



# PEOPLE WITH IMPACT



**Hillrom**<sup>™</sup>

2019 Corporate Social  
Investment Report

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This report includes results from Hillrom's 2019 fiscal year (October 1, 2018 – September 30, 2019) unless otherwise noted.

Patents represent the total number of active patents held by Hillrom globally.

The majority of product donations are models no longer being manufactured for commercial sale or sold by Hillrom, its affiliates or distributors, or are products or peripherals that would otherwise be scrap metal, or other repurposed materials.

[hillrom.com](http://hillrom.com)



Hillrom President and CEO John Groetelaars connecting with a Hillrom leadership development cohort.

## A Message from Hillrom President and CEO John Groetelaars

As a provider of medical devices that touch the lives of some seven million people every day, it is only natural for Hillrom to focus our corporate social investment program, Hillrom for Humanity, on people.

The report you are about to read tells our story from the vantage point of people: the 10,000 of us who work for Hillrom, and the millions of patients and caregivers whose lives we impact every day; the culture we are building to enable our employees to thrive and belong; and the abiding sense of responsibility we have for one another's safety and for environmentally sustainable operations around the world.

In the pages that follow, you will learn how we bring all of this to life, from patient-centered care at the core of our mission, to the way we interact with the environment and how we care for the communities we call home.

In 2019, Hillrom was named by *Newsweek* to its first America's Most Responsible Companies list. This recognition is both an honor and an invitation for us to achieve more. We look forward to sharing our progress as Hillrom for Humanity continues to evolve.

John P. Groetelaars  
President and Chief Executive Officer  
February 2020



In 2019, Hillrom was named by *Newsweek* to its inaugural list of America's Most Responsible Companies.

## Patient-Centered Care

For more than 100 years, Hillrom has been at the forefront of patient-centered care. Everything we do, and all our products and technologies, are designed to enhance outcomes for patients and their caregivers. Hillrom's comprehensive product and service offerings are in use by health care providers across the health care continuum and around the world in hospitals, physician offices, extended care facilities and in the home.

Our vision of Advancing Connected Care™ means we are continuously integrating our solutions to deliver timely data and actionable insights, enabling clinicians to be vitally connected to their patients. That can result in more accurate diagnoses, earlier intervention and faster recovery times.

Through more intelligent—and more connected—solutions, we help simplify routine workflows and communication, empowering care teams to focus on their passion: helping patients get better, sooner. What's more, we continuously raise the bar on quality and safety, building upon our legacy of trust with providers globally.

**7 million**  
people are  
touched  
by Hillrom  
products  
every day.

### OUR VISION

**ADVANCING  
CONNECTED  
CARE™**

### OUR MISSION

Every day, around the world, we enhance outcomes for patients and their caregivers.

### OUR FOCUS AREAS

- Enable Earlier Diagnosis and Treatment
- Accelerate Patient Recovery
- Simplify Clinical Communications and Collaboration
- Optimize Surgical Efficiency and Safety
- Shift Care Closer to Home

### HILLROM BY THE NUMBERS

**10,000**  
ASSOCIATES

**\$2.9 billion**  
FY19 REVENUE

**~20,000**  
CUSTOMERS

**100+**  
COUNTRIES

**2,755**  
ACTIVE PATENTS

**7 million**  
PEOPLE TOUCHED BY  
HILLROM PRODUCTS  
EVERY DAY

**1.3 million**  
DEVICES THAT CAN  
BE CONNECTED

## Culture: Celebrating Diversity, Inclusion and Belonging

**Our employees are the power behind Hillrom's achievements. They are the reason why creating and maintaining a culture that respects people, celebrates diversity and creates an inclusive workplace is fundamental to our success. When people feel they belong, their ability to achieve is limitless.**



Members of Hillrom's Professional Women's Group addressed the Board of Directors during its May 2019 meeting. Pictured above (left to right), Kelli Rempel, Donetta Harman, Board member Mary Garrett and Board member Stacy Enxing Seng.

