EBITDA margin*

>100% FCF conversion*

3 PROVEN VALUE CREATION PLAYBOOK

Strong Danaher heritage

Diverse, experienced team

Disciplined capital allocation with M&A bias

Unifying purpose (vital resources)

Note: Financial data based on 3-year averages from 2020-2022

*See appendix for reconciliations to non-GAAP measures; Core sales growth, adjusted EBITDA Margin and FCF conversion can be calculated by taking the average of the non-GAAP measures for the years 2020-2022

SAFEGUARDING THE WORLD'S MOST VITAL RESOURCES™

Veralto / A leader in water and product quality

WATER QUALITY

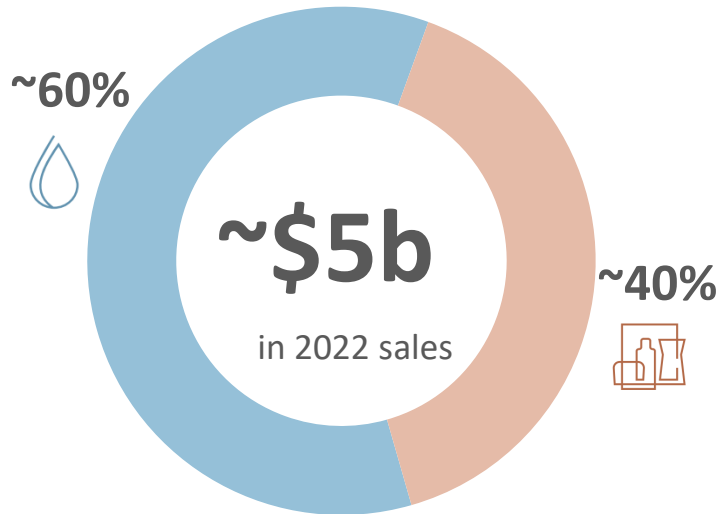
Water Analytics



Water Treatment



Veralto™



PRODUCT QUALITY & INNOVATION

Marking & Coding



Packaging & Color



Strong Global Brands | Long Track Record of Innovation | Commercial Excellence

Veralto / Making a positive impact on the world

- 1 A LEADER IN WATER & PRODUCT QUALITY
- 2 PREMIER FINANCIAL PROFILE
- 3 PROVEN VALUE CREATION PLAYBOOK

Safe Drinking Water	3.4b	...people we help ensure have safe drinking water everyday (~40% of the world's population)	Product Integrity	~10b	...detailed and accurate codes marked daily to help our customers maintain product authenticity and traceability
Water Conservation	>80b	...gallons of water we saved with customers in 2022	Brand Integrity	~80%	...of the top global consumer packaged goods and pharma brands use our product quality & innovation technologies ⁽¹⁾
Water Reuse	12t	...gallons of water treated and recycled by our solutions each year	Brand Sustainability Enablement	2m	...pounds of CO2 reduced by eliminating >500,000 annual trucking miles for one customer

Note: Management estimates
⁽¹⁾ Reflects percentage of the of the top 25 global consumer packaged goods brands and the top 20 pharmaceutical brands (based on 2022 revenues)

Unified Purpose Focused on Protecting Global Resources



Veralto / End market tailwinds favorable to growth



WATER QUALITY

Water scarcity

Water quality

Contaminant regulation

Climate change & severe weather events

Sustainability



PRODUCT QUALITY & INNOVATION

Consumer safety

Omnichannel buying

Packaging proliferation

Digitization

Sustainability

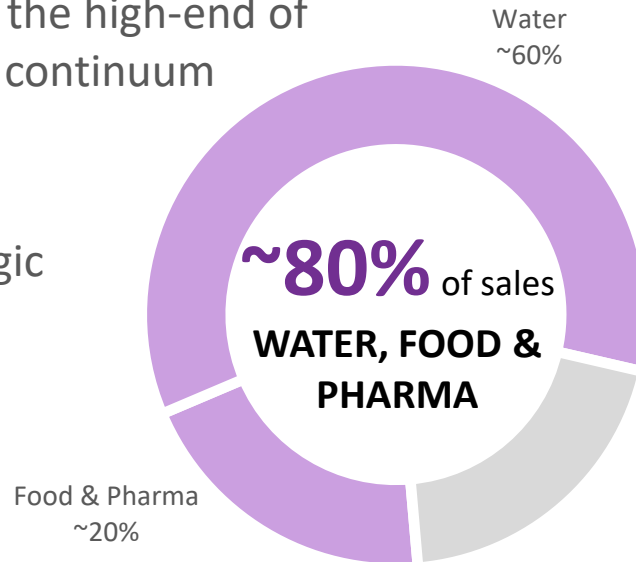
Strong Long-Term Secular Growth Trends Across Both Segments

Veralto / High quality businesses with durable business model

A LEADER IN ATTRACTIVE END MARKETS

- Attractive end markets with strong secular growth drivers
- Technologies at the high-end of customer value continuum

- ✓ Diverse, strategic end market exposure

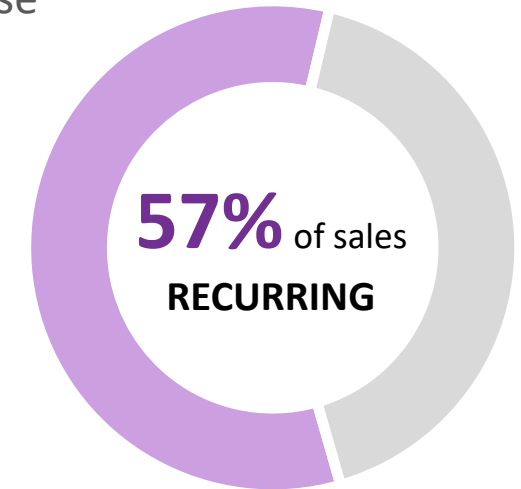


Note: Water, Food & Pharma sales based on 2022; Recurring sales based on 3-year average 2020-2022

UNITED BY A COMMON BUSINESS MODEL

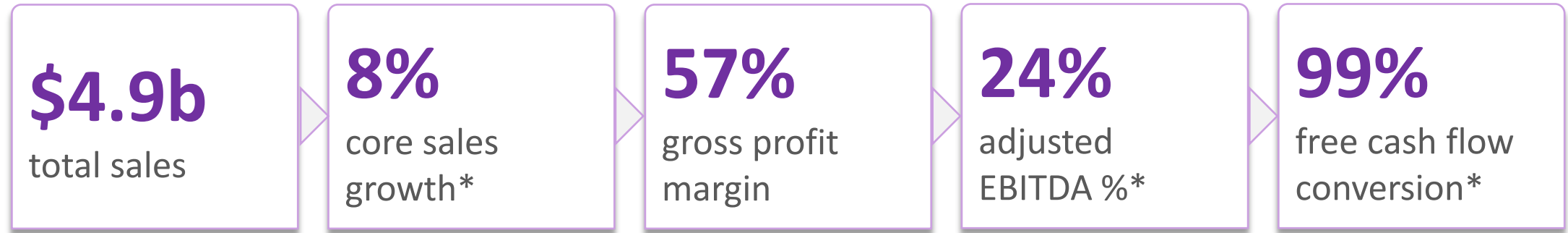
- Mission critical technologies integral to customers' daily operations (OPEX vs. CAPEX)
- Steady stream of consumables from extensive installed base

- ✓ Razor / Razor Blade
- ✓ Consumables
- ✓ Software & Service



Attractive End Market Exposure | High Recurring Sales

2022 KEY FINANCIAL RESULTS



- ✓ Consistent sales growth
- ✓ Strong margins
- ✓ Robust cash generation

*See appendix for reconciliations to non-GAAP measures; Adjusted EBITDA margin includes management's estimate of incremental stand-alone costs

Differentiated Value Proposition and DBS Drive Superior Performance

Veralto / Danaher Business System (DBS)

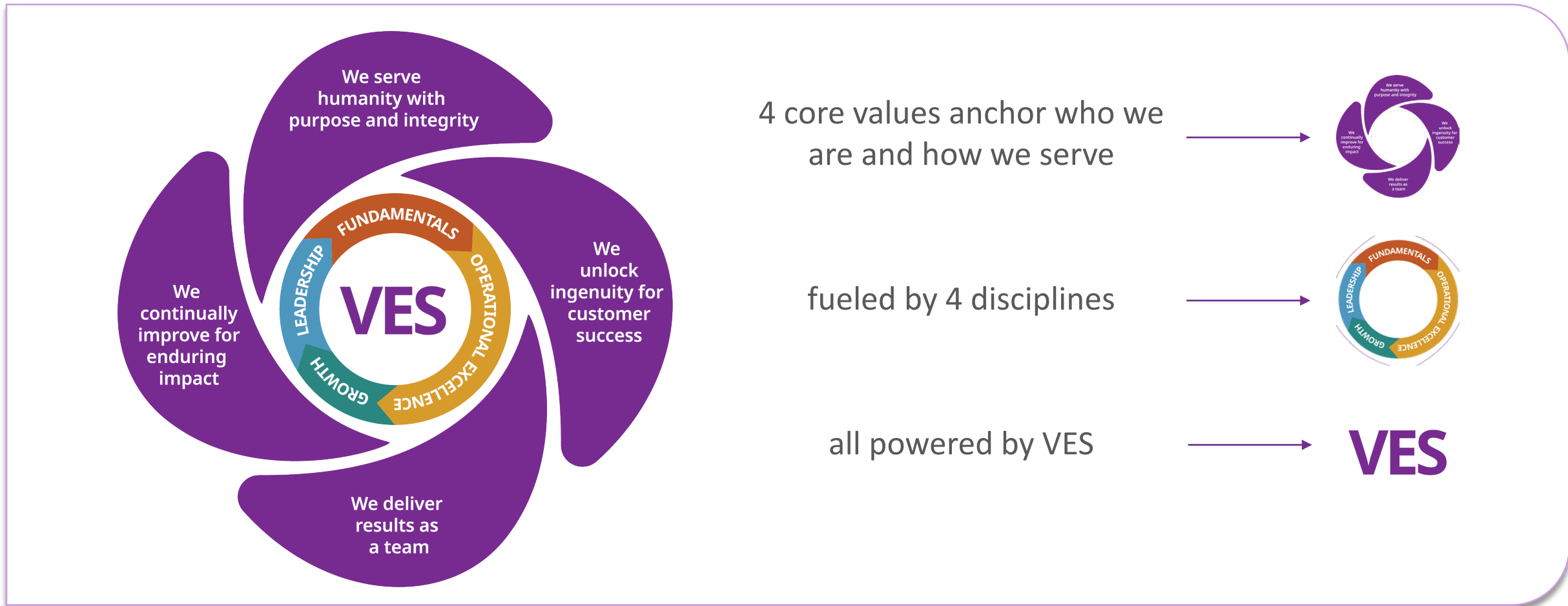
- 1 A LEADER IN WATER & PRODUCT QUALITY
- 2 PREMIER FINANCIAL PROFILE
- 3 PROVEN VALUE CREATION PLAYBOOK



DBS Has Been Integral to Driving Performance for Veralto

Veralto / Evolving to the Veralto Enterprise System (VES)

- 1 A LEADER IN WATER & PRODUCT QUALITY
- 2 PREMIER FINANCIAL PROFILE
- 3 PROVEN VALUE CREATION PLAYBOOK



VES is Underpinned by DBS Principles, Grounded in Veralto's Values

Veralto / Proven long-term value creation playbook

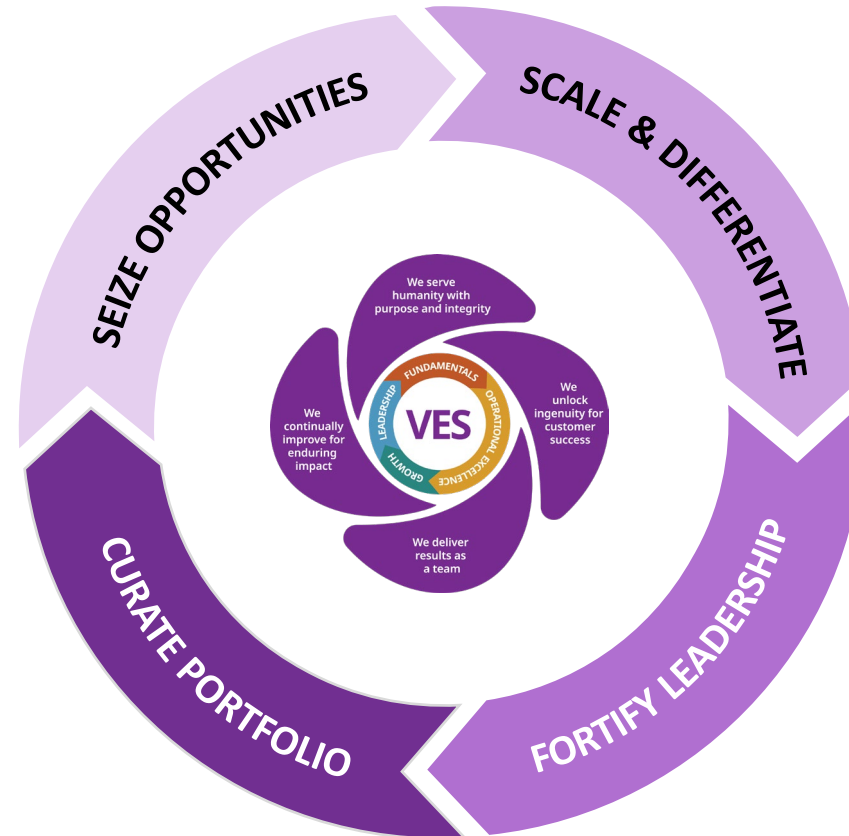
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SEIZE OPPORTUNITIES

