



Hillrom™



Susan Mangicaró is one of several Hillrom employees who volunteered with front-line healthcare teams fighting COVID-19 in 2020.

# 2020: OUR MISSION MOMENT

Corporate Social Investment Report →

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# A MESSAGE FROM HILLROM PRESIDENT AND CEO JOHN GROETELAARS



2020 has been a year of hope, compassion, necessary change and positive progress that will live on in the years ahead. For Hillrom, 2020 meant the opportunity to live out our mission with new urgency every day during a global healthcare crisis, which as of this publication, continues to evolve.

In our mission to improve outcomes for patients and their caregivers, we are grateful to have played a part in the global efforts to accelerate recovery times, advance care delivery and expand access to care. We continue to do this, all while protecting the people who make it happen 24/7 – the global Hillrom team.

As one of the manufacturers designated a critical healthcare supplier, we took measures to ensure our associates' health and safety, while ensuring our worldwide manufacturing and service delivery remained fully operational and environmentally sound.



## A MESSAGE FROM HILLROM PRESIDENT AND CEO JOHN GROETELAARS

Accountability to those whom we serve and for how we operate took on new meaning for Hillrom in 2020, when as a company we learned, engaged and asked some tough questions about racial and social injustice. One of Hillrom's greatest strengths is our culture. Our commitment to diversity, inclusion and belonging remains essential to our growth and the steps we took this year reflect that commitment.

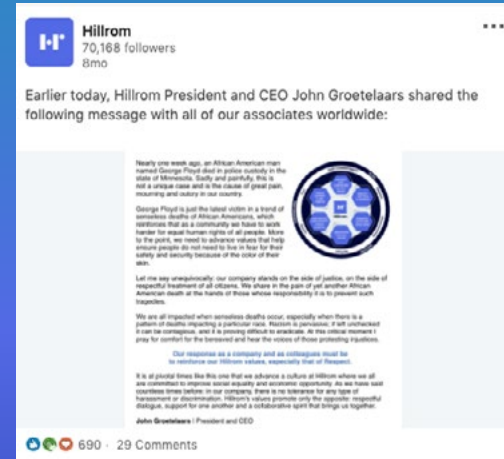
We apply the same urgency and commitment in how we show up in the communities where we live and work. In a year like no other, in 2020, we expanded our charitable investments to meet urgent medical and humanitarian needs in locations globally.

We may remember 2020 as a time when our humanity and our connectedness became more vital than ever before. On the pages that follow, you will read about some of Hillrom's actions, for which we are most proud. This year we launched Hillrom Strong as both a rallying cry and a reminder of our resilience to serve the patients and caregivers at the heart of our mission, and one another.

Sincerely,



John Groetelaars  
President and Chief Executive Officer





**We exist for one noble purpose:**

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

Around the world, our innovations touch more than 7 million patients each day. They help enable earlier diagnosis and treatment, optimize surgical efficiency and accelerate patient recovery while simplifying clinical communication and shifting care closer to home. We make these outcomes possible through digital and connected care solutions and collaboration tools, including smart bed systems, patient monitoring and diagnostic technologies, respiratory health devices, advanced equipment for the surgical space and more, delivering actionable, real-time insights at the point of care.

**ADVANCING  
CONNECTED  
CARE™**

## HILLROM BY THE NUMBERS

**10,000**  
ASSOCIATES



**\$2.9B**  
FY20



**~20,000**  
CUSTOMERS



**100+**  
COUNTRIES



**2,990**  
ACTIVE PATENTS



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



**~1.3M**  
CONNECTED  
DEVICES



Find out more about Hillrom:

## Hillrom's actions as a global corporate citizen are tied to our values.

Around the world, Hillrom for Humanity, our corporate social investment program is a force for good.

In 2020, Hillrom for Humanity donated more than \$7 million in financial support and product donations to organizations fighting the pandemic, responding to crises, and to those dedicated to strengthening and caring for vulnerable populations.

The majority of Hillrom for Humanity's donations are employee-guided – often benefiting small organizations that are lifelines to the communities they serve.

At right, a pediatric registered nurse with [The Developmental Center for Exceptional Children](#) in South Carolina holds a Welch Allyn® thermometer donated through Hillrom for Humanity.



# GIVING

Our focused investments in 2020 spanned the globe.



Click on icons above to view highlights from Hillrom's 2020 corporate social investment program.





## EXPANDING COVID-19 CARE ACCESS

In March 2020, Hillrom for Humanity donated \$3 million in medical devices well-suited for critical and intensive care environments to 25 U.S. hospitals battling COVID-19. The one-time donations included respiratory care products, ICU beds, non-invasive ventilators and vital signs monitors to help caregivers on the front lines diagnose and treat more patients. Many of the recipient hospitals serve low-income communities where health care access is limited.



With support from the American Hospital Association to spread the word among the nation's hospitals about the donation program, recipient hospitals had to meet certain eligibility criteria, including demonstration of need, community transmission of COVID-19, and the ability to put the devices to immediate clinical use.



## AMERICAN NURSES FOUNDATION

Hillrom made a \$50,000 cash donation to the [American Nurses Foundation \(ANF\)](#) to build upon the organization's efforts to support the needs of U.S. nurses after the COVID-19 outbreak. The donation became the ANF's pathway to deploy a communications infrastructure to keep nurses informed real-time as the virus and working conditions have evolved.





## FUNDACIÓN SANTA FE DE BOGOTÁ

Through Hillrom for Humanity's product donation, the not-for-profit hospital [Fundación Santa Fe de Bogotá](#) expanded its care capacity to treat COVID-19 patients in Colombia and Ecuador.



Fundación  
Santa Fe de Bogotá



## REACHING BLACK COMMUNITIES

A team of Hillrom's African American leaders was appointed in 2020 to address concerns and advancement opportunities of the Black population in both Hillrom and the U.S.

One part of this initiative involves targeted investments and volunteerism through Hillrom for Humanity with organizations such as [100 Black Men of Syracuse](#), [Chicago Urban League](#) and [A Few Good Men/University of North Texas](#).

In 2020, Hillrom for Humanity became a proud partner to these organizations in their efforts to achieve educational and employment equity for Black communities.