### LEADERSHIP

Our Diversity, Inclusion & Belonging (DIB) Council (right) is an advisory board that includes our CEO, Chief Human Resources Officer, a business unit president and high-performing, high-potential leaders from all business units, and multiple geographies around the world. The work they do, together with our full-time DIB team, benefits the company as a whole, along with the communities in which we live and work.



### SETTING THE TONE

Our anti-harassment and equal employment opportunity policies and training ensure all Hillrom employees work in a healthy, safe and productive environment, free of non-inclusive behaviors. Hillrom's Conscious Inclusion workshop (which raises awareness of unconscious biases) and Preventing Discrimination, Harassment and Retaliation e-learning trainings, help ensure our culture lives up to Hillrom's value of Respect.



**"Fantastic job on the Conscious Inclusion training! You provided a perfect blend of education and audience participation. It felt like a safe environment where everyone's voice could be heard."**

**Julie McCormick, Area Vice President and Co-Chair, Professional Women's Group**

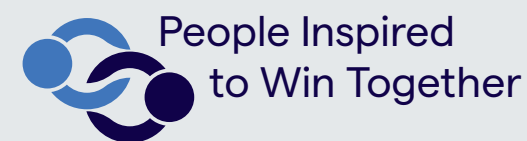


**"Diversity and inclusion are amazing, but there is something so powerful about belonging. The inclusion of the word sends a message about the culture that we want to espouse here at Hillrom."**

**Daniel Hickman, Intake Specialist and Chair, Pride Partnership, St. Paul, MN, Chapter**

### TAKING ACCOUNTABILITY

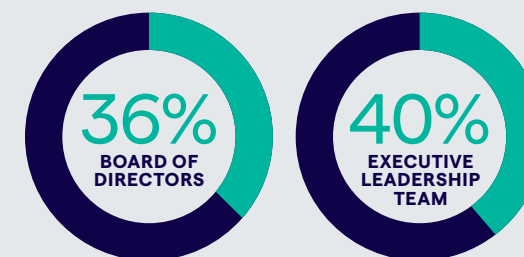
At Hillrom, our values mandate that we create and grow a culture where everyone belongs. Diversity and Inclusion metrics are embedded across Hillrom. As established by our DIB Council, members of Hillrom's Executive Leadership Team are accountable for creating and improving D&I awareness.



### WOMEN WITH IMPACT

Women leaders make up 36 percent of Hillrom's Board of Directors and 40 percent of our Executive Leadership Team.

Both leadership teams include women of color and members of the LGBTQIA community.



In 2019, Hillrom joined the Catalyst CEO Champions for Change – one of 60+ global companies committed to advancing women, including women of color, into senior leadership positions and onto their boards.

### EMPLOYEE RESOURCE GROUPS

As a cornerstone of our diversity, inclusion and belonging strategy, our employee resource groups afford our associates the opportunity to join colleagues with similar life experiences or backgrounds in a professional forum.

Our groups are open to all employees, company-sponsored and employee-led.



## INCLUSIVE BENEFITS

Hillrom employees are eligible for health insurance, paid and unpaid leaves, a retirement savings plan, and life and disability/accident coverage. Hillrom offers a variety of voluntary benefits as well as personalized support tools to help employees with their wellness.

Hillrom's Employee Stock Purchase Plan is available in key countries where we have a sufficient number of interested employees. Currently, those locations include the U.S., Canada, Mexico, Netherlands, Singapore, Australia and Japan.

Partial list of inclusive benefit options (in the U.S.):

- |   |  |
|---|--|
| <b>Personalized Wellness Program</b>              | <b>Paid Parental Leave</b>                     |
| <b>Health Advocacy</b>                            | <b>Telemedicine</b>                            |
| <b>MilkStork Travel Solution for Nursing Moms</b> | <b>VHA Coverage in U.S. Medical Plan</b>       |
| <b>Family Building Benefits</b>                   | <b>Flexible Time-Off</b>                       |
| <b>Prescription Savings Solutions</b>             | <b>Adoption Assistance</b>                     |
| <b>Financial Wellness</b>                         | <b>Expanded Coverage for Diabetic Patients</b> |
| <b>Transgender Medical Coverage</b>               |  |

Find more information about our [benefits and rewards](#) on hillrom.com.