Emerging regulations
New funding
Technology breakthroughs

CURATE PORTFOLIO

Strategic acquisitions
Strategic partnerships
Innovation / R&D



SCALE & DIFFERENTIATE

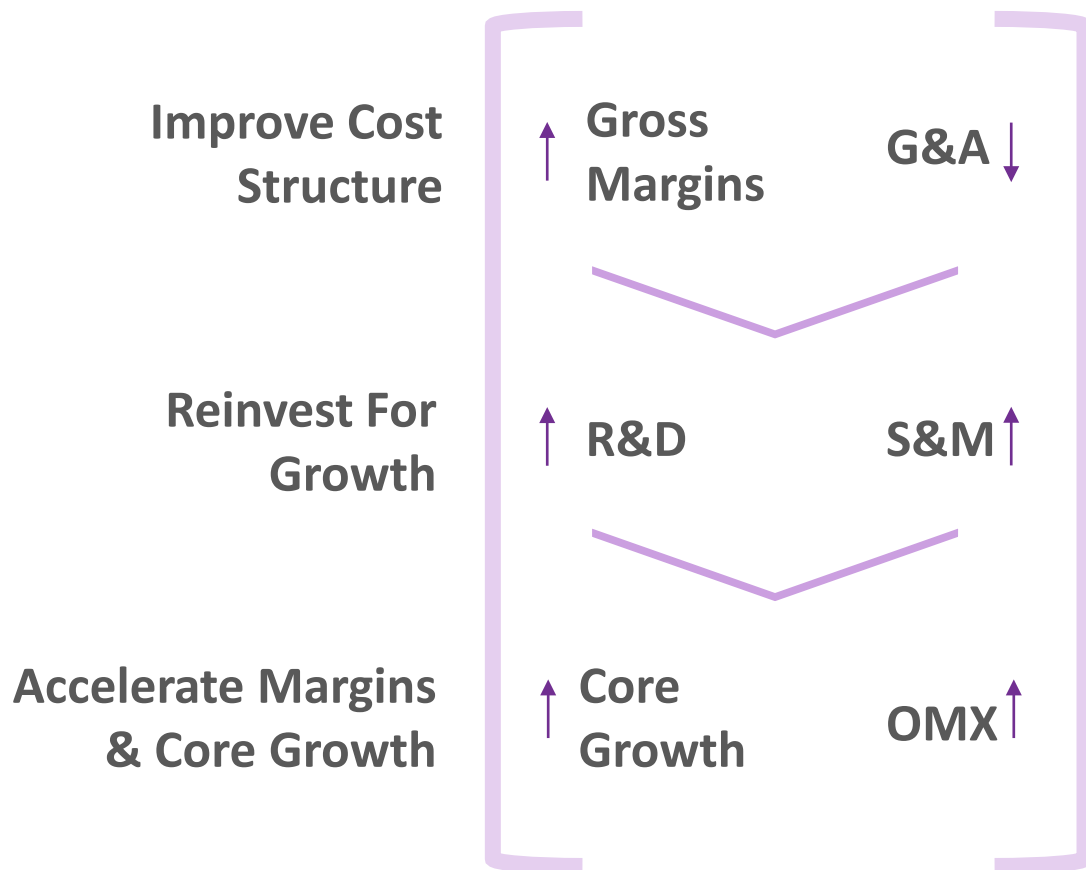
New products
Operational efficiency
Commercial reach

FORTIFY LEADERSHIP

Consumables
Customer service
Software subscriptions

Virtuous Cycle of Portfolio Evolution

Veralto / Running the Veralto playbook



Core Revenue Growth

+

Margin Expansion

+

Strong Free Cash Flow

+

Acquisitions

=

COMPOUNDING EPS GROWTH & RETURNS

Reinvesting Cash Flow to Drive Compounding Growth and Returns

Veralto / Strategic M&A criteria

MARKET

AND

- Secular growth drivers
- Existing and adjacent markets with right to play
- Fragmented
- Differentiated value proposition

COMPANY

AND

- Competitive market position
- Strong brand / channel
- Recurring sales
- Higher margin businesses
- Cultural fit

VALUATION

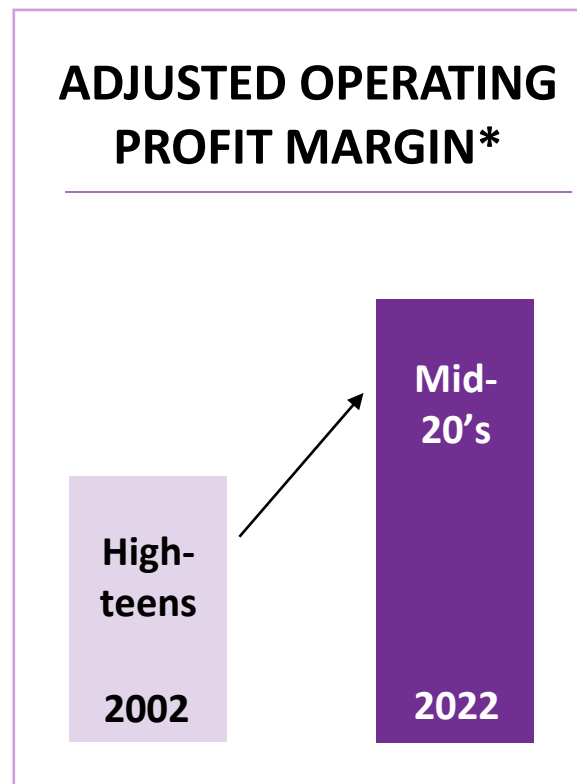
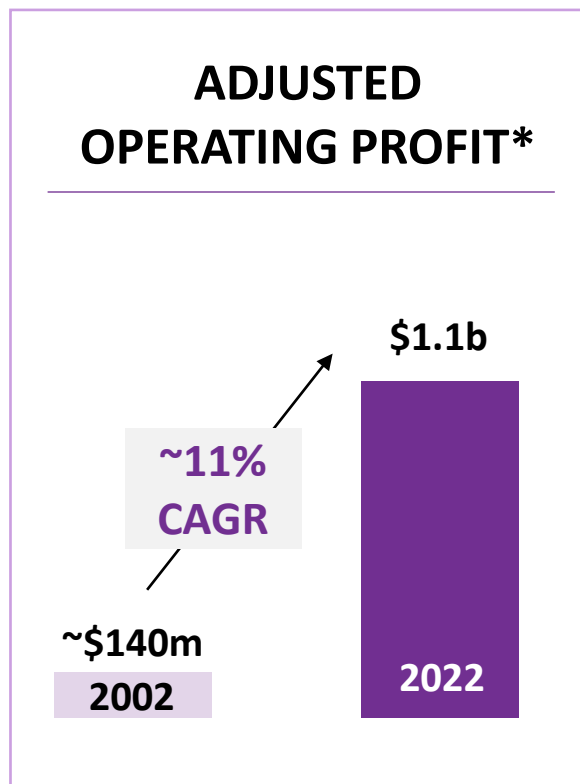
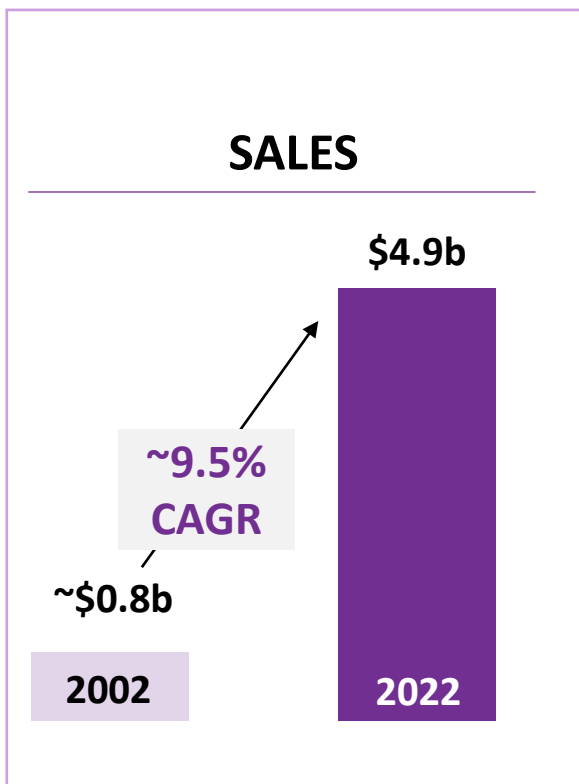
- Focus on ROIC
- VES opportunities
- Sustainability
- Synergies



COMPOUNDING RETURNS OVER TIME

Disciplined Approach to Capital Deployment

Veralto / World-class enterprise built and strengthened over time



PREMIER FINANCIAL PROFILE

Financial data below based on 3-year averages from 2020-2022

- ✓ **MSD** core sales growth*
- ✓ **57%** recurring sales
- ✓ **57%** gross profit margin
- ✓ **23%** Adj. EBITDA margin*
- ✓ **>100%** FCF conversion*

~80 ACQUISITIONS UNDER DANAHER

~20% ROIC IN 2022

Track Record of Strategic Growth, Margin Expansion and Compounding Returns



Notes: 2002 amounts reflect the results of the Veralto operating companies that were owned by Danaher as of that date. These companies were reported within the Process and Environmental Controls reporting segment within Danaher's financial reporting for 2002; The Company defines Return on Invested Capital (ROIC) as the adjusted operating profit (non-GAAP) of acquired businesses divided by the sum of acquisition purchase price for all Veralto businesses acquired by Danaher
 *See appendix for reconciliations to non-GAAP measures; 2020-2022 averages can be calculated based on the non-GAAP measures provided in the appendix

Veralto / Executive leadership team

- 1 A LEADER IN WATER & PRODUCT QUALITY
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- 3 PROVEN VALUE CREATION PLAYBOOK

Jennifer Honeycutt President and CEO	Sameer Ralhan* SVP, CFO	Sylvia Stein* SVP, General Counsel	Paxton McVoy* Chief Information Officer	Lesley Beneteau SVP, Human Resources
Mattias Byström SVP, Product Quality	Melissa Aquino SVP, Water Quality	Scott Benigni* VP, Veralto Enterprise System Office	Surekha Trivedi SVP, Strategy & Sustainability	Vaneet Malhotra SVP, Corp. Development

- Danaher leader
- External hire*

DIVERSE & EXPERIENCED

60% from Danaher
3 decades | 100+ years of combined Danaher experience

70% diverse

50% women

40% people of color

Diverse, Experienced Leadership Team

Veralto / What you will hear today

PREMIER BUSINESSES with MARKET LEADING TECHNOLOGY & INNOVATION

ATTRACTIVE SECULAR GROWTH DRIVERS and DURABLE BUSINESS MODEL

PROVEN VALUE CREATION PLAYBOOK

Premier Businesses in Attractive End Markets Powered by VES

Water Quality

Melissa Aquino

SVP, President of Water Quality

Veralto[™]



Water Quality / A global leader in water analytics and water treatment

\$2.9b
sales in 2022

5.7%
core sales growth*

2020-2022 AVERAGE

56%
recurring sales

23%
Adj. operating
profit margin*

WATER ANALYTICS



A global leader in water analytics with deep expertise in applied chemistry & biology

WATER TREATMENT



A leader in industrial water treatment in North America



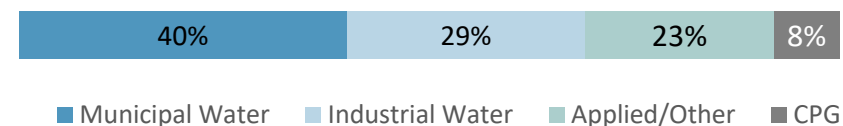
A global leader in UV disinfection & membrane filtration