[Read more about Hillrom's REACH initiative.](#)







## INTERNATIONAL RED CROSS

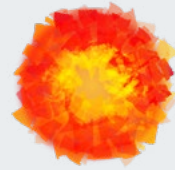
Through product donations to the International Red Cross, Hillrom for Humanity helped expand care delivery in nations around the world. International Red Cross volunteers like those pictured here with donated Hillrom products, have played an important role alongside healthcare practitioners on the front lines of the pandemic response.





## COVID-19 RECOVERY RESPONSE INITIATIVE

In 2020, Hillrom for Humanity provided funding to the U.K. Sepsis Trust to expand its [COVID-19 Recovery Response Initiative](#). This unique patient support program, which serves both COVID survivors and those mourning the loss of family and friends, has helped thousands of individuals in the United Kingdom navigate their new realities.

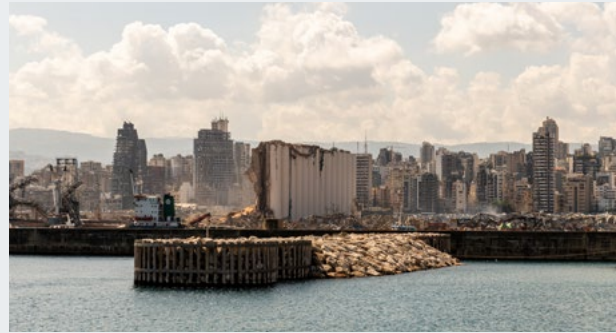


THE UK  
SEPSIS  
TRUST



## LEBANON CRISIS RESPONSE

In response to the tragic explosion in Beirut, Lebanon, on August 4, Hillrom for Humanity made a generous donation of essential products to three not-for-profit hospitals and a humanitarian aid organization. These medical devices were put to immediate use to care for those injured and fortify healthcare delivery services, which were nearly destroyed as a result of the explosion.





## CHINESE RED CROSS FOUNDATION

In January 2020, Hillrom for Humanity donated 400 vital signs monitors, worth more than \$2.5 million, to the Chinese Red Cross Foundation, enabling the organization to rapidly triage patients' needs at scale when the novel coronavirus first emerged.







## IMPROVING INDIGENOUS EYE HEALTH

Through Hillrom for Humanity's financial support and product donations, the [Fred Hollows Foundation](#) is expanding its high quality, accessible and culturally appropriate eye care services in Aboriginal and Torres Strait Islander populations in remote and underserved communities in Australia.



The **Fred Hollows**  
Foundation

# Hillrom's culture is dynamic – continually evolving and advancing to enable all of our 10,000 employees the opportunities to realize their best professional selves.

Fundamentally, our culture is rooted in a commitment to diversity, inclusion and belonging (DIB).

Setting a tone from the top, Hillrom's DIB Council is a formal advisory board that includes our CEO, chief talent and diversity officer, a business unit president and high-performing, high-potential leaders from all business units and multiple geographies around the world.



The Hillrom Executive Leadership Team together with the DIB Council guides Hillrom's cultural evolution by focusing on five outcomes:

- 1** Empowering People's Voices
- 2** Driving Innovation
- 3** Retaining Top Talent
- 4** Matching Inside with Outside Community
- 5** Becoming an Employer of Choice

## Benefit Enhancements

How do we attract and keep the best people? By offering a wide variety of benefits and programs that are relevant to today's workforce, their families and our inclusive culture. Our 2020 focus included, among others:

### 12-WEEK PARENTAL LEAVE

Because Hillrom recognizes the importance of bonding time between new parents and children following birth, adoption, surrogacy birth or foster care placement, we extended our paid parental leave policy in the U.S. to 12 weeks.

### CARE@WORK

Care@Work offers pre-screened and vetted backup care when regular care is not available during working hours. The benefit offers 10 backup care days per year to use for either child or adult care throughout the calendar year.

### MENTAL HEALTH

Throughout the pandemic, we have regularly communicated about the importance of mental health, sharing information about coping mechanisms, and where to find support if employees needed it – whether through Hillrom benefit resources or through resources specific to each country where we have employees.

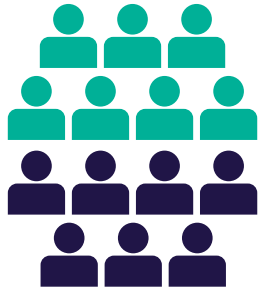
To find out more about our expansive benefits offerings, including Flexible Time Off and personalized wellness programs, please visit [hillrom.com](http://hillrom.com).



# CULTURE BY THE NUMBERS

## Executive Team

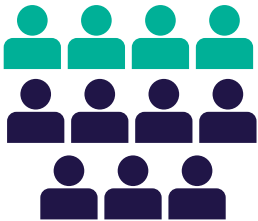
Members of the CEO's executive leadership team.