Growth Action Team cohort.



Members of Hillrom's Talent Acquisition team and Pride Partnership employee resource group participating in a 2019 recruitment event.

## GROWING DEVELOPMENT OF DIVERSE TALENT

Our Growth Action Team initiative pulls together a diverse group of high-potential leaders from various regions and functional areas to problem solve real-world, business-specific challenges. We also offer tuition reimbursement, customized e-learning through Hillrom University, and mentorship opportunities in addition to training and certification opportunities.

## TALENT SOLUTIONS

We recruit diverse talent through local partnerships with organizations such as RecruitMilitary, HACE (Hispanic Alliance for Career Enhancement), Diversity Best Practice, National Society of Black Engineers, and Getting Hired (focused on individuals with disabilities). Through our Leadership Development Programs we recruit talent from schools reflecting a strong minority and female population. We also ensure candidates have diverse interview panels.



**"When my wife and I welcomed our second baby, I utilized our generous parental leave offering and it made a huge impact in our personal lives, mine in particular. Having had the opportunity to spend time at home with my family was indescribable."**

**Steven White, Area Vice President**



**"Because of having MilkStork as a benefit, I didn't have to sacrifice my effectiveness as an employee or my responsibilities as a mother."**

**Jami Steer, Manager**



**"Expanding our medical plan to include Veterans Health Administration healthcare facilities in the U.S. shows how much Hillrom respects the needs of employees who are veterans."**

**Scott Hanlon, Lead Analyst**

Embrace, Hillrom's Black professional resource group, kicked off Black History Month with a first-of-its-kind company-wide conversation on diversity, inclusion and belonging with Chief Human Resources Officer Ken Meyers (far right). Joining the conversation were Paula Miller, manager, Diversity, Inclusion and Belonging, Shon Hill, area vice president and Angela Lee, vice president, Human Resources and Talent Development (pictured left to right).



## Awards and Recognition



# Hillrom for Humanity: In the Community

Hillrom for Humanity's reach extends far into the communities where we live and work, enabling us to make an impact on the lives of people around the world. Our commitment to give back takes shape through direct contributions, product donations and volunteering with dozens of not-for-profit organizations.



Photos contributed by Hillrom employees in Australia, China, Germany, Singapore and the United States.



## Giving

**We know that doing good work in our communities is not just the right thing to do, it is an important element of Hillrom's continued success.**

Through Hillrom for Humanity, we focus our charitable investments primarily in healthcare and STEM education not-for-profit organizations. Together with our product donation partners, Project C.U.R.E. and Heart to Heart International, we expand our impact by bringing advanced medical equipment to people who lack access.



**6 MILLION**

Approximate number of individuals impacted by Hillrom for Humanity's 2019 corporate charitable giving

### RECIPIENTS OF HILLROM'S 2019 CHARITABLE GIVING OR PRODUCT DONATIONS INCLUDE:

- |                                |                                       |                                      |
|--------------------------------|---------------------------------------|--------------------------------------|
| ALS Foundation                 | EDUCO                                 | Leukemia & Lymphoma Society          |
| Alzheimer's Association        | FIRST                                 | Multiple Myeloma Research Foundation |
| American Cancer Society        | Girls Who Code                        | National Math & Science Initiative   |
| American Heart Association     | Heart to Heart International          | Project C.U.R.E.                     |
| American Red Cross             | IMCARES                               | Shirley Ryan Ability Lab             |
| Children's Place International | Junior Achievement                    | Surgicorps International             |
| Cystic Fibrosis Foundation     | Juvenile Diabetes Research Foundation | UNICEF                               |

List is representative and not inclusive of all Hillrom for Humanity charitable donation recipients.



### CLUB RAINBOW

Hillrom for Humanity in Singapore partnered with **Club Rainbow** to spend a day of play with children suffering from neurological, genetic, and blood disorders, cardiovascular diseases, and other health complications. The day included sculpture balloons, photos, interactive games, lunch and a special outing to see Toy Story 4 – a rare opportunity for many of the children who have mobility challenges.