2022 SALES COMPOSITION

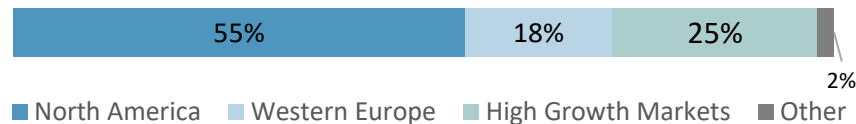
Sales by application



Sales by end market



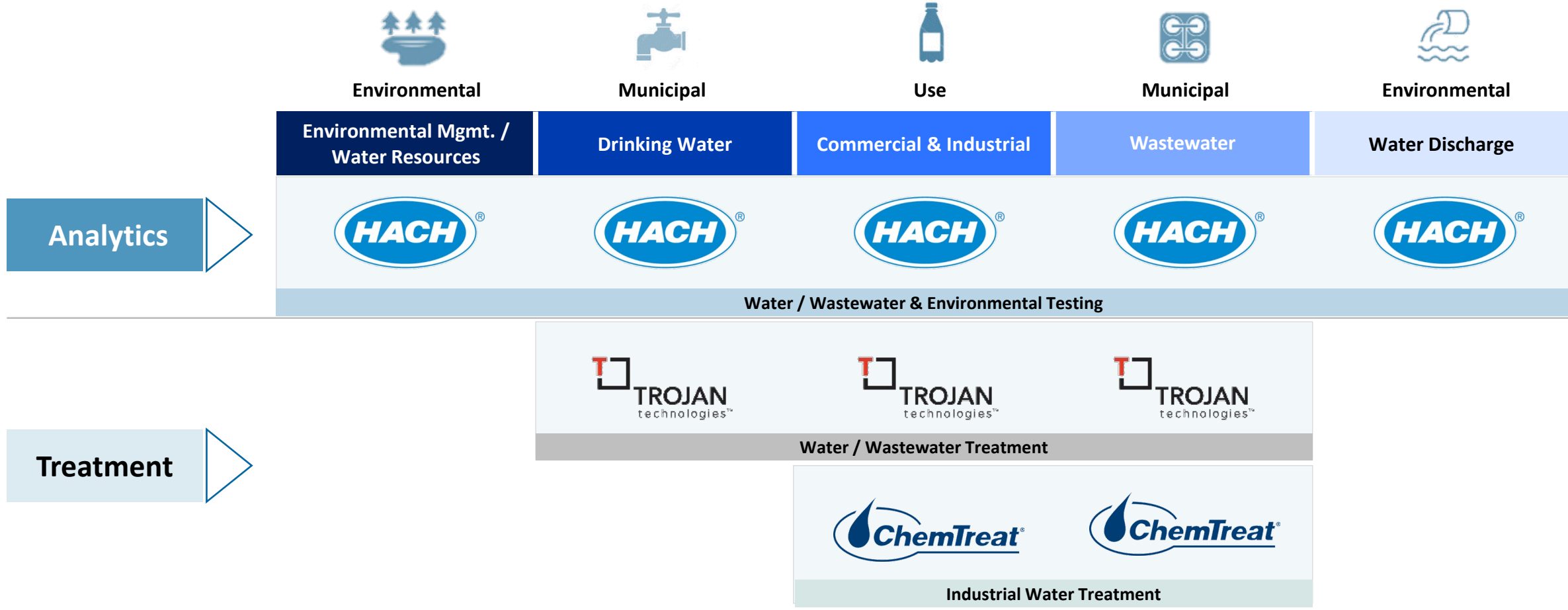
Sales by geography



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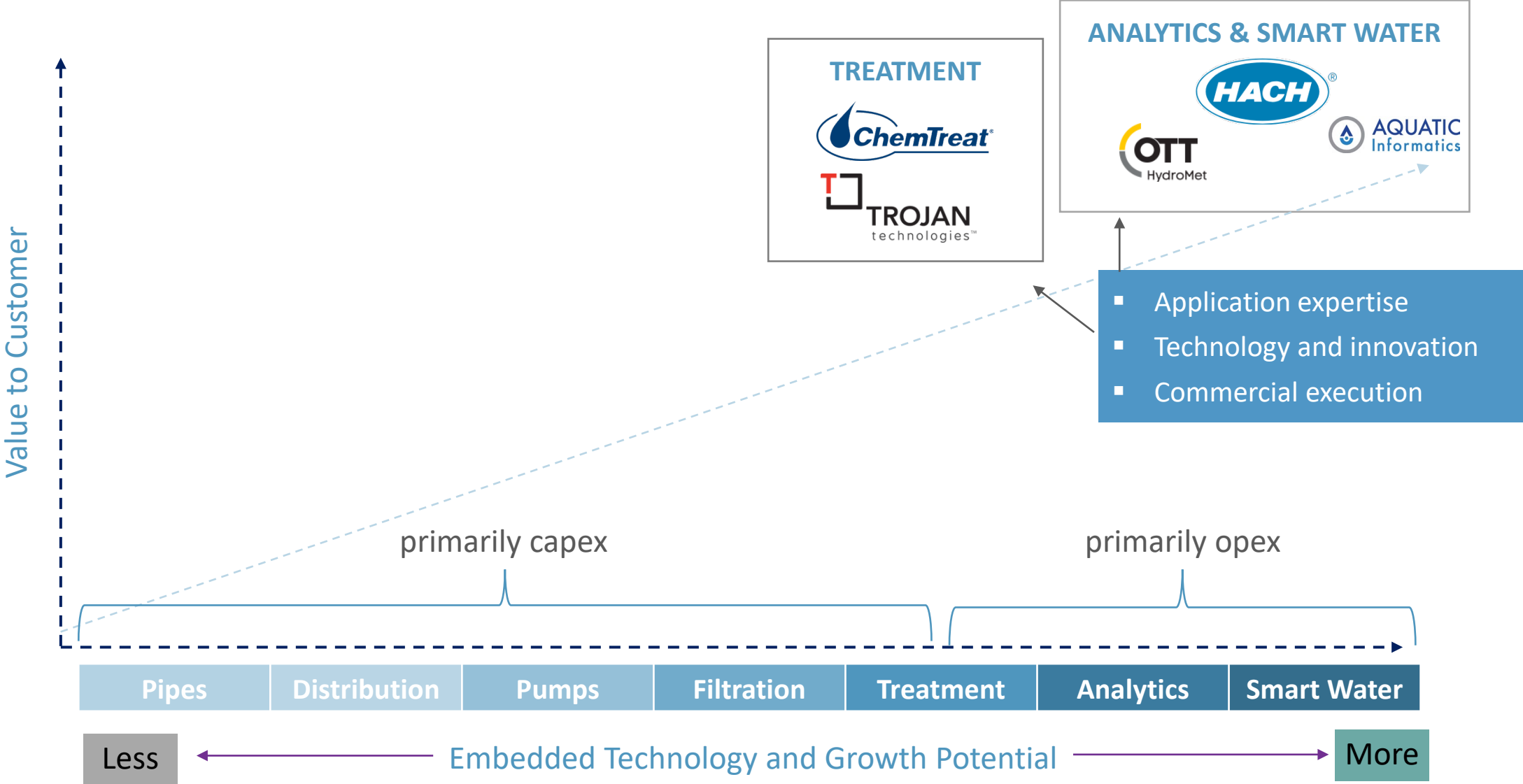
We Aim to Solve the World's Most Complex Water Problems

Water Quality / Well-positioned in the most attractive areas of water quality



Water Analytics and Treatment Solutions Across the Value Chain

Water Quality / Technologies and solutions at the high end of value continuum



Water Quality / Water analytics overview

CUSTOMER TYPES

- Municipal
- Industrial
- Commercial
- Environmental agencies

APPLICATION ENVIRONMENTS

- Laboratory
- Field
- Process
- Central data management

PRODUCT OFFERINGS

- Analytical solutions
- Lab & portable instruments
- Chemistries
- Digital & software

PRODUCT EXAMPLES



Colorimeter



Fluorimeter



Spectrophotometer &
Consumables



Contaminant
Detection



Chemkey®
Reagents



EXPANSION TO ACCOMMODATE GROWTH

90,000 square feet built in 2018

50% FASTER TIME-TO-MARKET

Obeya rooms with cross-functional teams together

Integrated VES growth tools

Rapid prototyping and compliance testing

Simultaneous product and process optimization



Features 10 Obeya Rooms



Accelerating Innovation and Growth at Hach

Water Quality / Reinforcing our technology leadership

DIGITAL

Real Time Control (RTC) Mobile Sensor Mgmt. (MSM) Claros HACH Cloud-based Optimization Software AQUATIC Informatics Rio

ACCELERATING PACE OF NEW PRODUCT DEVELOPMENT:

36+ MONTHS → 18 MONTHS

+5X
increase in customers using digitally-enabled instrumentation since 2018

INSTRUMENTATION

Pre-2013: Lab Specs, LD02, SL1000
 2018: Turbidity, Chlorine, ATP Alkalinity, Chlorine
 2023: Waste Water SARS-CoV 2, Electrochemistry, SC4500 Controller, Nitrate Nitrite

50%
faster time to market

Continuously Enhancing Customer Solutions to Solve Complex Water Problems

Water Quality / Commercial execution drives growth

COMMERCIAL LAUNCH EXCELLENCE (LEX)

LAUNCHED Q2 2021

1ST SNEAK PEAK

first to know | teaser videos

1ST VIRTUAL SHOWCASE

NEW VIRTUAL SALES TOOLS

product simulator | virtual demos



Commercial Excellence Tools Accelerate New Product Penetration

Water Quality / Water treatment overview

CUSTOMER TYPES

- Municipal
- Industrial
- Commercial

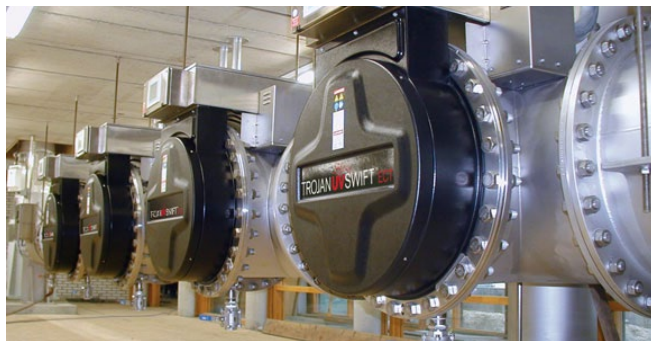
TREATMENT TYPES

- Source water
- Pretreatment
- Boiler and cooling process
- Wastewater

TREATMENT SOLUTIONS

- Water treatment chemistries
- UV water systems
- Membrane filtration
- Digital monitoring and application consulting

PRODUCT EXAMPLES



TrojanUVSwift® Water Treatment



Smart Release®
Liquid Cooling Treatment



CTVista®+ Software

Water Quality / Application expertise + regulations spur growth



Municipal

Drinking Water



Use

Commercial & Industrial



Municipal

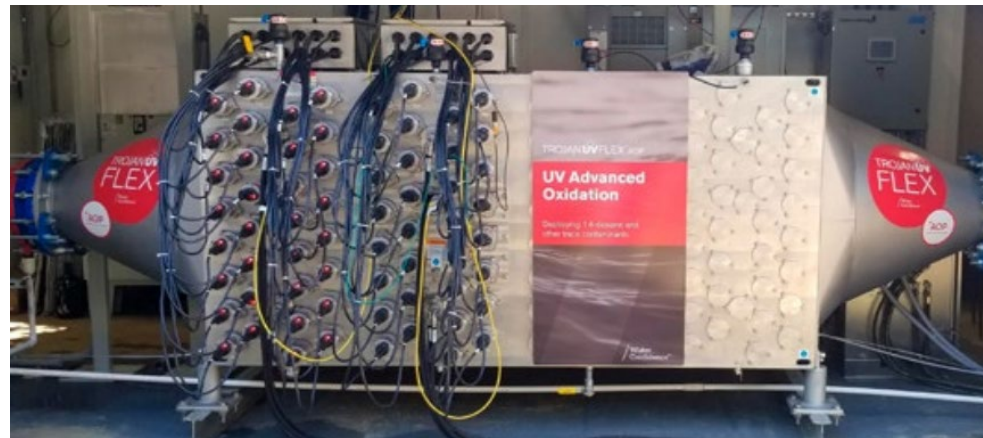
Wastewater

ONE OF THE WORLD'S LARGEST UV DRINKING WATER FACILITIES

New York City

56 TrojanUV systems installed

Meets the NYC Department of
Environmental Protection
treatment requirements



capacity to treat

2b gallons of
water per day

Our Trojan UV Systems Remove Contaminants for Safe Drinking Water



Use



Municipal

Commercial & Industrial

Wastewater

ChemTreat Helps Brewery Achieve 2025 Sustainability Goals

Identified water reduction opportunities

Increased efficiency

Improved productivity



Note: Management estimates

15m

gallons saved
in 2021

500m

gallons saved
over 9 years

22%

water reduction
across 10 locations



We are a Longtime, Integral Partner in Helping Customers Advance Sustainability

Water Quality / Application expertise + VES growth tools drive growth



Use



Municipal

Commercial & Industrial

Wastewater

MARKET
INSIGHT...



CUSTOMER PROBLEM

treatments using zinc or phosphorus causing corrosion, microbiological growth

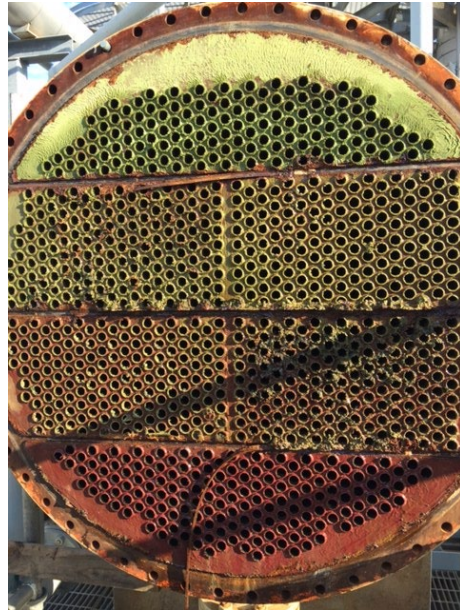


- ✓ 6-8x better aquatic impact
- ✓ Reduces corrosion
- ✓ Prevents algae

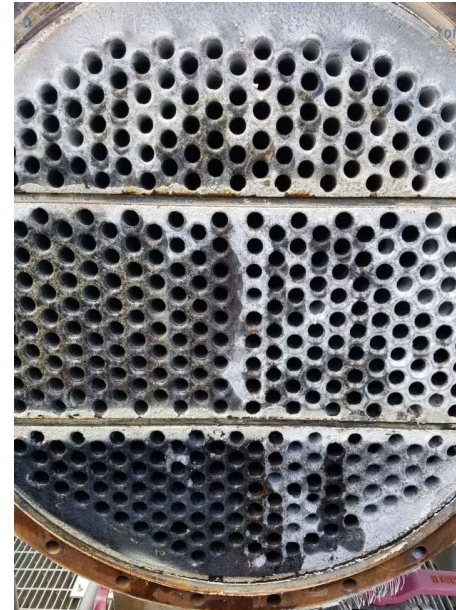
30%

sales CAGR
over past 3 years

BEFORE FLEXPRO®



AFTER FLEXPRO®



Note: Management estimates

ChemTreat's FlexPro® Solved the Problem and Drove a 30% Sales CAGR Over 3 Years

Water Quality / Well-positioned to drive long-term growth

SECULAR GROWTH DRIVERS

Water quality (safe/affordable water)

Water scarcity (increase in usage)

Increasing contaminant regulation (such as PFAS)

Climate change and severe weather events

Heightened focus on sustainability

HOW WE WIN

Application Expertise

- Deep water chemistry and biology expertise
- Widest number of parameters
- Technical sales expertise

Commercial Execution

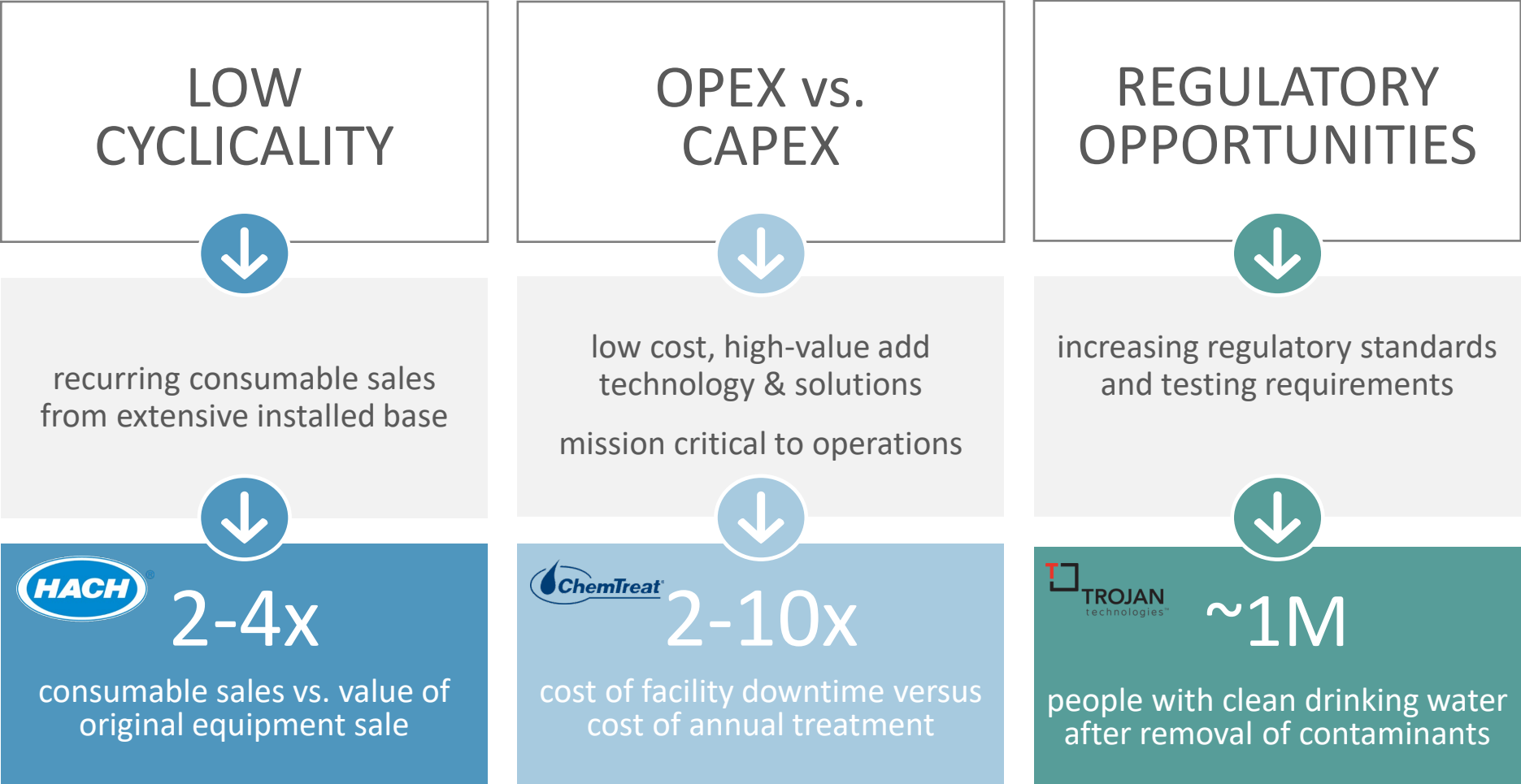
- Digital marketing, e-commerce
- Broad installed base drives consumables