7 WOMEN, 7 MEN

**50%**  
FEMALE

## Board of Directors



4 WOMEN, 7 MEN

**36%**  
FEMALE

**16%**  
U.S. MINORITY  
(EXECUTIVE  
LEADERSHIP TEAM/  
BOARD OF DIRECTORS  
COMBINED)

**40%**  
WOMEN

NEW HIRES AT  
ALL LEVELS  
GLOBALLY

BOTH  
LEADERSHIP  
TEAMS INCLUDE  
MEMBERS OF  
THE LGBTQIA  
COMMUNITY

**2,700+**  
ASSOCIATES

GLOBALLY ENGAGED  
IN AN EMPLOYEE  
RESOURCE GROUP

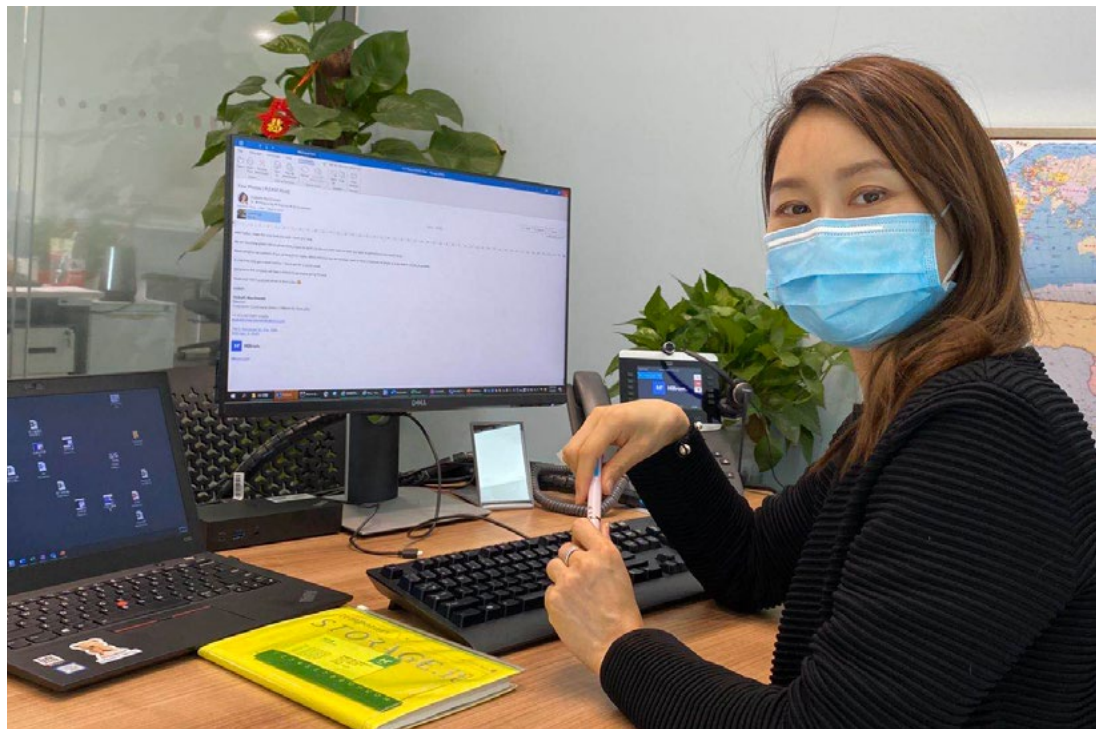
**5**  
COUNTRIES  
OF ORIGIN  
REPRESENTED  
ON EXECUTIVE  
LEADERSHIP TEAM

**\$50M**  
SPENT IN FY20  
TO PURCHASE  
FROM 230+  
FIRST-TIER  
DIVERSE SUPPLIERS

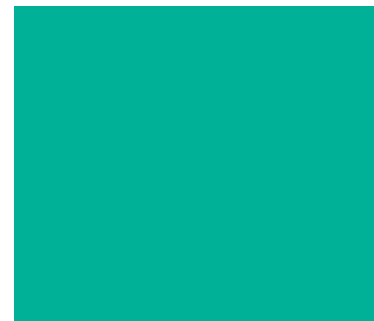


## 2020 HIGHLIGHTS

Ensuring Hillrom's culture reflects our values and meets our expectations never stops. While this journey has no endpoint, it does include major milestones and a number of achievements in 2020.



# 2020 HIGHLIGHTS



# 2020 HIGHLIGHTS

## CHIEF TALENT AND DIVERSITY OFFICER

If 2020 taught us anything, it is that the quality of Hillrom's talent and our ability to create, sustain and strengthen a culture of diversity, inclusion and belonging (DIB) are what drives our success. This recognition led to the creation of a new executive leadership team position – chief talent and diversity officer – focused on our culture and charged with making further progress toward our cultural aspirations in talent and DIB.

[Read more about Hillrom Chief Talent and Diversity Officer Angela Lee.](#)



# 2020 HIGHLIGHTS

## CELEBRATING WOMEN

Hillrom's International Women's Day celebrations bring employees together across timezones, including these associates in the United Arab Emirates and Canada.

Annually, Hillrom's Professional Women's Group (PWG) leverages the company's global communication channels to pay tribute to others in the series, "Women Who Inspire." It's an opportunity for group members, men and women alike, to celebrate the women, often their Hillrom colleagues, who have helped them in their careers and personal lives.

PWG has more than 1,400 members dispersed globally across 21 chapters.



Professional  
Women's Group



# 2020 HIGHLIGHTS

## DIVERSITYINC – TOP 50

We're proud to be named a Top 50 Noteworthy Company for Diversity by DiversityInc.

This recognition reinforces the importance of our corporate culture, one exemplified by inclusion, belonging and equality of opportunity.

Including and supporting the voices of our 10,000 team members isn't optional. It's who we are, and the foundation for our innovations and ability to enhance outcomes for patients and their caregivers.





# 2020 HIGHLIGHTS

## REACH INITIATIVE

Following the death of George Floyd, Hillrom's executive leadership commissioned a team of African American leaders within the company to address inequalities and focus on concerns and conditions of the Black population in both Hillrom and the U.S.

This action gave rise to Hillrom's REACH Initiative. Through its four pillars – Representation, Education, Awareness and Community at Hillrom – REACH leaders are empowered with specific accountabilities and deliverables to advance now and in the years ahead.



Members of Hillrom's Care Communications team.

**REACH** at Hillrom

# 2020 HIGHLIGHTS

## MES DE LA HERENCIA HISPANA

Annually, from September 15 to October 15, HOLA (Hillrom Organization for Latino Advancement) hosts a company-wide Hispanic Heritage Month (Mes de la Herencia Hispania) celebration to coincide with the international observance.

HOLA members treated Hillrom employees to cultural and historical education opportunities through online forums, which culminated in a global town hall to welcome new members to the organization.

Other HOLA-led activities in 2020 included a diabetes awareness seminar with Hillrom's Dr. Carlos Urrea, vice president, Medical Affairs & Informatics, and the virtual launch of our HOLA Chicago chapter.