### PROJECT C.U.R.E.

In October, **Project C.U.R.E.** President and CEO Dr. Douglas Jackson addressed Hillrom sales and service associates from the Americas. During the meeting, more than one thousand Hillrom volunteers built Project C.U.R.E. care kits for families in developing countries who lack access to basic medical supplies like bandages, scissors and aspirin. Today, the kits are being used in Honduras, Dominican Republic, Mexico and Uganda.

### QUILTS FOR KIDS

The majority of our charitable contributions result from Hillrom employee-led actions and initiatives, including those of **Teresa Meyer** in Batesville, Indiana (above).

Since 2014, Teresa has been active with **Quilts for Kids**, a charitable organization transforming fabrics into patchwork quilts to comfort children facing serious illness, trauma, abuse and natural disasters.

Teresa and her fellow Indiana sewing volunteers have completed and donated more than 240 quilts to children in the U.S.

# Environment, Health & Safety

## Environmental sustainability, health and safety are firmly rooted across Hillrom's global footprint.

Our commitment goes beyond compliance and regulations – we integrate sound environmental and safety practices across our global footprint to make a meaningful difference in every facet of our operations.

In 2019, we took purposeful steps forward to affirm our enterprise-wide commitments and EHS objectives, which in turn informed our impact measurements, employee engagement and path forward.



## AFFIRMING OUR COMMITMENT

In 2019, Hillrom issued its first Global Environment, Health, Safety and Sustainability Policy (below), which governs all enterprise activities related to our EHS performance. This policy affirms how Hillrom intends to operate as a company and our commitment to sound environmental, health and safety practices.



### GLOBAL ENVIRONMENT, HEALTH, SAFETY AND SUSTAINABILITY POLICY

Hillrom is focused on being recognized as a leader in Environment, Health, Safety, and Sustainability (EHS). This commitment is aligned with our values of Respect, Responsiveness, Results, Integrity and Fun. Hillrom is committed to the protection and well-being of its employees, the environment and the communities in which we operate.

Hillrom will ensure a focus on improved performance by setting goals, measuring progress, and communicating results to its employees and the public. As such Hillrom will:

- EMPLOYEES** Provide a zero-harm workplace focused on a commitment to injury and illness prevention and hazard elimination. Foster participation and engagement in EHS and personal well-being at all levels of the organization.
- CUSTOMERS** Align with our customers to support our mutual environment, health, safety and sustainability objectives.
- SUPPLIERS** Collaborate with our suppliers, contractors and business partners to achieve mutually beneficial EHS performance.
- COMMUNITIES** Participate in community outreach programs, both locally and globally, focused on EHS and sustainability initiatives.
- ENVIRONMENT** Manage our environmental risks to minimize the impact to the communities where we operate. Reduce the environmental impact of our operations, services, and supply chain through an increased focus on renewable resources. Reduce our greenhouse gas emissions, water & energy usage and waste generation to support global initiatives on climate change.
- REGULATIONS** We shall strive to meet all applicable EHS regulations and internal requirements to which we subscribe.
- SHAREHOLDERS** Drive continuous improvement in environment, health and safety by establishing targets, measuring performance, and communicating our results.

All Hillrom employees are accountable for compliance with this policy and to ensure that Hillrom is meeting its EHS commitments.