Technology & Innovation

- Increasing cadence of innovation around instrument and digital solutions

Secular Growth Drivers and Execution Drive Long-Term Sales Growth

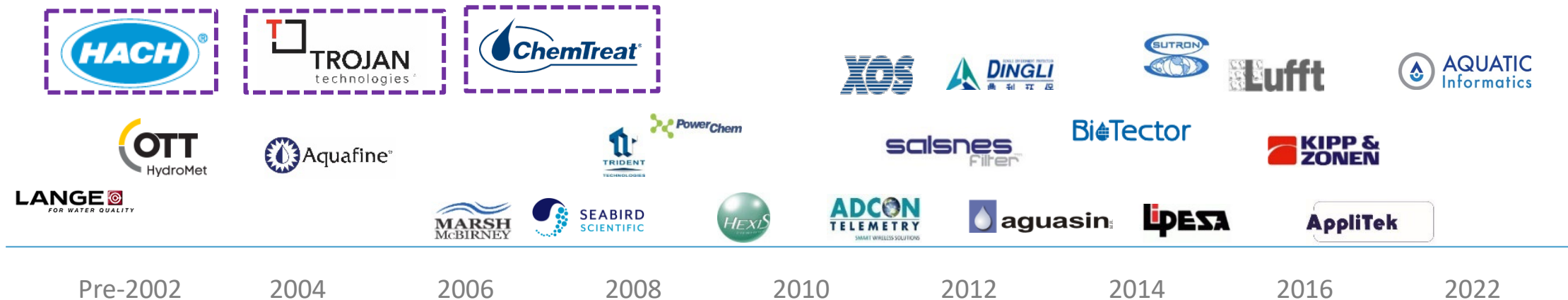
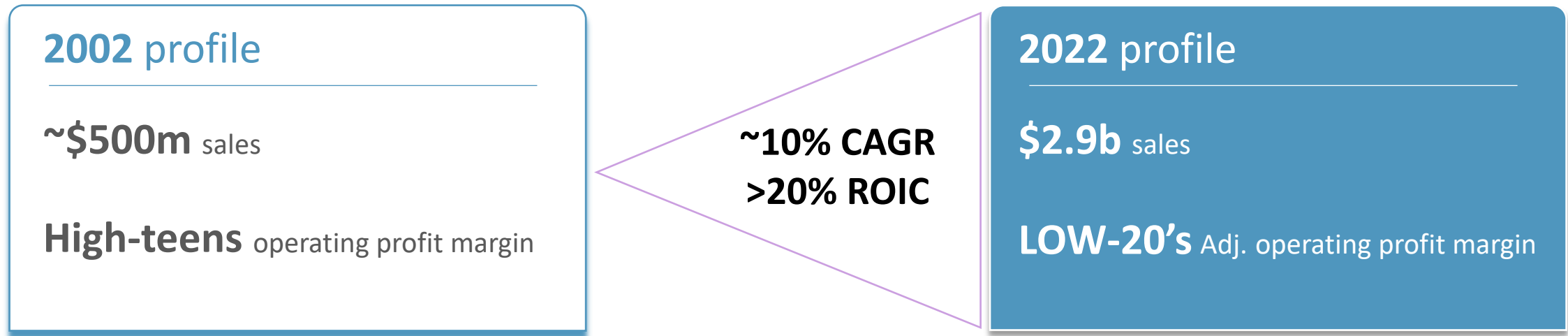
Water Quality / Integral and mission critical to customers



Note: Management estimates; Recurring sales based on 3-year average from 2020-2022

Durable Business Model with 56% Recurring Sales

Water Quality / Long-term value creation



Track Record of Strategic Growth, Margin Expansion and Compounding Returns



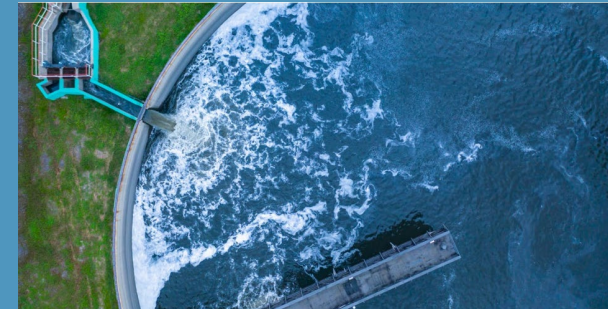
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Water Quality / Summary

A GLOBAL LEADER in **WATER ANALYTICS & TREATMENT SOLUTIONS**

TECHNOLOGY at the **HIGH END** of the **VALUE CONTINUUM**

WE AIM to **SOLVE** the **WORLD'S MOST COMPLEX WATER CHALLENGES**



Product Quality & Innovation (PQI)

Mattias Byström

SVP & President, Product Quality & Innovation

Veralto



PQI / A global leader in workflow solutions

2020-2022 AVERAGE

\$2.0b
sales in 2022

3.5%
core sales growth*

59%
recurring sales

25%
Adj. operating
profit margin*

PACKAGING & COLOR



A global leader in design software



Global leaders in color management



MARKING & CODING



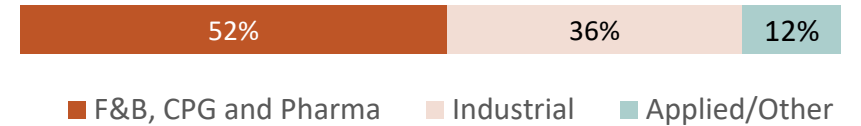
Global leaders in marking & coding solutions

2022 SALES COMPOSITION

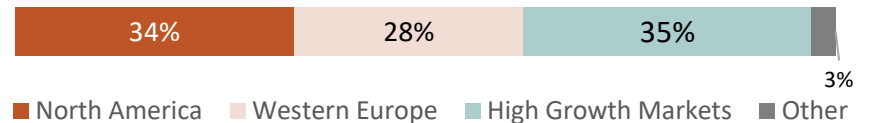
Sales by application



Sales by end market



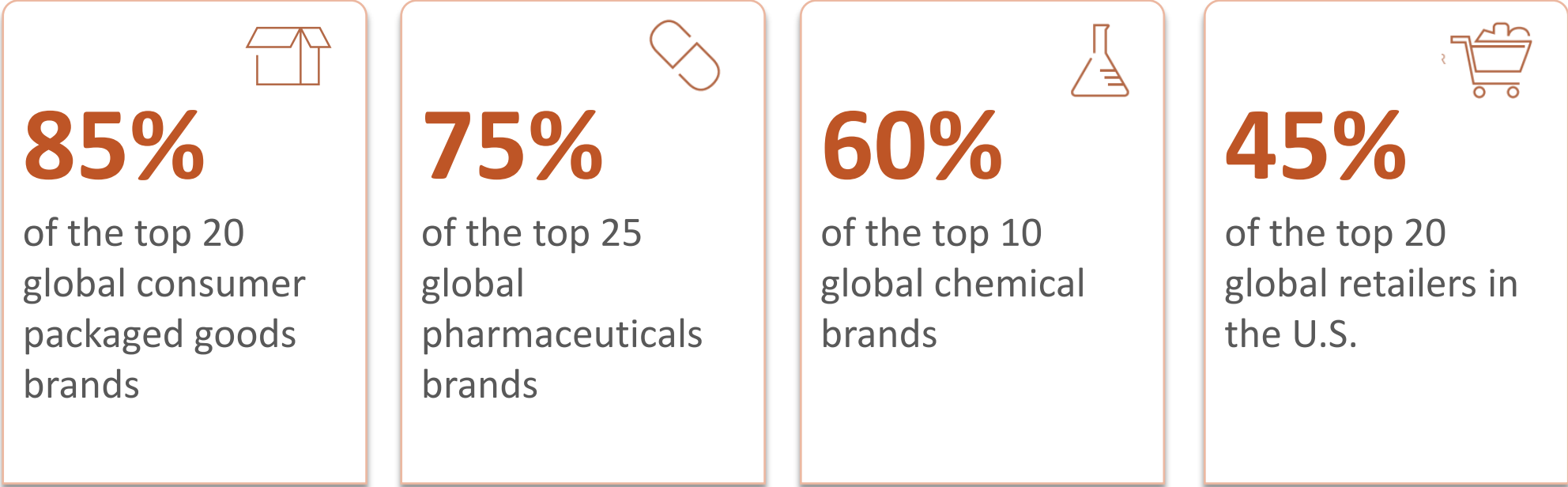
Sales by geography



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Strong Global Brands with Leading Workflow Solutions

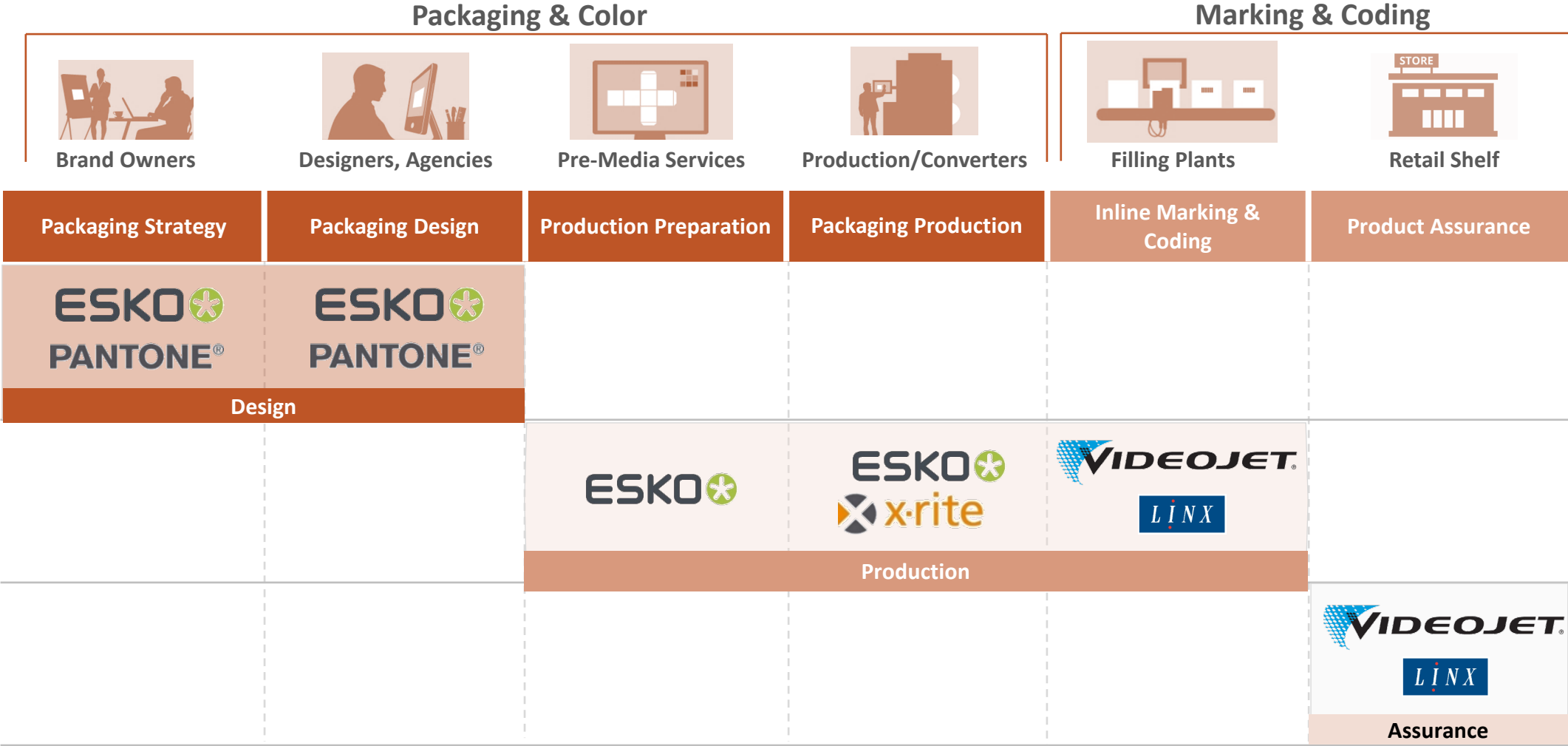
PQI / The choice of industry leaders



Note: Management estimates

Strong Presence with Consumer Goods Companies; Expanding Presence in Adjacencies

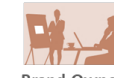
PQI / Well-positioned across the packaging value chain



Leading Global Player Helping Customers Accelerate Workflows

PQI / Packaging & Color overview

Packaging & Color



Brand Owners



Designers, Agencies



Pre-Media Services



Production/Converters

CUSTOMER TYPES

- Brand owners
- Print service providers
- Consumer goods manufacturers
- Packaging & label converters

APPLICATION ENVIRONMENTS

- Digital management
- Cloud-based
- Remote monitoring
- Global, multi-site footprints

DIGITAL SOLUTIONS

- Color strategy & management
- Packaging workflow software
- 3D packaging design
- Estimating & planning software

SOFTWARE AND PRODUCT EXAMPLES



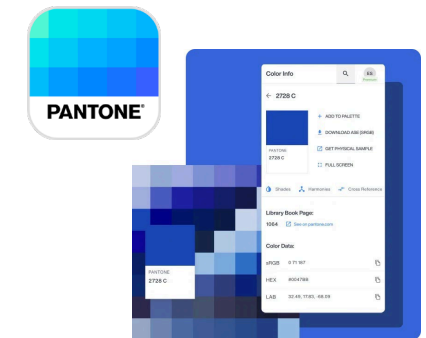
Phoenix Planning and Imposition Software