# 2020 HIGHLIGHTS

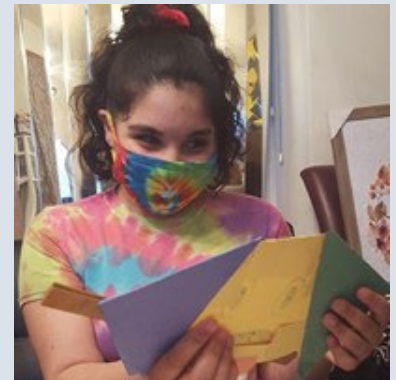
## EMBRACE THIS MOMENT

Last year, our EMBRACE (Black/African American resource group) Skaneateles chapter formed a partnership with [100 Black Men of Syracuse](#), an organization devoted to lifting up at-risk youth through mentorship and education.

This summer, chapter members developed fun, age-appropriate STEM education activities for students who could no longer participate in the organization's after-school programs due to shelter-in-place restrictions. The program ran for eight weeks, with a range of experiments from understanding surface area to jellybean engineering.

Other notable EMBRACE activities in 2020 included a global educational opportunity about Juneteenth, honoring the history of the African American experience in the U.S. and the Civil Rights movement of the 1960s, while reinforcing the importance of doing what we can as allies in the ongoing fight against racism today.

Later in the year, the EMBRACE Chicago chapter debuted with a virtual kick-off for employees.



# 2020 HIGHLIGHTS

## GROWING AUTISM AWARENESS

Throughout the year, Hillrom's employee resource group I.D.E.A. (Individuals with Disabilities Empowered to Achieve) raises awareness of important issues facing individuals with disabilities – roughly 15 percent of the world's population.



In April, as part of Autism Awareness Month, I.D.E.A. and HOLA (Hillrom Organization for Latino Advancement) teamed up to share more about Autism with Hillrom. The educational opportunity featured an inspiring message from Connor Fitzgerald (pictured below), son of I.D.E.A. co-chair Lori Fitzgerald, about what it's like to live with Autism.

Hillrom for Humanity is a proud supporter of the organization [Autism Speaks](#).



# 2020 HIGHLIGHTS

## DIVERSITY AWARENESS MONTH

Hillrom celebrated Diversity Awareness Month in October, an awareness-raising, educational opportunity for employees globally. Each week, employees were invited to examine diversity, inclusion and belonging through the lens of key business drivers like engagement, innovation, accountability and empowerment.

Among its features, the month included The DIB Deep Dive Podcast with Hillrom Executive Leadership Team members discussing DIB and how it factors into their business decisions.

The month also showcased an employee-led virtual discussion, “The Value of Difference,” with associates in the U.S., Colombia and China, and [Dr. Brian Williams](#), a trauma surgeon who, in addition to saving lives, is committed to ending racial inequities in healthcare.





# 2020 HIGHLIGHTS

## AWARDS

Hillrom was honored to be recognized in 2020 with the following awards:

- DiversityInc Top 50 Noteworthy Companies
- Adoption-Friendly Workplace™
- American Heart Association® Gold
- Newsweek Most Responsible Companies
- Forbes America's Best Large Employers
- France Great Place to Work®
- Women on Boards - Winning "W" Company



# 2020 HIGHLIGHTS

## HILLROM PRIDE

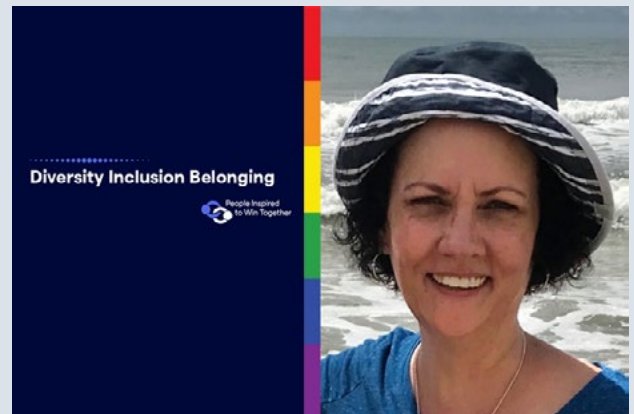
In PRIDE Partnership, members of Hillrom's LGBTQIA+ community and allies come together globally.

This year during virtual Pride Month celebrations, PRIDE Partnership focused on the theme "Safe to Be You."

Among their activities, members were asked to reflect on a simple question: What does being a member of PRIDE Partnership mean to you? Their answers were shared in global employee communications throughout the month-long celebration. PRIDE members also designed Safe to Be You digital screens for employees to use during Microsoft Teams meetings in June, and beyond.



Pride  
Partnership

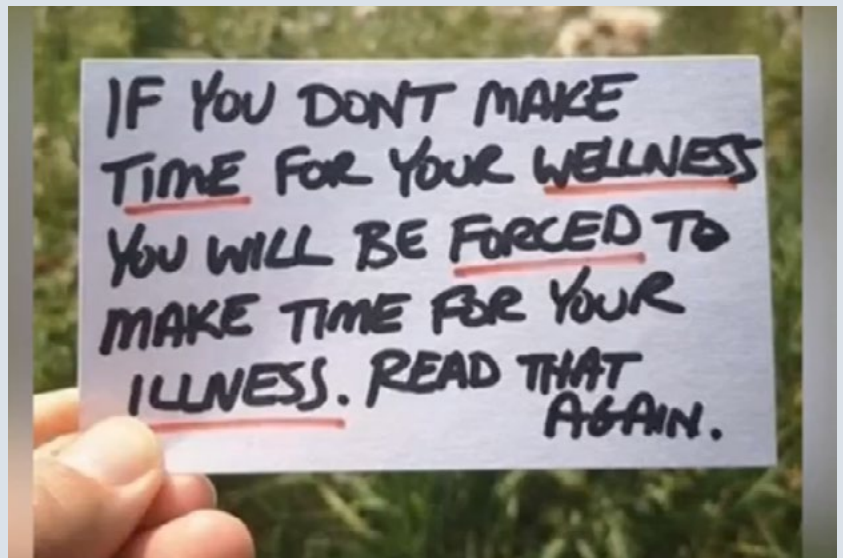


# 2020 HIGHLIGHTS

## EMPOWERED WOMEN, EMPOWERING OTHERS

On October 10, we commemorated World Mental Health Day, dedicated to mental health awareness and education. This was the perfect time to continue our internal conversation about the importance of mental health.

Members of Hillrom's Professional Women's Group, many of whom are clinicians, shared their insights on managing priorities and coping with stress.