John P. Groetelaars  
President and Chief  
Executive Officer



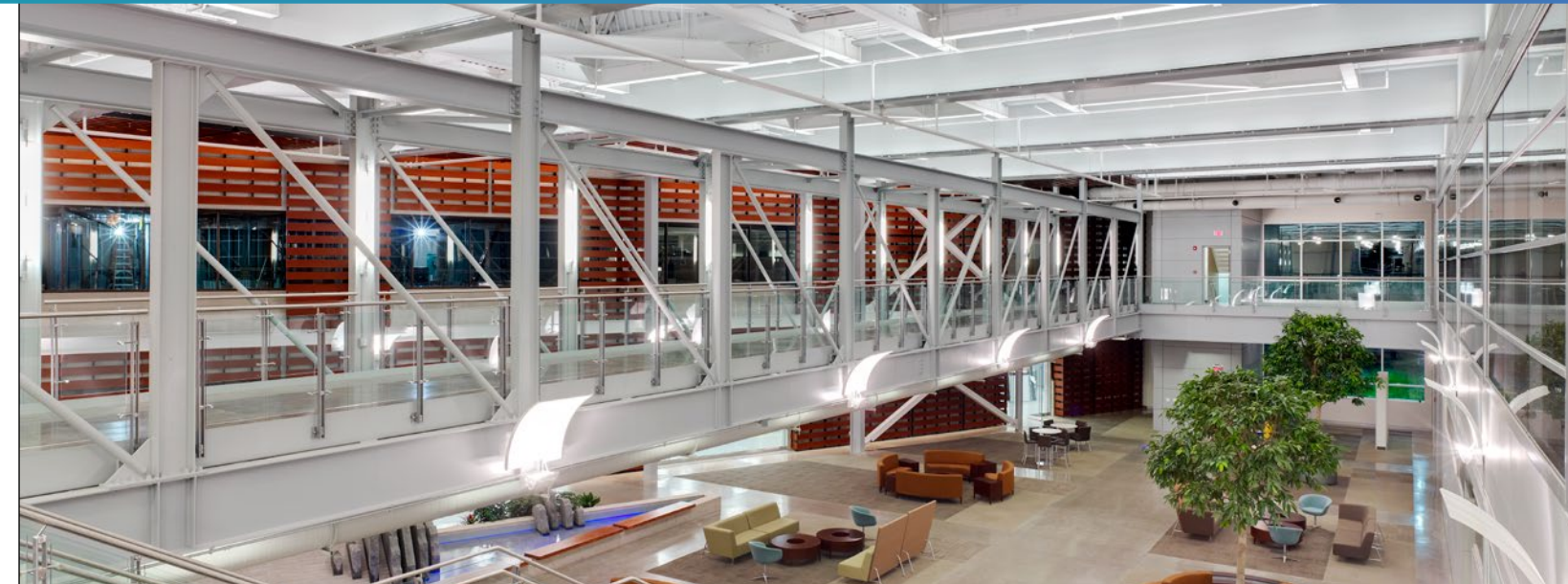
## NEW EHS MANAGEMENT SYSTEM

Additionally, in 2019 Hillrom deployed a new EHS management system (EHSMS) based on ISO 14001 and ISO 45001 standards. Built on sound risk management principles, our EHSMS is designed to flex with Hillrom's evolving business, while streamlining data collection, ensuring greater consistency and accuracy across our global operations, and improving health and safety performance.

Leveraging our new EHSMS system, we will be using 2019 as our benchmark for environmental goal-setting and year-over-year performance measures.

A number of our facilities also achieved certification or were re-certified in:

- ISO 14001: Pluvigner, France (manufacturing); Lulea, Sweden (manufacturing); Spain (country operations).
- ISO 50001: Saalfeld, Germany (manufacturing).

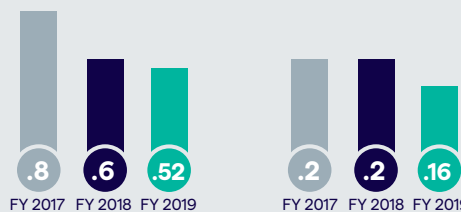


Hillrom Skaneateles, New York, office.

## HEALTH AND SAFETY

Hillrom's strong safety-first culture is a hallmark of our operations. We have maintained a consistently high level of safety performance as measured by our OSHA recordable incident rate, in line with other leaders in our industry. Every manufacturing site has a robust hazard identification reporting process to identify and correct hazards and unsafe behaviors, and reduce or eliminate the risk of injury.

### ANNUAL RATES



**Total Recordable Incident Rate (TRIR)**

**Lost Time Incident Rate (LTIR)**

TRIR and LTIR are used according to OSHA definitions, (i.e., number of respective incidents per 200,000 hours worked.)