WebCenter Packaging Workflow Management Digital Platform



eXact™ 2 Portable Spectrophotometer



Pantone Connect Digital Platform

PQI / Innovative packaging design software

Packaging & Color



Brand Owners



Designers, Agencies



Pre-Media Services



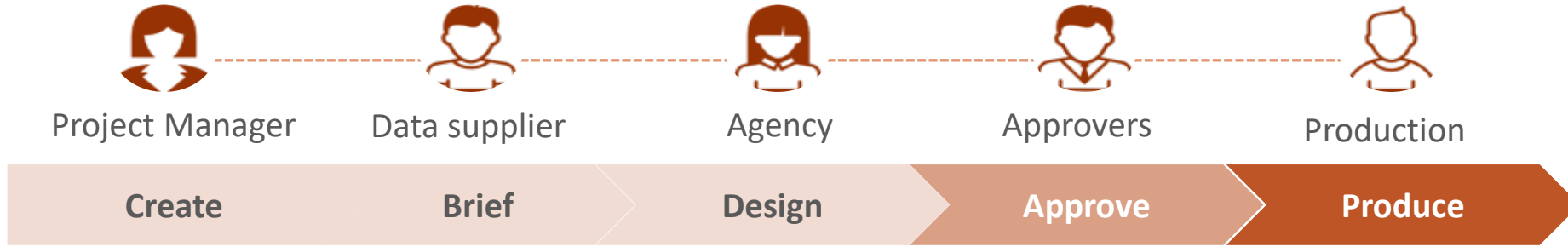
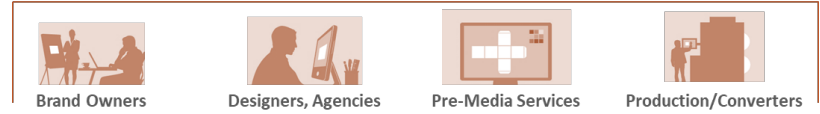
Production/Converters



Our Solutions Help Simplify a Complex Process with Diverse Stakeholders

PQI / Digital capabilities drive growth

Packaging & Color



50% reduction
in design process
(180 days down to 90 days)

60% fewer
revisions

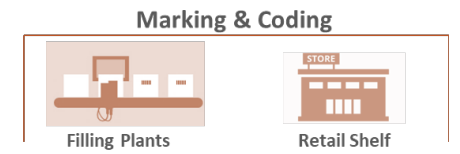
50% less
labor



Note: Management estimates

Streamlined Workflow by 50% with ESKO WebCenter

PQI / Marking and Coding overview



CUSTOMER TYPES

- Brand owners
- Print service providers
- Consumer goods manufacturers
- Packaging & label converters

APPLICATION ENVIRONMENTS

- Digital management
- Cloud-based
- Remote monitoring
- Global, multi-site footprints

PRODUCTS & SOLUTIONS

- Continuous inkjet printers
- Laser marking systems
- VideojetConnect™ Suite
- CLARiSUITE® Software

SOFTWARE AND PRODUCT EXAMPLES



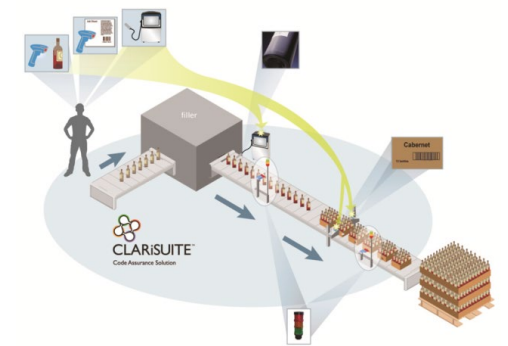
Continuous Inkjet Printer



Laser Marking System



VideojetConnect™



VideojetConnect™
CLARiSUITE® Software

PQI / Leading technologies in marking and coding

Marking & Coding



TRACEABILITY
Ability to recall

BRAND PROTECTION
Ability to ensure authenticity

REGULATION
Ensure compliance

CUSTOMIZATION
Variability and complexity in packaging

Solutions for a Variety of Substrates to Help Customers Meet Complex Challenges

PQI / New high-performance laser marking system

Marking & Coding



NEW VIDEOJET 3350 SMART FOCUS LASER MARKING SYSTEM

Launched Q2 2023

- ✓ Connected solution
- ✓ Marks complex codes at high speeds
- ✓ Virtually unlimited font, code & graphic options
- ✓ VideojetConnect™ Remote Service option



prints up to

2K characters
per second



New Laser Solution Delivers Next-Level Flexibility to Adapt to Changing Production Needs

PQI / Remote service capabilities drive growth

Marking & Coding



installed base in
the **TENS of
THOUSANDS**

- Connected to the 'cloud' – real-time data
- Enhanced predictive analytics
- Reduced customer downtime



- ✓ Printer health monitoring
- ✓ Intervention guidance
- ✓ Rapid line recovery

Advanced Connectivity and Software Driving Increased Efficiency for Customers

PQI / Well-positioned to drive long-term growth

SECULAR GROWTH DRIVERS

Consumer safety

Omnichannel buying

Packaging proliferation

Digitization

Sustainability – packaging substrates

HOW WE WIN

Innovation

- High value new solutions - faster
- Investing in digital solutions

Connected Solutions

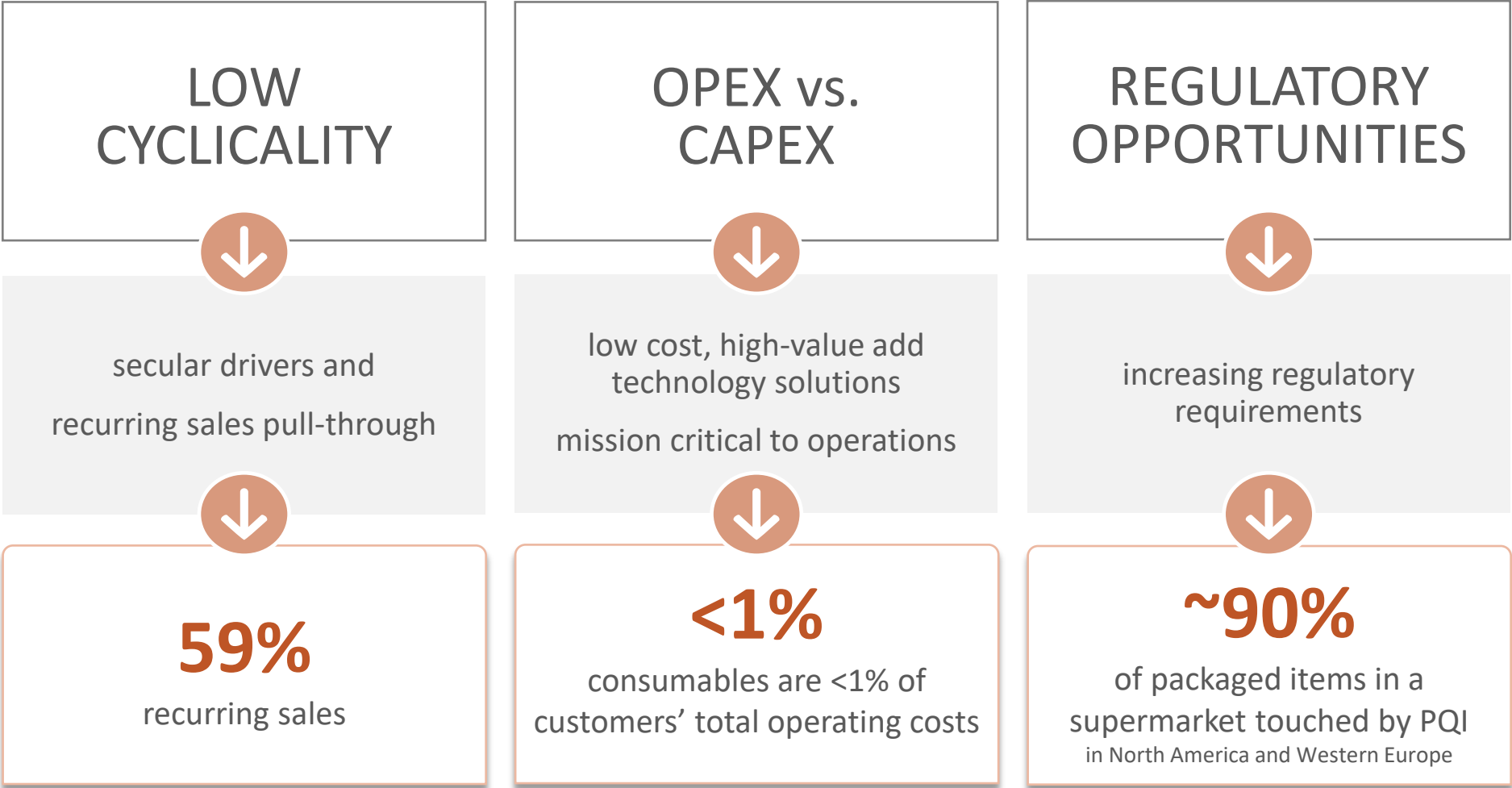
- One of the largest connected installed bases
- Remote solutions & predictive analytics

Digital Capabilities

- Digitizing customer workflows driving process efficiency and reducing cost

Secular Growth Drivers and Execution Drive Long-Term Sales Growth

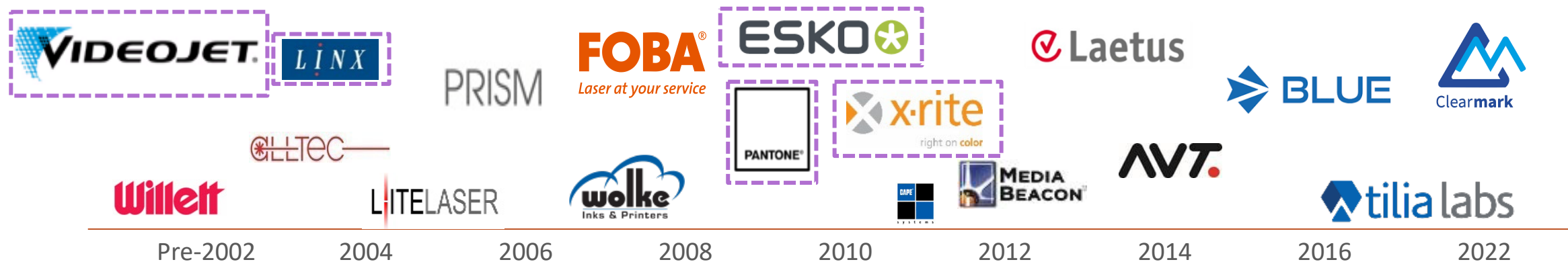
PQI / Integral and mission critical to customers



Note: Management estimates; Recurring sales based on 3-year average from 2020-2022

Durable business model with 59% recurring sales

PQI / Long-term value creation



Track Record of Strategic Growth, Margin Expansion and Compounding Returns



Notes: 2002 amounts reflect the results of the Veralto operating companies that were owned by Danaher as of that date. These companies were reported within the Process and Environmental Controls reporting segment within Danaher's financial reporting for 2002; The Company defines Return on Invested Capital (ROIC) as the adjusted operating profit margin (non-GAAP) for acquired businesses divided by the sum of the acquisition purchase price for those businesses; CAGR includes the impact of core sales growth, acquisitions, divestitures and currency fluctuations
 *See appendix for reconciliations of non-GAAP measure

PQI / Summary

**A LEADING GLOBAL PLAYER in
DESIGN SOFTWARE, COLOR AUTHORITY and IN-LINE MARKING**

PROTECTING the INTEGRITY of FOOD, PHARMACEUTICALS and BRANDS

ADVANCED, DIGITAL CUSTOMER WORKFLOW SOLUTIONS



Financial Overview

Sameer Ralhan

SVP & Chief Financial Officer



Veralto / Premier financial profile

✓ MSD long-term core sales growth*

across both segments | secular growth drivers



✓ durable through economic cycles

high recurring sales | stable end markets



✓ strong margins & robust cash generation

differentiated value proposition | asset-light model



✓ flexibility in capital deployment

investment grade profile | disciplined capital allocation
with bias toward M&A

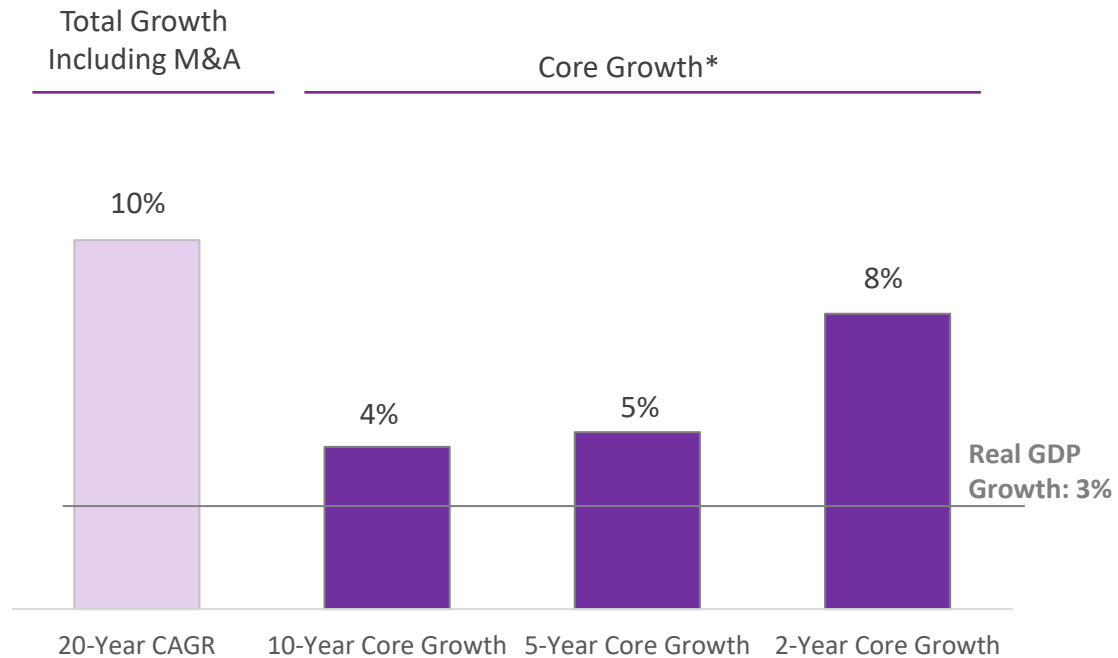


*MSD long-term core sales growth reflects management's estimate of the long-term financial profile of Veralto. The company provides LT modeling framework for core sales growth only on a non-GAAP basis due to the difficulty of estimating other components of GAAP sales, such as currency translation, acquisitions and divestitures

Compounder of Revenue, Earnings, and Free Cash Flow

Veralto / Steady long-term sales growth profile

Historical Sales Growth



*See appendix for reconciliations of non-GAAP measures

Growth Drivers

- Secular trends
- Acquisitions
- Innovation
- Commercial excellence
- Geographic expansion



Resilient Business Model

Modest sales decline in financial crisis (2009) and pandemic (2020)

Consistent Long-Term Sales Growth

Veralto / Attractive margin profile and strong free cash flow conversion

2022 KEY FINANCIAL RESULTS

57%

gross profit
margin

High margin reflects positioning in attractive sub-sectors of water and product quality & innovation segments