# 2020 HIGHLIGHTS

## CEO ACTION FOR DIVERSITY & INCLUSION™

In 2020, Hillrom President and CEO John Groetelaars joined [CEO Action for Diversity & Inclusion™](#) - the largest CEO-driven business commitment to advance diversity and inclusion in the workplace.

Each CEO taking the pledge outlines a specific set of actions to cultivate a trusting environment where all ideas are welcomed, and employees feel comfortable and empowered to have discussions about diversity and inclusion.

In 2019, Hillrom joined 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.



# 2020 HIGHLIGHTS

## BENEFITING VETERANS

Healthcare delivery through the U.S. Veterans Health Administration is included in Hillrom's medical coverage in the U.S. It was an opportunity brought forward by members of VET, Hillrom's Veteran Employee Team resource group, to expand our benefits offerings.

Hillrom's Talent Acquisition team, together with VET and outside partners work collectively on recruiting veterans. Pictured below are members of the VET Skaneateles Falls, NY chapter.



VET  
*Veteran Employee Team*





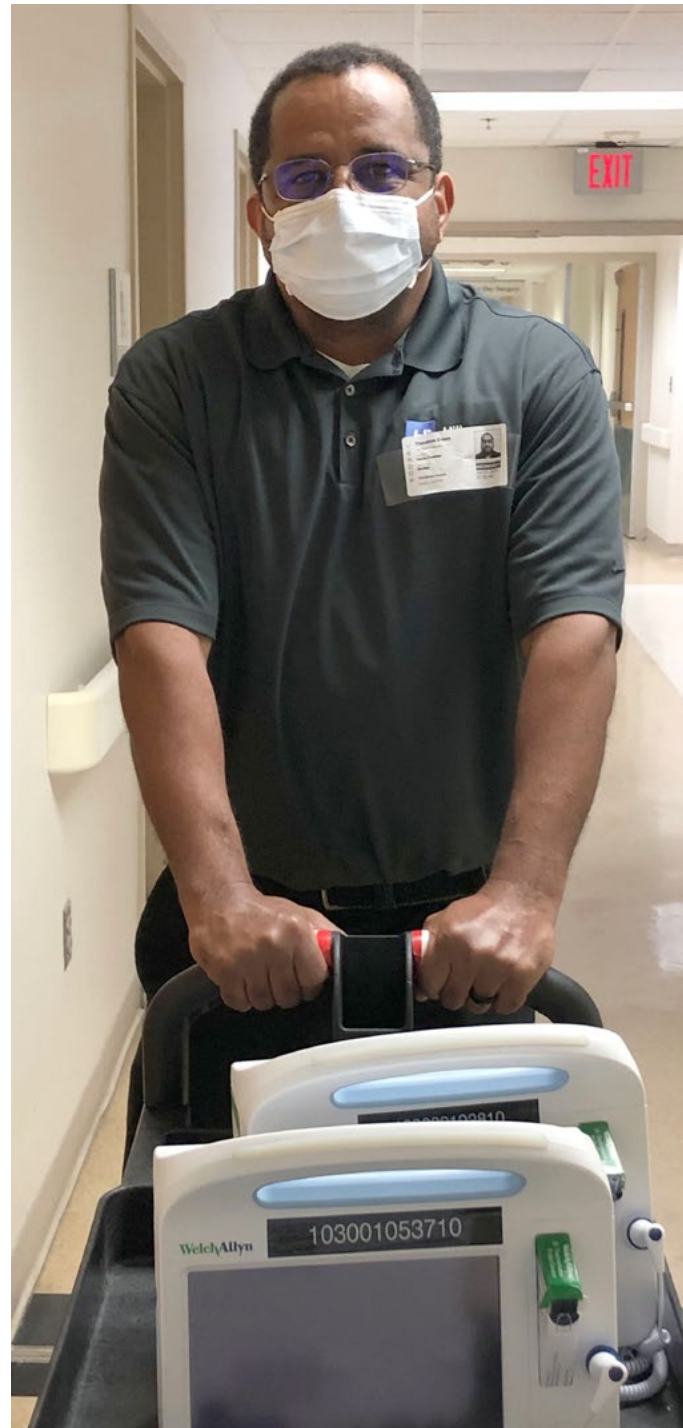
# PANDEMIC RESPONSE

**As one of the manufacturers designated a critical healthcare supplier, in 2020 we took extensive measures to protect our associates' health and safety, while enabling our worldwide manufacturing and service delivery to remain fully operational, safe and environmentally sound.**

Hillrom appointed a cross-functional Pandemic Response Team, which continues to implement a global action plan encompassing both employee health and safety, and facility operations.

Employees working within our manufacturing facilities quickly adapted to new safety protocols, shifting priorities and meeting increased customer needs, globally. Our Field Service teams, who routinely interact with health care providers, modified their practices, often from one hospital to the next in line with customers' procedures, to ensure consistent, safe delivery and installation of Hillrom™ products. At the same time, more than one-third of our global workforce relocated from an office to a work-from-home/remote location.

Along with these major shifts, Hillrom continued to execute at a high level, while meeting our environment, health and safety goals.



# EHS MANAGEMENT

In 2020, Hillrom continued to expand its environment, health, and safety (EHS) management system, and to implement the operational building blocks of improved performance in all areas of EHS.

## Conflict Minerals Report

Hillrom conducts all of its operations and activities in compliance with a comprehensive conflict minerals policy. In doing so, it is our intent to employ all reasonable measures to ensure that components used in the manufacturing of Hillrom™ products are sourced from conflict-free regions. The purpose of this policy is to ensure that Hillrom implements the appropriate due diligence efforts to survey its supply base, and complies with reporting obligations to the U.S. Securities and Exchange Commission, for products manufactured by Hillrom which contain conflict minerals and are necessary to the functionality or production of our products. [Read Hillrom's Conflict Minerals Policy.](#)



Hillrom™



Environment  
Health &  
Safety

### 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:

<b>EMPLOYEES</b>	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.
<b>CUSTOMERS</b>	Align with our customers to support our mutual environment, health, safety and sustainability objectives.
<b>SUPPLIERS</b>	Collaborate with our suppliers, contractors and business partners to achieve mutually beneficial EHS performance.
<b>COMMUNITIES</b>	Participate in community outreach programs, both locally and globally, focused on EHS and sustainability initiatives.
<b>ENVIRONMENT</b>	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.
<b>REGULATIONS</b>	We shall strive to meet all applicable EHS regulations and internal requirements to which we subscribe.
<b>SHAREHOLDERS</b>	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

# 2020 HIGHLIGHTS



## Health and Safety

Through Hillrom's commitment to achieve a zero harm culture, we are striving to provide a workplace free of hazards where all employees are engaged in keeping one another safe at all times.