**2020 HEALTH & SAFETY GOAL**  
15% Reduction TRIR

## ENERGY AND GREENHOUSE GAS EMISSIONS (MANUFACTURING OPERATIONS)

Through continuous improvement efforts, Hillrom focuses on reducing its energy usage and greenhouse gas footprint, while also driving down costs.

### ENERGY CONSUMPTION

**FY 2019** 25,856,000 ccf      **FY 2019** 68,022,000 kwh

**Direct**  
(primary fuel sources consumed by our facilities)

**Indirect**  
(electricity used by our facilities)

### GHG EMISSIONS (CO<sub>2</sub>e) (METRIC TONS)

**FY 2019** 13,900      **FY 2019** 40,885

**Scope 1 Emissions**  
(from direct energy consumption) Manufacturing and U.S. Field Service locations.

**Scope 2 Emissions**  
(from indirect energy consumption) U.S. Field Service organization only.

**2020 ENERGY REDUCTION GOAL**  
3% Reduction Electricity Usage Normalized to Production Value

## WASTE MANAGEMENT & RECYCLING (MANUFACTURING OPERATIONS)

Hillrom diverts millions of pounds of materials from landfills to recycling centers annually. Recycled materials include plastics, metals, wood, coolants and oils, cleaning solvents, fluorescent light bulbs, electronic components and batteries, cardboard and office paper.

### WASTE DISPOSAL (POUNDS)

**FY 2019** 15,060,000      **FY 2019** 3,464,000

**Non-Hazardous Waste Reused or Recycled**

**Non-Hazardous Waste Disposed**

**FY 2019** 631,000

**Hazardous Waste Disposed Offsite**

## WATER CONSUMPTION (MANUFACTURING OPERATIONS)

Although water is not a major component of our manufacturing operations, each Hillrom-owned property is responsible for managing and tracking its own water supply and consumption. In an effort to reduce our footprint and understand water-related risks, individual facilities are implementing improvement programs.

### WATER CONSUMPTION (GALLONS)

**FY 2019** 33,185,000

When measured against industry peers, Hillrom Pluvigner was recognized by Ecovadis with its Gold Rating, the highest such rating provided by this independent evaluator of corporate sector environmental and social performance.



# Foundational Policies and Corporate Commitments

## PRODUCT QUALITY

At Hillrom, the issue of product quality is larger than a program and it is more than a process – it is the promise we make every day to our customers. Quality Matters in everything we do, everywhere, all the time.



Keeping this promise means Hillrom takes responsibility for being the company people count on to make things right. That translates to zero tolerance for products and services that do not meet our standards and 100 percent engagement from our associates from the factory floor to the executive suite.

Find more information about [product quality, related policies and management systems](#) at [hillrom.com](#).

## ETHICS AND COMPLIANCE

Hillrom maintains a comprehensive global compliance program designed to help sustain the highest ethical standards.

Our Global Code of Conduct and other relevant policies and procedures apply to everyone who conducts business for Hillrom. Hillrom operates in strict compliance with all applicable laws, including the U.S. Foreign Corrupt Practices Act and Anti-Kickback Statute. All of our policies apply to every Hillrom employee, including all Hillrom subsidiaries, suppliers, distributors and other partners globally.

Our Chief Compliance Officer, who is a member of our Executive Leadership Team, and the Global Compliance Office provide employees with clear guidance, education and training so they can appropriately navigate today's increasingly complex health care environment. All employees, including part-time employees, are required to complete annual Global Code of Conduct training. For other compliance training, such as Anti-Bribery and Anti-Corruption Policy training, targeted relevant employees are required to complete periodic training.

Additionally, the Global Compliance Office hosts a company-wide Compliance Week annually, which increases awareness of our compliance program and engages employees in activities to help them better understand our policies.

All employees are encouraged to raise a compliance concern or ask a question. Hillrom has zero-tolerance for retaliation, and employees are encouraged to speak with their manager, email the Global Compliance Office or contact our anonymous global reporting hotline at any time.

Find more information about our [global compliance program](#) on [hillrom.com](#).

**Integrity@Work**  
COMPLIANCE. *It starts with you.*



Please visit [hillrom.com](#) for more information about our policies, codes and disclosures.



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