24%

adjusted
EBITDA %*

<1%

capex as % of
sales

Asset-light business model

Differentiation through
innovation investments

5%

R&D as % of
sales

99%

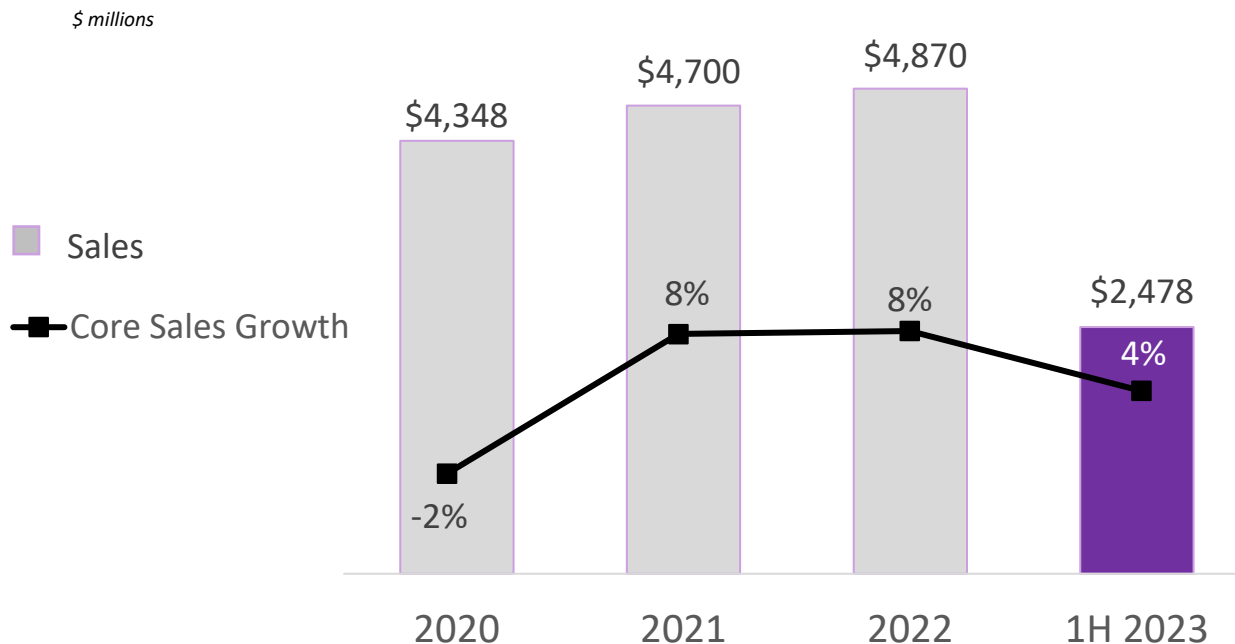
free cash flow
conversion*

Strong, consistent
cash generation

*See appendix for reconciliations of non-GAAP measures; Adjusted EBITDA margin includes management's estimate of incremental stand-alone costs

Gross Profit Margin of 57% and Free Cash Flow Conversion of 99%

Veralto / Recent financial performance



GAAP operating profit margin	22%	22%	23%	23%
Adjusted operating profit margin (including stand-alone costs)	22%	22%	23%	23%

*See appendix for reconciliations of non-GAAP measures; Adjusted operating profit margin includes management's estimate of incremental stand-alone costs

Highlights

- Secured supply chain
- Proactive pricing actions
- 5% average core sales growth* from 2020-2022
- Expanded margins
- >100% free cash flow conversion* on average from 2020-2022

Strong Performance Through Global Pandemic and Period of Supply Chain Disruptions

Veralto / Separation considerations

INCREMENTAL STAND-ALONE COSTS

~\$70m of incremental stand-alone costs:

- ~140 bps impact to operating profit margin
- ~70 bps impact to Water Quality and PQI segment operating profit margin

CAPITAL STRUCTURE AT SEPARATION

~\$2.6b gross debt

~\$250m cash on hand

~\$1.5b revolving line of credit

- ~2.2x gross leverage*
- ~2.0x net leverage*

Note: Based on management estimates as of September 6, 2023; The Company defines gross leverage (non-GAAP) as long-term debt divided by trailing twelve-month Operating Profit. The Company defines net leverage (non-GAAP) as net debt divided by trailing twelve-month Operating Profit; See appendix for reconciliations of non-GAAP measures

Investment Grade Capital Structure Provides Ample Operational and Strategic Flexibility

Veralto / Capital allocation framework

- Bias toward strategic acquisitions that create long-term shareholder value
- Maintain flexibility to return capital to shareholders
- Capital deployment mix to vary in any given year

Well Positioned to Maintain Investment Grade Profile With Bias Toward Acquisitions

Veralto / Long-term value creation algorithm and modeling framework

VALUE CREATION ALGORITHM

Core Revenue Growth

+

Margin Expansion

+

Strong Free Cash Flow

+

Acquisitions

=

LONG-TERM MODELING FRAMEWORK

MSD core sales growth

30% to 35% incremental OP margin

~100% free cash flow conversion

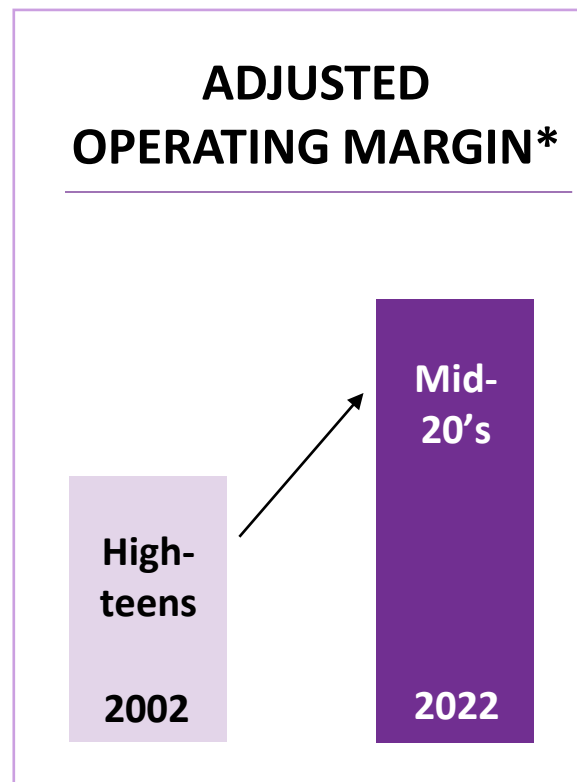
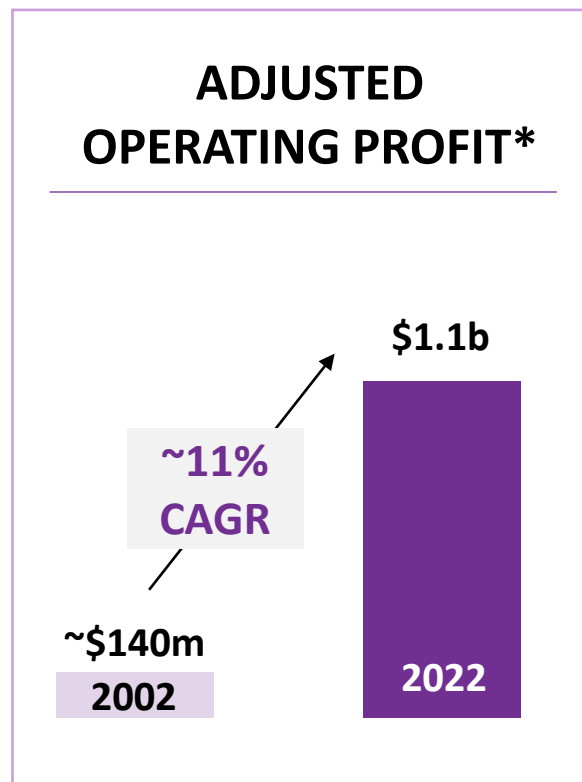
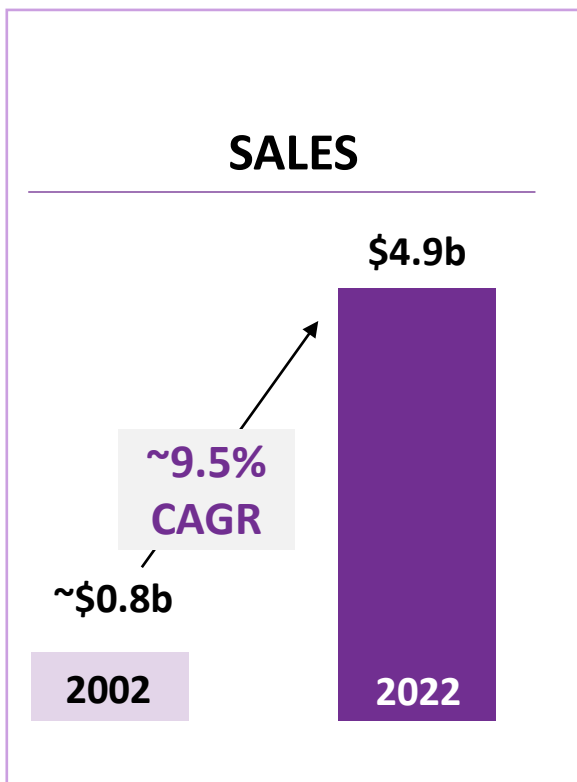
Disciplined capital deployment with bias toward M&A

COMPOUNDING EPS GROWTH & RETURNS

Note: LT modeling framework reflects management's estimate of the long-term financial profile of Veralto. The company provides LT modeling framework for core sales growth only on a non-GAAP basis due to the difficulty of estimating other components of GAAP sales, such as currency translation, acquisitions and divestitures

Organic Execution + Selective Pursuit of Value Creation Opportunities

Veralto / World-class enterprise built and strengthened over time



- ### PREMIER FINANCIAL PROFILE
- Financial data below based on 3-year averages from 2020-2022
- ✓ **MSD** core sales growth*
 - ✓ **57%** recurring sales
 - ✓ **57%** gross profit margin
 - ✓ **23%** Adj. EBITDA margin*
 - ✓ **>100%** FCF conversion*

~80 ACQUISITIONS UNDER DANAHER

~20% ROIC IN 2022

Track Record of Strategic Growth, Margin Expansion and Compounding Returns



Notes: CAGR statistic reflects both core sales growth and impact of acquisitions;

2002 amounts reflect the results of the Veralto operating companies that were owned by Danaher as of that date. These companies were reported within the Process and Environmental Controls reporting segment within Danaher's financial reporting for 2002;

The Company defines Return on Invested Capital (ROIC) as the adjusted operating profit margin (non-GAAP) for acquired businesses divided by the sum of the acquisition purchase price for those businesses

*See appendix for reconciliations to non-GAAP measures; 2020-2022 averages can be calculated based on the non-GAAP measures provided in the appendix

Veralto™

Conclusions

Jennifer L. Honeycutt

Investor and Analyst Presentation | September 6, 2023

Veralto / A premier technology leader in water and product quality

- 1 A LEADER IN WATER & PRODUCT QUALITY
- 2 PREMIER FINANCIAL PROFILE
- 3 PROVEN VALUE CREATION PLAYBOOK

1 A LEADER IN WATER & PRODUCT QUALITY

~80% of sales in water, food, pharma

Attractive markets, secular drivers

High-end water solutions

Digital workflow solutions

2 PREMIER FINANCIAL PROFILE

Durable sales growth

2020-2022 average

MSD core sales growth*

High profitability

57% recurring sales

Strong cash generation

57% gross profit margin

23% Adj. EBITDA margin*

>100% FCF conversion*

3 PROVEN VALUE CREATION PLAYBOOK

Strong Danaher heritage

Diverse, experienced team

Disciplined capital allocation with M&A bias

Unifying purpose (vital resources)

Note: Financial data based on 3-year averages from 2020-2022

*See appendix for reconciliations to non-GAAP measures; Adjusted EBITDA Margin and FCF conversion can be calculated by taking the average of the non-GAAP measures for the years 2020-2022

SAFEGUARDING THE WORLD'S MOST VITAL RESOURCES™



Veralto™

Appendix

Investor and Analyst Presentation | September 6, 2023



Jennifer L. Honeycutt

PRESIDENT AND CHIEF EXECUTIVE OFFICER

As President and CEO, Jennifer leads Veralto with a strong vision for the future. She works closely with the executive team and Veralto business leaders to build a vibrant, inclusive culture, drive operational excellence through the Veralto Enterprise System, and create enduring value for Veralto's associates, customers, and shareholders.

Throughout her career, she has consistently delivered results by building high-performing teams, driving innovation and commercial execution, and leading strategic M&A execution and integration.

Jennifer brings decades of senior leadership experience at Danaher to Veralto and most recently served as Executive Vice President of the Environmental and Applied Solutions segment, which became Veralto in October 2023. She originally joined Danaher with the 2000 acquisition of Hach and has held senior leadership roles with a number of Veralto companies including Hach and Linx. Her long tenure at Danaher has given her a unique perspective on how Veralto can create enduring positive impact across industries and geographies.

Jennifer is an active champion of the power of diversity and served for 8 years on Danaher's Diversity + Inclusion Council. She is a member of every associate resource group and has several diversity mentees. She has also contributed to sustainability initiatives including humanitarian relief efforts, energy conservation kaizen events, and solid waste reduction efforts.

Jennifer earned BA degrees in Chemistry and French from Grinnell College and an MA in Technology Management from the University of Denver. She has lived and worked throughout the US and the UK and currently lives in Weston, Massachusetts with her husband and two children.



Sameer Ralhan

SENIOR VICE PRESIDENT AND CHIEF FINANCIAL OFFICER

As SVP and Chief Financial Officer, Sameer is responsible for Veralto's financial strategy including capital deployment, portfolio development, and financial execution to enable long-term growth and value creation. In addition to leading key engagements with the investment community, regulatory, and financial institutions, he strives to build a world-class finance function and oversee financial performance, reporting, controls, risk management, and fiscal accountability.

Sameer also helps lead corporate procurement, with commitment to building sustainable supply chains, leading responsible environmental stewardship, and driving zero tolerance for discrimination, fraud or unethical behavior, unsafe working conditions, and human rights violations.

Sameer joins Veralto from The Chemours Company, where he served as SVP and CFO since 2019. He joined Chemours in 2014 and held positions of increasing responsibility across finance, strategy, M&A, corporate FP&A, treasury, capital markets, and business process transformation.

He previously served as Managing Director in the Global Natural Resources Group of Goldman Sachs. Sameer began his career as a chemical engineer, where he executed manufacturing process improvement and operational enhancement initiatives for several global chemical companies.

Sameer holds a BTech in Chemical Engineering from the Indian Institute of Technology in Bombay, India, an MS and a PhD in Chemical Engineering from Rice University, and an MBA from the University of Chicago Booth School of Business. He lives near Philadelphia with his wife and two daughters.

Melissa Aquino

SENIOR VICE PRESIDENT AND GROUP EXECUTIVE OF WATER QUALITY

As SVP and Group Executive of Veralto's Water Quality segment, Melissa and her team help customers holistically address water safety and scarcity, responsible water management, and climate change.