Hillrom's improved performance in 2020 was led by the Operations team, which achieved a 56 percent reduction in TRIR (Total Recordable Incident Rate). Operations also achieved a 74 percent reduction in LTIR (Lost Time Incident Rate).

**2020**

**15%**

Reduction TRIR

**GOAL ACHIEVED**



**2021**

HEALTH & SAFETY

**30%**

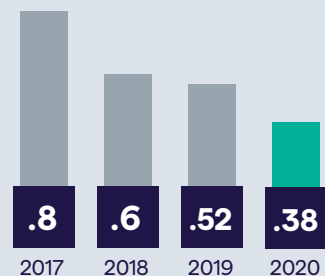
Reduction TRIR

HAZARD IDENTIFICATIONS

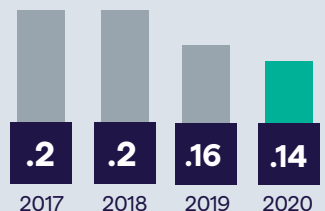
**3.0**

Per Operations Employee

In addition to tracking recordable injuries, in 2020 Hillrom formally tracked hazard IDs and safety observations within the Operations team. Last year's goal of 1.5 hazard IDs per Operations employee was exceeded by nearly double, achieving 2.8 hazards per employee.



**Total Recordable Incident Rate (TRIR)**



**Lost Time Incident Rate (LTIR)**

Hillrom follows U.S. Occupational Safety and Health Administration definitions for determining TRIR and LTIR rates globally.

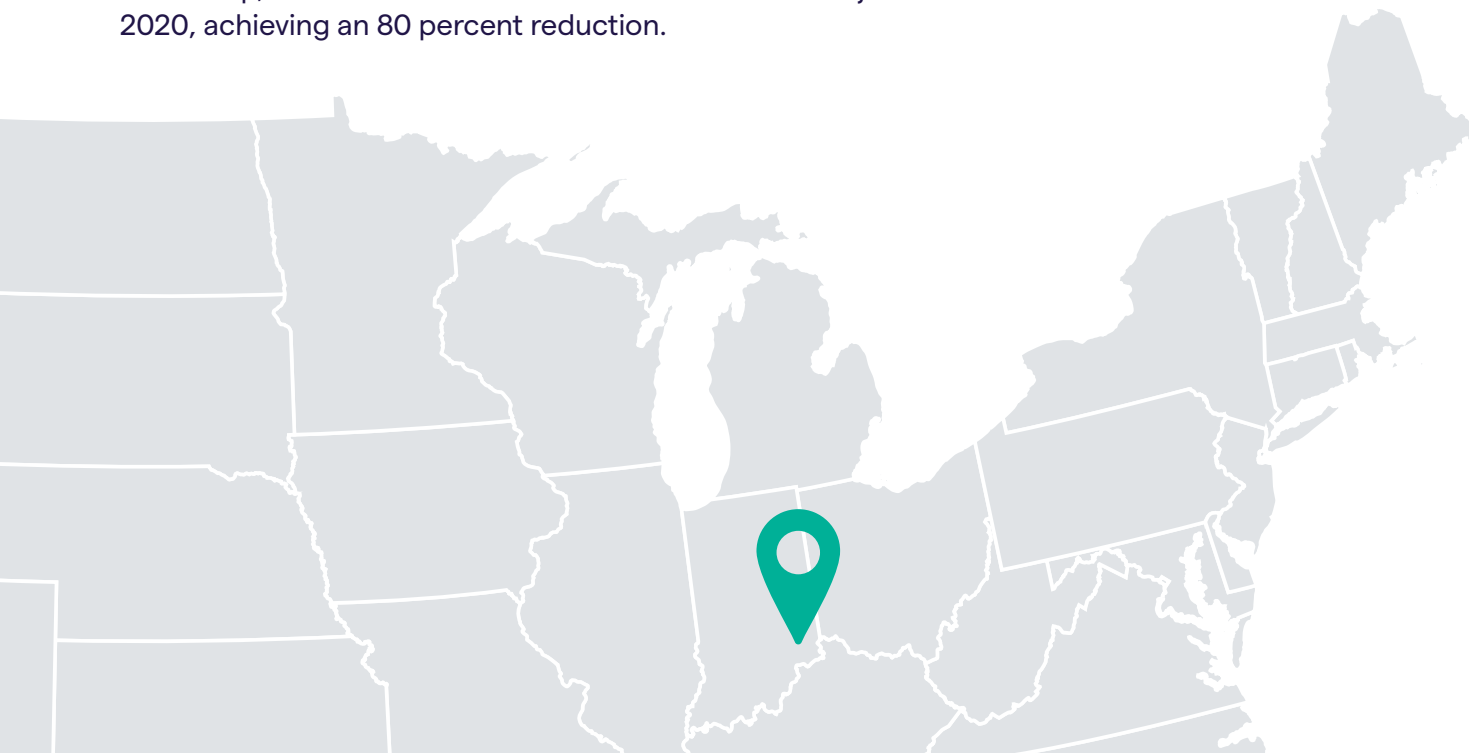
## Batesville, Indiana

Hillrom has 13 manufacturing sites globally. In this report, we highlight Batesville, IN, Luleå, Sweden, and Pluvigner, France, for their outstanding efforts toward achieving our 2020 EHS goals.

Our Batesville operation implemented a new program focused on preventing injuries and encouraging employee ownership of their own safety.