Melissa brings more than 20 years of Danaher leadership experience to Veralto, most recently serving as President of Cepheid during a period of intense growth and expansion. She previously served as President of Leica Biosystems and McCrometer, and as VP of the Danaher Business System Office.

Melissa began her Danaher career as Product Manager at Hach and later served as Business Unit Director for the US, France, and Germany. During her time at Hach, she launched a product focused on recycling hazardous chemicals for customers. Before joining Danaher, she held roles in R&D Process Engineering and Market Research at Procter & Gamble.

Melissa is passionate about associate engagement and serves as the executive sponsor for the Veralto Women & Friends associate resource group (ARG). She was the first executive sponsor of the Danaher Women & Friends associate resource group and serves on a nonprofit board for a charity focused on health and mental services for abused women.





Mattias Byström

SENIOR VICE PRESIDENT AND GROUP EXECUTIVE OF PRODUCT QUALITY & INNOVATION

As SVP and Group Executive of the Product Quality and Innovation segment, Mattias and his team help customers ensure product quality, freshness, and consistency and advance packaging design, quality, and go-to-market processes. Mattias leads the definition and execution of the segment's strategic plan, including M&A, organic growth, and meeting diversity, equity, and inclusion (DEI) and sustainability targets.

Mattias brings more than 20 years of senior leadership experience to Veralto, with over 12 years at Danaher. He returned to Danaher in 2018 as President of Esko Graphics and helped lead its transition from hardware and perpetual software to a recurring/SaaS model.

He was most recently VP and Group Executive of Product Identification at Danaher and was part of the Danaher European Board and DEI Council. He previously served as CEO of FlexLink AB, General Manager of Danaher Motion, and co-founded and led two digital start-ups.

Mattias is a member of the Veralto DEI Council and serves as executive sponsor of the Veralto Women & Friends associate resource group (ARG) and as a friend of the LGBTQ & Friends ARG.

Mattias holds an MSc in Computer Science from Chalmers University of Technology and studied at the Chalmers School of Entrepreneurship, both in Gothenburg, Sweden. He is a member of the International Packaging Group. He lives with his wife and two children in Lerum, Sweden.



APPENDIX

Reconciliations of Non-GAAP Metrics

This presentation contains information regarding the Company's financial results that is calculated and presented on the basis of methodologies other than in accordance with accounting principles generally accepted in the United States ("GAAP"). These non-GAAP financial measures are not measures of financial performance in accordance with GAAP and may exclude items that are significant in understanding and assessing our financial results. Therefore, these measures should not be considered in isolation or as an alternative or superior to GAAP measures. You should be aware that our presentation of these measures may not be comparable to similarly-titled measures used by other companies. A reconciliation of these non-GAAP financial measures to the most comparable GAAP financial measures is included as an appendix to this presentation.

Statement Regarding Non-GAAP Measures

Each of the non-GAAP measures included in this presentation should be considered in addition to, and not as a replacement for or superior to, the comparable GAAP measure, and may not be comparable to similarly titled measures reported by other companies. Management believes that these measures provide useful information to investors by offering additional ways of viewing Veralto's results that, when reconciled to the corresponding GAAP measure, help our investors to (1) understand the long-term profitability trends of our business and compare our profitability to prior and future periods and to our peers, and (2) identify underlying growth trends in our business and compare our revenue performance with prior and future periods and to our peers.

The items excluded from the non-GAAP measures set forth above have been excluded for the following reasons:

- We exclude the amortization of acquisition-related intangible assets from the calculation of non-GAAP profitability measures because the amount and timing of such charges are significantly impacted by the timing, size, number and nature of the acquisitions we consummate. While we have a history of significant acquisition activity, we do not acquire businesses on a predictable cycle, and the amount of an acquisition's purchase price allocated to intangible assets and related amortization term are unique to each acquisition and can vary significantly from acquisition to acquisition. Exclusion of this amortization expense facilitates more consistent comparisons of operating results over time between our newly acquired and long-held businesses, and with both acquisitive and non-acquisitive peer companies. We believe however that it is important for investors to understand that such intangible assets contribute to revenue generation and that intangible asset amortization related to past acquisitions will recur in future periods until such intangible assets have been fully amortized.
- With respect to the other items excluded from non-GAAP adjusted operating profit, adjusted operating margin and adjusted EBITDA, we exclude these items because they are of a nature and/or size that occur with inconsistent frequency, occur for reasons that may be unrelated to Veralto's commercial performance during the period and/or we believe that such items may obscure underlying business trends and make comparisons of long-term performance difficult.
- With respect to core revenue-related measures, (1) we exclude the impact of currency translation because it is not under management's control, is subject to volatility and can obscure underlying business trends, and (2) we exclude the effect of acquisitions and divested product lines because the timing, size, number and nature of such transactions can vary significantly from period-to-period and between us and our peers, which we believe may obscure underlying business trends and make comparisons of long-term performance difficult.
- With respect to the FCF Measure, we exclude payments for additions to property, plant and equipment (net of the proceeds from capital disposals) to demonstrate the amount of operating cash flow for the period that remains after accounting for the Company's capital expenditure requirements.

Sales Growth (Decline), Core Sales Growth (Decline) by Segment, Average Sales Growth and Average Core Sales Growth by Segment

	Year Ended December 31, 2021	Three-Month Period Ended				Year Ended December 31, 2022	Three-Month Period Ended		Six-Month Period Ended June 30, 2023
		April 1, 2022	July 1, 2022	September 30, 2022	December 31, 2022		March 31, 2023	June 30, 2023	
Veralto:									
Total sales growth (GAAP)	8.0 %	2.0 %	6.0 %	5.5 %	1.5 %	3.5 %	4.5 %	2.0 %	3.0 %
Impact of:									
Acquisitions/divestitures	1.5 %	2.5 %	— %	— %	(0.5)%	0.5 %	(0.5)%	(0.5)%	(0.5)%
Currency exchange rates	(1.5)%	2.0 %	4.0 %	5.0 %	4.5 %	4.0 %	2.5 %	— %	1.5 %
Core sales growth (non-GAAP)	<u>8.0 %</u>	<u>6.5 %</u>	<u>10.0 %</u>	<u>10.5 %</u>	<u>5.5 %</u>	<u>8.0 %</u>	<u>6.5 %</u>	<u>1.5 %</u>	<u>4.0 %</u>
Water Quality:									
Total sales growth (GAAP)	7.5 %	6.5 %	9.0 %	12.0 %	5.5 %	8.0 %	9.0 %	5.0 %	7.0 %
Impact of:									
Acquisitions/divestitures	(1.0)%	— %	— %	— %	— %	— %	— %	— %	— %
Currency exchange rates	(1.5)%	1.5 %	3.5 %	4.5 %	4.0 %	3.5 %	2.0 %	— %	1.0 %
Core sales growth (non-GAAP)	<u>5.0 %</u>	<u>8.0 %</u>	<u>12.5 %</u>	<u>16.5 %</u>	<u>9.5 %</u>	<u>11.5 %</u>	<u>11.0 %</u>	<u>5.0 %</u>	<u>8.0 %</u>
Product Quality & Innovation:									
Total sales growth (decline) (GAAP)	9.0 %	(3.0)%	1.5 %	(3.5)%	(4.0)%	(2.5)%	(1.0)%	(2.5)%	(2.0)%
Impact of:									
Acquisitions/divestitures	4.5 %	5.5 %	— %	— %	(1.5)%	1.0 %	(1.0)%	(1.0)%	(1.0)%
Currency exchange rates	(2.0)%	2.5 %	5.0 %	6.5 %	5.5 %	5.0 %	3.0 %	— %	1.5 %
Core sales growth (decline) (non-GAAP)	<u>11.5 %</u>	<u>5.0 %</u>	<u>6.5 %</u>	<u>3.0 %</u>	<u>— %</u>	<u>3.5 %</u>	<u>1.0 %</u>	<u>(3.5)%</u>	<u>(1.5)%</u>

Sales Growth (Decline), Core Sales Growth (Decline) by Segment, Average Sales Growth and Average Core Sales Growth by Segment

Year Ended:	Water Quality				Product Quality & Innovation				Veralto			
	Total sales growth (GAAP)	Impact of		Core sales growth (non-GAAP)	Total sales growth (GAAP)	Impact of		Core sales growth (non-GAAP)	Total sales growth (GAAP)	Impact of		Core sales growth (non-GAAP)
		Acquisitions /divestitures	Currency exchange rates & other			Acquisitions /divestitures	Currency exchange rates & other			Acquisitions /divestitures	Currency exchange rates & other	
2013	4.0 %	(0.5)%	— %	3.5 %	10.0 %	(6.5)%	— %	3.5 %	6.5 %	(3.0)%	— %	3.5 %
2014	6.0 %	(2.0)%	0.5 %	4.5 %	4.0 %	— %	— %	4.0 %	5.0 %	(1.5)%	0.5 %	4.0 %
2015	3.5 %	(4.5)%	5.5 %	4.5 %	(2.5)%	(0.5)%	7.5 %	4.5 %	0.5 %	(2.5)%	6.5 %	4.5 %
2016	6.0 %	(5.0)%	1.5 %	2.5 %	4.5 %	(2.0)%	1.5 %	4.0 %	5.0 %	(3.5)%	1.5 %	3.0 %
2017	3.5 %	— %	(0.5)%	3.0 %	8.0 %	(2.5)%	— %	5.5 %	5.5 %	(1.0)%	(0.5)%	4.0 %
2018	9.5 %	(1.5)%	(0.5)%	7.5 %	8.5 %	(2.5)%	(1.5)%	4.5 %	9.0 %	(2.0)%	(1.0)%	6.0 %
2019	2.5 %	— %	2.5 %	5.0 %	0.5 %	(1.0)%	2.5 %	2.0 %	1.5 %	(0.5)%	2.5 %	3.5 %
2020	(0.5)%	— %	1.0 %	0.5 %	(4.0)%	— %	(0.5)%	(4.5)%	(2.0)%	— %	0.5 %	(1.5)%

Sales Growth (Decline), Core Sales Growth (Decline) by Segment, Average Sales Growth and Average Core Sales Growth by Segment

<i>Averages based upon tables above.</i>	2 Year Average (2022-2021)	3 Year Average (2022-2020)	5 Year Average (2022-2018)	10 Year Average (2022- 2013)
Veralto:				
Total sales growth (GAAP)	5.8 %	3.2 %	4.0 %	4.3 %
Impact of:				
Acquisitions/divestitures	1.0 %	0.7 %	(0.1)%	(1.2)%
Currency exchange rates	1.3 %	1.0 %	0.9 %	1.3 %
Core sales growth (non-GAAP) [#]	8.0 %	4.8 %	4.8 %	4.3 %
Water Quality:				
Total sales growth (GAAP)	7.8 %	5.0 %	5.4 %	5.0 %
Impact of:				
Acquisitions/divestitures	(0.5)%	(0.3)%	(0.5)%	(1.5)%
Currency exchange rates	1.0 %	1.0 %	1.0 %	1.2 %
Core sales growth (non-GAAP) [#]	8.3 %	5.7 %	5.9 %	4.8 %
Product Quality & Innovation:				
Total sales growth (decline) (GAAP)	3.3 %	0.8 %	2.3 %	3.6 %
Impact of:				
Acquisitions/divestitures	2.8 %	1.8 %	0.4 %	(1.0)%
Currency exchange rates	1.5 %	0.8 %	0.7 %	1.3 %
Core sales growth (decline) (non-GAAP) [#]	7.5 %	3.5 %	3.4 %	3.9 %

[#] Amounts above may not add to the presented average for Core sales growth (decline) due to rounding.

Segment Sales, Operating Profit, Adjusted Operating Profit, Operating Profit Margin and Adjusted Operating Profit Margin
(\$ in millions)

	Year Ended December 31, 2020	Year Ended December 31, 2021	Three-Month Period Ended				Year Ended December 31, 2022	Three-Month Period Ended		Six-Month Period Ended June 30, 2023
			April 1, 2022	July 1, 2022	September 30, 2022	December 31, 2022		March 31, 2023	June 30, 2023	
Sales (GAAP)										
Water Quality	\$ 2,487	\$ 2,669	\$ 670	\$ 720	\$ 741	\$ 756	\$ 2,887	\$ 729	\$ 756	\$ 1,485
Product Quality & Innovation	1,861	2,031	502	511	478	492	1,983	496	497	993
Total Company	<u>\$ 4,348</u>	<u>\$ 4,700</u>	<u>\$ 1,172</u>	<u>\$ 1,231</u>	<u>\$ 1,219</u>	<u>\$ 1,248</u>	<u>\$ 4,870</u>	<u>\$ 1,225</u>	<u>\$ 1,253</u>	<u>\$ 2,478</u>
Operating Profit (GAAP)										
Water Quality	\$ 573	\$ 584	\$ 125	\$ 175	\$ 185	\$ 183	\$ 668	\$ 168	\$ 180	\$ 348
Product Quality & Innovation	419	496	117	138	109	124	488	135	122	257
Other	(41)	(39)	(11)	(11)	(9)	(13)	(44)	(11)	(13)	(24)
Total Company	<u>\$ 951</u>	<u>\$ 1,041</u>	<u>\$ 231</u>	<u>\$ 302</u>	<u>\$ 285</u>	<u>\$ 294</u>	<u>\$ 1,112</u>	<u>\$ 292</u>	<u>\$ 289</u>	<u>\$ 581</u>
Amortization of Intangible Assets (GAAP)										
Water Quality	\$ 27	\$ 27	\$ 6	\$ 6	\$ 4	\$ 6	\$ 22	\$ 5	\$ 5	\$ 10
Product Quality & Innovation	36	35	8	7	7	6	28	7	7	14
Total Company	<u>\$ 63</u>	<u>\$ 62</u>	<u>\$ 14</u>	<u>\$ 13</u>	<u>\$ 11</u>	<u>\$ 12</u>	<u>\$ 50</u>	<u>\$ 12</u>	<u>\$ 12</u>	<u>\$ 24</u>
Other Operating Profit Adjustments¹										
Water Quality	\$ (16)	\$ (15)	\$ (3)	\$ 5	\$ (4)	\$ (3)	\$ (5)	\$ (3)	\$ (3)	\$ (6)
Product Quality & Innovation	1	(16)	(3)	(4)	(3)	(3)	(13)	(3)	3	—
Other	(33)	(34)	(8)	(8)	(8)	(9)	(33)	(8)	(8)	(16)
Total Company	<u>\$ (48)</u>	<u>\$ (65)</u>	<u>\$ (14)</u>	<u>\$ (7)</u>	<u>\$ (15)</u>	<u>\$ (15)</u>	<u>\$ (51)</u>	<u>\$ (14)</u>	<u>\$ (8)</u>	<u>\$ (22)</u>
Adjusted Operating Profit (non-GAAP)²										
Water Quality	\$ 584	\$ 596	\$ 128	\$ 186	\$ 185	\$ 186	\$ 685	\$ 170	\$ 182	\$ 352
Product Quality & Innovation	456	515	122	141	113	127	503	139	132	271
Other	(74)	(73)	(19)	(19)	(17)	(22)	(77)	(19)	(21)	(40)
Total Company	<u>\$ 966</u>	<u>\$ 1,038</u>	<u>\$ 231</u>	<u>\$ 308</u>	<u>\$ 281</u>	<u>\$ 291</u>	<u>\$ 1,111</u>	<u>\$ 290</u>	<u>\$ 293</u>	<u>\$ 583</u>

Segment Sales, Operating Profit, Adjusted Operating Profit, Operating Profit Margin and Adjusted Operating Profit Margin
(\$ in millions)

	Year Ended December 31, 2020	Year Ended December 31, 2021	Three-Month Period Ended				Year Ended December 31, 2022	Three-Month Period Ended		Six-Month Period Ended June 30, 2023
			April 1, 2022	July 1, 2022	September 30, 2022	December 31, 2022		March 31, 2023	June 30, 2023	
Operating Profit Margin (GAAP)										
Water Quality	23.0 %	21.9 %	18.7 %	24.3 %	25.0 %	24.2 %	23.1 %	23.0 %	23.8 %	23.4 %
Product Quality & Innovation	22.5 %	24.4 %	23.3 %	27.0 %	22.8 %	25.2 %	24.6 %	27.2 %	24.5 %	25.9 %
Total Company	21.9 %	22.1 %	19.7 %	24.5 %	23.4 %	23.6 %	22.8 %	23.8 %	23.1 %	23.4 %
Adjusted Operating Profit Margin (Non-GAAP)³										
Water Quality	23.5 %	22.3 %	19.1 %	25.8 %	25.0 %	24.6 %	23.7 %	23.3 %	24.1 %	23.7 %
Product Quality & Innovation	24.5 %	25.4 %	24.3 %	27.6 %	23.6 %	25.8 %	25.4 %	28.0 %	26.6 %	27.3 %
Total Company	22.2 %	22.1 %	19.7 %	25.0 %	23.1 %	23.3 %	22.8 %	23.7 %	23.4 %	23.5 %

¹ Refer to Footnotes A, B and D on page 77 for descriptions of the components of Other Operating Profit Adjustments.

² Adjusted Operating Profit (non-GAAP) is defined as operating profit (GAAP) plus amortization of intangible assets (GAAP) plus (minus) Other Operating Profit Adjustments (as defined).

³ Adjusted Operating Profit Margin (Non-GAAP) is defined as Adjusted Operating Profit (Non-GAAP) divided by sales.

Net Earnings, Operating Profit, Adjusted EBITDA and Adjusted EBITDA Margin
(\$ in millions)

	Year Ended December 31, 2020	Year Ended December 31, 2021	Three-Month Period Ended				Year Ended December 31, 2022	Three-Month Period Ended		Six-Month Period Ended June 30, 2023
			April 1, 2022	July 1, 2022	September 30, 2022	December 31, 2022		March 31, 2023	June 30, 2023	
Net Earnings (GAAP)	\$ 724	\$ 861	\$ 180	\$ 231	\$ 218	\$ 216	\$ 845	\$ 225	\$ 209	\$ 434
Interest, Net ⁵	—	—	—	—	—	—	—	—	—	—
Other Nonoperating (Income) Expense	1	(6)	—	—	—	(1)	(1)	—	14	14
Income Taxes	226	186	51	71	67	79	268	67	66	133
Operating Profit (GAAP)	\$ 951	\$ 1,041	\$ 231	\$ 302	\$ 285	\$ 294	\$ 1,112	\$ 292	\$ 289	\$ 581
Other Operating Profit Adjustments ¹	(48)	(65)	(14)	(7)	(15)	(15)	(51)	(14)	(8)	(22)
Depreciation	47	44	11	10	10	9	40	10	10	20
Amortization of Intangible Assets	63	62	14	13	11	12	50	12	12	24
Adjusted EBITDA (Non-GAAP)	\$ 1,013	\$ 1,082	\$ 242	\$ 318	\$ 291	\$ 300	\$ 1,151	\$ 300	\$ 303	\$ 603
Sales (GAAP)	\$ 4,348	\$ 4,700	\$ 1,172	\$ 1,231	\$ 1,219	\$ 1,248	\$ 4,870	\$ 1,225	\$ 1,253	\$ 2,478
Operating Profit Margin (GAAP)	21.9 %	22.1 %	19.7 %	24.5 %	23.4 %	23.6 %	22.8 %	23.8 %	23.1 %	23.4 %
Adjusted EBITDA Margin (Non-GAAP)⁴	23.3 %	23.0 %	20.6 %	25.8 %	23.9 %	24.0 %	23.6 %	24.5 %	24.2 %	24.3 %

¹ Refer to Footnotes A, B and D on page 77 for descriptions of the components of Other Operating Profit Adjustments.

⁴ Adjusted EBITDA Margin (Non-GAAP) is defined as Adjusted EBITDA (Non-GAAP) divided by sales.

⁵ Prior to the separation, Veralto was a part of Danaher Corporation and was dependent upon Danaher for its financing. None of Danaher's debt or interest expense was assigned to Veralto for these historic periods. Refer to Veralto's registration statement on Form 10 for more information in connection with the separation. Veralto expects to issue approximately \$2.6 billion of senior unsecured notes in connection with the separation and will incur interest expense in future periods.

Trailing Twelve Month Adjusted EBITDA, Gross Leverage and Net Leverage
(\$ in millions)

	Three-Month Period Ended			
	June 30, 2023	March 31, 2023	December 31, 2022	September 30, 2022
Net Earnings (GAAP)	\$ 209	\$ 225	\$ 216	\$ 218
Interest, Net ⁵	—	—	—	—
Other Nonoperating (Income) Expense	14	—	(1)	—
Income Taxes	66	67	79	67
Operating Profit (GAAP)	\$ 289	\$ 292	\$ 294	\$ 285
Other Operating Profit Adjustments ¹	(8)	(14)	(15)	(15)
Depreciation	10	10	9	10
Amortization of Intangible Assets	12	12	12	11
Adjusted EBITDA (Non-GAAP)	\$ 303	\$ 300	\$ 300	\$ 291
Trailing Twelve Month Operating Profit (GAAP)⁶	\$ 1,160			
Trailing Twelve Month Adjusted EBITDA (Non-GAAP)⁷	\$ 1,194			
Long Term Debt ⁸	\$ 2,580			
Less: Cash on Hand ⁸	(250)			
Net Debt (Non-GAAP)	\$ 2,330			
Gross Debt to Operating Profit⁹	2.22			
Net Debt to Operating Profit¹⁰	2.01			
Gross Leverage (Non-GAAP)¹¹	2.16			
Net Leverage (Non-GAAP)¹²	1.95			

¹ Refer to Footnotes A, B, and D on page 77 for descriptions of the components of Other Operating Profit Adjustments.

⁵ Prior to the separation, Veralto was a part of Danaher Corporation and was dependent upon Danaher for its financing. None of Danaher's debt or interest expense was assigned to Veralto for these historic periods. Refer to Veralto's registration statement on Form 10 for more information in connection with the separation. Veralto expects to issue approximately \$2.6 billion of senior unsecured notes in connection with the separation and will incur interest expense in future periods.

⁶ Trailing Twelve Month Operating Profit is defined as the sum of Operating Profit for the previous four quarters.

⁷ Trailing Twelve Month Adjusted EBITDA (Non-GAAP) is defined as the sum of Adjusted EBITDA (Non-GAAP) for the previous four quarters.

⁸ Estimate of anticipated post-separation capital structure and cash balance as of separation.

⁹ Calculated as Long Term Debt divided by Trailing Twelve Month Operating Profit.

¹⁰ Calculated as Net Debt divided by Trailing Twelve Month Operating Profit.

¹¹ Calculated as Long Term Debt divided by Trailing Twelve Month Adjusted EBITDA (Non-GAAP).

¹² Calculated as Net Debt divided by Trailing Twelve Month Adjusted EBITDA (Non-GAAP).

Net Earnings per Common Share and Adjusted Net Earnings per Common Share

	Six-Month Period Ended June 30, 2023	Year Ended December 31, 2022	Year Ended December 31, 2021	Year Ended December 31, 2020
Net Earnings per common share (GAAP) ^H	\$ 1.76	\$ 3.43	\$ 3.49	\$ 2.93
Amortization of acquisition-related intangible assets ^A	0.10	0.20	0.25	0.26
Impairments and other charges ^B	0.02	0.04	—	0.07
Fair value net losses on investments ^C	0.06	—	—	—
Standalone Entity Adjustment ^D	(0.41)	(0.84)	(0.86)	(0.86)
Gain on disposition of certain product lines ^E	—	—	(0.03)	—
Tax effect of the above adjustments ^F	0.05	0.15	0.17	0.13
Discrete tax adjustments ^G	(0.02)	(0.02)	(0.26)	(0.06)
Adjusted Net Earnings per common share (Non-GAAP)^H	\$ 1.56	\$ 2.96	\$ 2.76	\$ 2.47

- A Amortization of acquisition-related intangible assets in the following historical periods (\$ in millions) (only the pretax amounts set forth below are reflected in the amortization line item above):

	Year Ended December 31, 2020	Year Ended December 31, 2021	Year Ended December 31, 2022	Six-Month Period Ended June 30, 2023
Pretax	\$ 63	\$ 62	\$ 50	\$ 24
After-tax	\$ 48	\$ 51	\$ 38	\$ 18

- B Impairment charge related to customer relationships in the Product Quality & Innovation segment for the six-month period ended June 30, 2023 (\$6 million pretax as reported in this line item, \$5 million after-tax). Impairment charges related to technology and customer relationships in the Water Quality segment recorded in year ended December 31, 2022 (\$9 million pretax as reported in this line item, \$7 million after-tax). Additionally, in the year ended December 31, 2022 charges incurred primarily related to impairments of accounts receivable and inventory in Russia in the Product Quality & Innovation segment (\$1 million pretax as reported in this line item, \$1 million after-tax). Impairment charges related to trade names and other intangible assets in the Product Quality & Innovation segment recorded in the year ended December 31, 2020 (\$17 million pretax as reported in this line item, \$13 million after-tax).

- C Fair value loss related to an impairment of an equity method investment in the six-month period ended June 30, 2023 (\$15 million pretax as reported in this line item, \$11 million after-tax).

- D This amount encompasses management estimates of operating as a standalone entity. The management estimate includes recurring and ongoing costs required to operate new functions required for a public company such as certain corporate functions including finance, tax, legal, human resources and other general and administrative related functions. This estimate also includes interest costs associated with the anticipated post-separation capital structure, including the issuance of approximately \$2.6 billion of long-term debt at an estimated weighted average interest rate of 5.50%. The pretax and after-tax effect of these estimates are summarized below:

	Year Ended December 31, 2020	Year Ended December 31, 2021	Year Ended December 31, 2022	Six-Month Period Ended June 30, 2023
Pretax	\$ (211)	\$ (211)	\$ (207)	\$ (101)
After-tax	\$ (160)	\$ (160)	\$ (156)	\$ (77)

- E Gain on the disposition of certain product lines in the year ended December 31, 2021 (\$8 million pretax as reported in this line item, \$7 million after-tax).

- F This line item reflects the aggregate tax effect of all nontax adjustments reflected in the preceding line items of the table. In addition, the footnotes above indicate the after-tax amount of each individual adjustment item. Veralto estimates the tax effect of each adjustment item by applying Veralto's overall estimated effective tax rate to the pretax amount, unless the nature of the item and/or the tax jurisdiction in which the item has been recorded requires application of a specific tax rate or tax treatment, in which case the tax effect of such item is estimated by applying such specific tax rate or tax treatment.

- G Discrete tax matters relate to changes in estimates associated with prior period uncertain tax positions, audit settlements and excess tax benefits from stock-based compensation.

- H The number of Veralto shares assumed in each period is based on the number of diluted common shares used in Danaher Corporation's diluted net earnings per common share for the six-month period ended June 30, 2023, assuming a distribution ratio of one share of Veralto common stock for every three shares of Parent common stock outstanding (246.7 million shares). This calculation does not reflect the dilutive effect that will result from the issuance of Veralto stock-based compensation awards in connection with the adjustment and conversion of outstanding Parent stock-based compensation awards held by Veralto employees or the grant of new Veralto stock-based compensation awards. The number of dilutive shares of Veralto common stock underlying Veralto's stock-based compensation awards issued in connection with the adjustment and conversion of outstanding Parent stock-based compensation awards will not be determined until after the distribution date. Upon separation, the number of shares of Veralto common stock outstanding as of the separation date will be used for all historical periods for the calculation of earnings per share.

Cash Flow, Free Cash Flow and Free Cash Flow to Net Earnings Conversion Ratio

(\$ in millions)

	Six-Month Period Ended		Year Ended		
	June 30, 2023	July 1, 2022	December 31, 2022	December 31, 2021	December 31, 2020
Total Cash Flows:					
Total cash provided by operating activities (GAAP)	\$ 457	\$ 276	\$ 870	\$ 896	\$ 1,001
Total cash used in investing activities (GAAP)	\$ (19)	\$ (34)	\$ (89)	\$ (97)	\$ (157)
Total cash used in financing activities (GAAP)	\$ (438)	\$ (242)	\$ (781)	\$ (799)	\$ (844)
Free Cash Flow:					
Total cash provided by operating activities (GAAP)	\$ 457	\$ 276	\$ 870	\$ 896	\$ 1,001
Less: payments for additions to property, plant & equipment (capital expenditures) (GAAP)	(21)	(20)	(34)	(54)	(36)
Plus: proceeds from sales of property, plant & equipment (capital disposals) (GAAP)	2	—	—	—	—
Free cash flow (non-GAAP)	\$ 438	\$ 256	\$ 836	\$ 842	\$ 965
Operating Cash Flow to Net Earnings Ratio (GAAP):					
Total cash provided by operating activities (GAAP)	\$ 457	\$ 276	\$ 870	\$ 896	\$ 1,001
Net earnings (GAAP)	\$ 434	\$ 411	\$ 845	\$ 861	\$ 724
Operating cash flow to net earnings conversion ratio	1.05	0.67	1.03	1.04	1.38
Free Cash Flow to Net Earnings Ratio (non-GAAP):					
Free cash flow from above (non-GAAP)	\$ 438	\$ 256	\$ 836	\$ 842	\$ 965
Net earnings (GAAP)	\$ 434	\$ 411	\$ 845	\$ 861	\$ 724
Free cash flow to net earnings conversion ratio (non-GAAP)	1.01	0.62	0.99	0.98	1.33

The Company defines free cash flow as operating cash flows from continuing operations, less payments for additions to property, plant and equipment ("capital expenditures") plus the proceeds from sales of plant, property and equipment ("capital disposals").