The “Shut it Down for Safety” program empowers employees to stop production whenever they believe there is an unsafe condition which could cause employees harm. If a production line is shut down, employees, supervisors and managers assess the condition and work together to correct it. The team then determines if additional analysis can be performed to ensure that the same condition does not occur in other areas of the plant.

Through this hazard identification program, employee engagement and strong leadership, the Batesville team lowered its recordable injuries from nine to two in 2020, achieving an 80 percent reduction.





## Luleå, Sweden

Our award-winning Luleå, Sweden, plant continues to remove risk and improve worker safety. In 2020, the site reorganized its warehouse to separate employees from potentially crossing the paths of powered industrial vehicles. In addition, the site made a number of improvements to reduce obstructions, leading to increased visibility and reducing the risk of accidents.

Luleå's focus on safety and risk reduction has resulted in more than three years without a recordable incident.



## Pluvigner, France

Hillrom's Pluvigner, France, manufacturing operations made significant energy reduction improvements in 2020, as the site continues its pursuit of ISO 50001 certification.

Our Pluvigner facility was also recognized by ECOVADIS® with its gold rating for the third consecutive year.



### 100% RENEWABLE ENERGY

In 2020, Hillrom Pluvigner vetted providers and secured contractual agreements for 100 percent renewable energy to be used across the facility. We expect to see a significant reduction in Hillrom Pluvigner's Scope 2 greenhouse gas emissions as we move away from fossil fuel energy.

### REDUCING ELECTRICITY USAGE

Following an evaluation and extensive facility upgrade from traditional to LED lighting in recent years, in 2020 the Pluvigner team installed presence-detectors in certain locations to further reduce electricity usage in low-traffic areas. Collectively these actions resulted in a 70 percent decrease in energy requirements for lighting the facility.

### GREEN EMPLOYEE ENGAGEMENT

In partnership with the firm [Bureau Veritas](#), Pluvigner leaders held an energy treasure hunt on site to further engage Hillrom associates in identifying opportunities to improve sustainability.

The activity consisted of touring the site at different times of company activity and inactivity – during production, at night and over a weekend – to evaluate energy usage and identify new energy savings opportunities. The participants, 22 employees from multiple functional areas, identified 200+ new improvement areas, the majority of which require small behavioral changes.

## Energy Reduction

### Energy and Greenhouse Gas Emissions

Hillrom manages energy use to reduce our greenhouse gas (GHG) footprint and drive down costs through continuous improvement efforts. In 2020, we achieved our stated energy reduction targets in electricity.

**2020**

**3%**

**Energy Reduction  
(Manufacturing Operations)**

**GOAL ACHIEVED**



In 2021, Hillrom is expanding its energy reduction goal to include electricity targets along with propane, natural gas and fuel oil used at our manufacturing locations globally.

**2021**

**2%**

**Energy Reduction  
(Manufacturing Operations)**

#### ENERGY CONSUMPTION

2020 **28,953,211 ccf**

2019 **25,856,000 ccf**

##### Direct

(primary fuel sources consumed by our facilities)

2020 **64,059,073 kwh**

2019 **68,022,000 kwh**

##### Indirect

(electricity used by our facilities)

The year-over-year increase in total energy consumption is due to better tracking of natural gas usage and increasing the number of field services and non-manufacturing sites that were measured in 2020.

Goals based on annual value of production.

# Energy Reduction

## Energy and Greenhouse Gas Emissions (continued)

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

2020 171,132

2019 N/A

**Total Scope 1 Emissions**  
(from direct energy consumption)<sup>1</sup>

2020 160,000

2019 N/A

**Scope 1 Emissions - Facilities<sup>2</sup>**  
(from indirect energy consumption)  
Energy for manufacturing operations facilities

2020 16,474

2019 13,900

**Scope 1 Emissions - Fleet<sup>2</sup>**  
(from direct energy consumption)

2020 43,469

2019 40,885

**Scope 2 Emissions**  
(from indirect energy consumption)  
Energy for manufacturing operations facilities<sup>3</sup>

2020 6,228<sup>4</sup>

2019 N/A

**Scope 3 Emissions**  
(3<sup>rd</sup> Party)

### Scope Three Emissions

In 2020, Hillrom started requiring its third-party carriers to share their emissions data with us as part of our effort to better understand our impact on global climate change. While Hillrom is only in the beginning stages of this project, we will continue to measure supply chain partners' emissions in our efforts to reduce their greenhouse gas emissions.

<sup>1</sup> 2020 Scope 1 emission data includes both U.S. and Canada field and manufacturing operations. Previous years' reported data only included U.S. fleet operations.

<sup>2</sup> 2020 Scope 1 includes natural gas and other energy sources used by manufacturing operations as well as distribution fleet energy consumption; not included in previous years' reported data. Hillrom saw a reduction in CO<sub>2</sub> emissions from our service group and the increase in Scope 1 - Fleet came from including our internal distribution team.

<sup>3</sup> 2020 data includes global manufacturing facilities, U.S. offices and R&D locations.

<sup>4</sup> 2020 data represents approximately 32% of Hillrom's emissions from its third-party supply chain.

## Waste Management and Recycling

Through our comprehensive manufacturing-waste management program, Hillrom diverts thousands 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)

2020 16,064,000

2019 15,060,000

#### Non-hazardous waste reused or recycled

2020 2,590,000

2019 3,646,000

#### Non-hazardous waste disposed

2020 280,000

2019 631,000

#### Hazardous waste disposed of offsite

The increase in non-hazardous waste reused or recycled was due to an increase in production in 2020 to meet customer demand. This number includes scrap metals used to produce many of Hillrom's products. Hillrom has a comprehensive recycling program to ensure that all metals used in production are returned and reused by our suppliers.



## Water Consumption

Each Hillrom-owned property is responsible for managing its own water supply and consumption. Although Hillrom uses water nominally in our manufacturing, individual facilities are implementing improvement programs to further reduce our water footprint.

### WATER CONSUMPTION (GALLONS)<sup>1</sup>

2020 **38,109,718**

2019 **33,185,000**

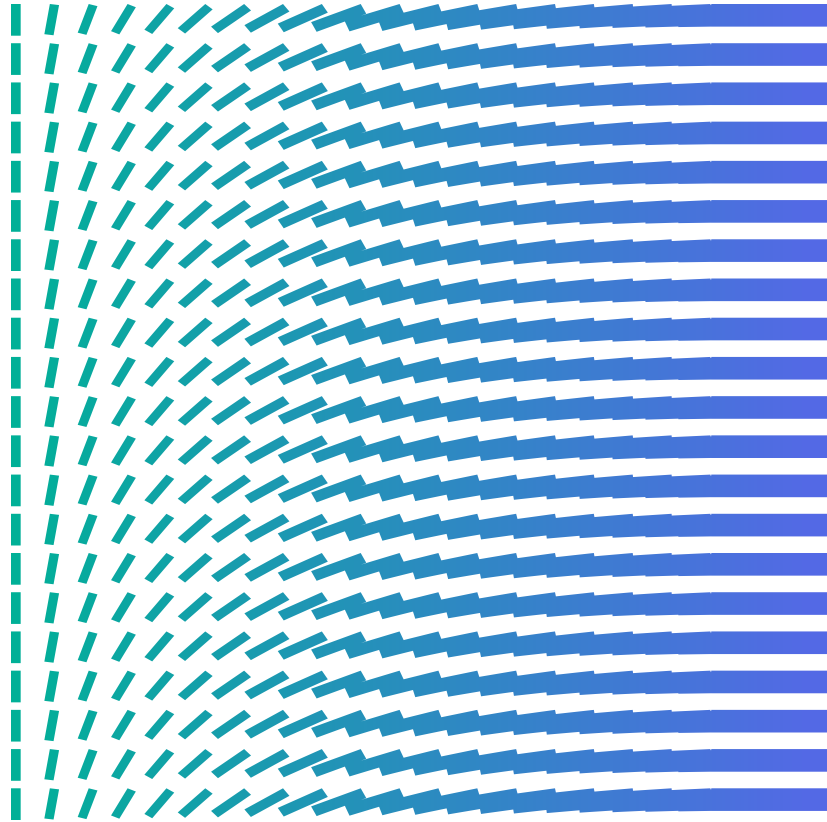
The increase in water consumption was due to an increase in production in 2020 to meet customer demand.

<sup>1</sup> Includes data from our manufacturing and Batesville Administration facilities.

## ISO Certifications

In 2020, a number of our facilities achieved ISO certification or re-certification:

- ISO 14001:
  - Pluvigner, France (manufacturing)
  - Luleå, Sweden (manufacturing)
  - Spain (country and business operations)
- ISO 50001:
  - Saalfeld, Germany (manufacturing)



# QUALITY MATTERS

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.

Our quality governance continually evolves to advance our quality processes along with our products, and in line with market developments. Through Hillrom's global Quality Policy, Quality Manual and Quality Management System, quality is embedded in every step of our product lifecycle – from idea generation, design and testing, to regulatory submission and approval, manufacturing and post-market surveillance to service and end-of-life.

We are an active member of the Advanced Medical Technology Association (AdvaMed), a trade association that leads the advancement of medical technology to achieve healthier lives and economies around the world. Among its important roles, AdvaMed is influential in shaping legislative direction to promote better quality and safety in the supply chain. Recent examples of its activities include providing feedback to the FDA on the Quality, Safety and Effectiveness of Servicing of Medical Devices in Accordance with Section 710 of the Food and Drug Administration Reauthorization Act, Availability of Masked and De-Identified Non-Summary Safety and Efficacy Data and Medical Device Safety Action Plan: Protecting Patients, Promoting Public Health.

drive  
**ZERO**  
DEFECTS





Quality Matters is one of Hillrom's core values and, one of our required performance goals. That means everyone in the company is accountable for quality and evaluated annually for how we demonstrate that commitment, no matter our role at Hillrom.

Our Quality Assurance team hosts a company-wide Quality Matters Week that engages associates in daily activities that reinforce our commitment to quality. In 2020, approximately 500 employees submitted essays on how Quality Matters to Hillrom and how employees went the distance in 2020. Both teams and individuals were recognized around the company for their innovations in overcoming adversity in service to our customers.

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



# ETHICS AND COMPLIANCE

Hillrom's comprehensive global compliance program is 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, as well as 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 regulatory environment.

All employees, including part-time employees and the Board of Directors, are required to complete annual Global Code of Conduct training. For other compliance training, such as on HIPAA or the European Union's General Data Protection Regulation,

targeted relevant employees are required to complete periodic training.

Our global compliance training leverages examples from actual Hillrom events and other global enforcement actions to target training on a functional level and deepen employee understanding. By bringing training closer to employees' every-day business realities, we enable them to spot issues ask the right questions, and make better business decisions.

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 global reporting hotline, which is available in multiple languages.



Unique features of Hillrom's mature compliance program include:



### COMPLIANCE AMBASSADORS

Hillrom's Compliance Ambassadors are embedded in business functions throughout the company. This network provides a regional resource in addition to the Global Compliance Office team, for employees to turn to for guidance. The two-year commitment provides individuals an opportunity to gain added experience, while serving in a leadership position for their region.



### RECOGNIZING COMPLIANCE CHAMPIONS

The Global Compliance Office hosts a company-wide Compliance Week annually, which increases awareness of our compliance program, and laws affecting our industry, and engages employees in activities to help them better understand our policies, Global Code of Conduct and procedures.

Compliance Week culminates with the awarding and global recognition of leadership-nominated Compliance Champions – individuals and teams who model Hillrom's compliance mindset in their actions.



### IMPROVING DISTRIBUTOR COMPLIANCE

Compliance is deeply embedded in Hillrom's day-to-day business, including our distributor management lifecycle.

Through CODEX (Coming Together for Distributor Excellence), Hillrom partners with distributors to improve their compliance protocols. Going beyond training, we provide our distributors with a toolkit that assists them in setting up their own compliance program. Helping distributors build and reinforce a culture of compliance in their business not only improves our business relationships – it broadens medical device industry ethics as a whole.



Hillrom™

This report includes results from Hillrom's 2020 fiscal year (October 1, 2019 – September 30, 2020) 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. This report contains photos taken during the 2020 calendar year that include images both before and during the global pandemic.