2024

Sustainability Report

⊘ FORTIVE

About This Report

This Sustainability report details our performance on important environmental, social, and governance (ESG) topics and contains information covering the period from January 1, 2024, through December 31, 2024, unless otherwise stated. This report covers Fortive's operations owned and operated by Fortive or its operating companies in 2024, unless otherwise stated, and does not give effect to the pending separation of Ralliant Corporation. This report's content is grounded in our ESG impact assessment and has been informed by the Global Reporting Initiative (GRI), Sustainability Accounting Standards Board (SASB), and Task Force on Climate-related Financial Disclosures (TCFD).

Data assurance. The data contained in this report has been subjected to internal verification procedures. Additionally, Fortive obtains independent Limited Assurance of our Scope 1 and 2 greenhouse gas (GHG) emissions profile each year. Refer to the assurance reports here for more information.

Note on non-financial reporting. Non-financial information is subject to measurement uncertainties resulting from limitations inherent in the nature of, and the methods used for determining, such data. Some of our disclosures in this report are based on assumptions due to these inherent measurement uncertainties. The selection of different but acceptable measurement techniques can result in materially different measurements. The precision of different measurement techniques may also vary.

Materiality and Forward-Looking Statements

This report contains statements based on our current assumptions and expectations about our future performance, including statements regarding our ESG targets, goals, commitments, and programs and other business plans, initiatives, and objectives. The disclosures included in this report are being provided to the public in an effort to provide transparency into our environmental, social, and governance (ESG) initiatives to respond to investor and other stakeholder requests, and to further enhance our collective understanding of ESG issues. Our approaches to the disclosures included in this report differ in significant ways from those included in mandatory regulatory reporting, including under U.S. federal securities laws and regulations. Thus, while certain matters discussed in this report may be significant, any significance should not be read as necessarily rising to the level of materiality used for the purposes of complying with the U.S. federal securities laws and regulations, even if we use the word "material" or "materiality" in this report.

Certain statements included or incorporated by reference in this report are "forward-looking statements" within the meaning of the U.S. federal securities laws. All statements other than historical factual information are forward-looking statements. Forward-looking statements are based on assumptions and assessments made by our management in light of their experience and perceptions of historical trends, current conditions, expected future developments, and other factors. Forward-looking statements are not guarantees of future performance and actual results may differ materially from the results, developments, and business decisions contemplated by our forward-looking statements. Accordingly, you should not place undue reliance on any such forward-looking statements. Important factors that in some cases have affected us in the past and that in the future could cause actual results to differ materially from those envisaged in our forward-looking statements are described in Fortive's filings with the U.S. Securities and Exchange Commission (SEC), including Fortive's Annual Report on Form 10-K for the fiscal year ended December 31, 2024. The forward-looking statements included in this report speak only as of the date of this report, and except to the extent required by applicable law, we do not assume any obligation to update or revise any forward-looking statement, whether as a result of new information, future events and developments, or otherwise.

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Dear Fortive Stakeholders,

When Fortive launched in 2016, we knew that our sustainability efforts were central to achieving a better tomorrow and fulfilling our purpose—*essential technology for the people who accelerate progress*. Our foundation is rooted in a culture of continuous improvement, and the Fortive Business System (FBS) empowers our teams to improve every single day. As a result, our products enable a safer, stronger, and smarter future for millions of people around the globe.

Our commitment from day one was to drive progress to improve the world. Today, our sustainability goals are ambitious because progress demands nothing less. This year's report further highlights the progress Fortive has made in nearly a decade and how we continue to build on our legacy. Fortive's drive for progress makes me incredibly optimistic about the future.

Bold Optimism for a Better Tomorrow

Recognizing the responsibility that comes with being a growing global company, we published our first Sustainability Report in 2018, only two years into our journey. We committed to making a meaningful impact across the industries we serve and across every facet of sustainability, from minimizing our environmental footprint to building a culture of inclusion and a focus on safety. In 2019, we set our first greenhouse gas (GHG) emissions reduction target and achieved it ahead of our target date. In 2022, we set an even more ambitious target and are on track to meet our new goal of reducing absolute Scope 1 and 2 GHG emissions by 50% by 2029 from 2019 levels.

We have been steadfast in our commitment to transparency and accountability. In 2020, Fortive adopted a sustainability reporting framework to align with goals set forth by standard-setting global organizations including the United Nations (UN), the Global Reporting Initiative (GRI), the Sustainability Accounting Standards Board (SASB), the Science-Based Targets Initiative (SBTi), and the Task Force on Climate-Related Financial Disclosures (TCFD). This year, we began preparations for future alignment with the stringent standards of the European Union's Corporate Sustainability Reporting Directive (CSRD).

We made early commitments to ensuring our sustainability achievements are independently scored and measured. In 2022, we earned an "AA (leader)" ESG rating from MSCI and a "B" rating from the Carbon Disclosure Project (CDP), the world's only independent environmental disclosure system, renowned for its rigor and transparency. In 2023, we expanded our environmental targets to include a 10% reduction in water use by 2029 from 2022 levels.

> **"I want to express how extraordinarily proud I am of the bold thinkers, dreamers, and doers who turn our sustainability goals into reality."**

James A. Lico
President and CEO

Over 60% of Fortive's revenue continues to be generated from products and services that deliver sustainability-related outcomes and are aligned with the United Nations Sustainable Development Goals (SDGs).

The dedicated people across our operating companies are driven by a belief in better, and this belief fuels our many achievements. This year, Fortive earned a spot among the World's Most Ethical Companies, reflecting our commitment to ethical practices across 240+ proof points. *USA Today* named us as one of America's Climate Leaders, and for the sixth year in a row, *Newsweek* named us One of America's Most Responsible Companies and One of America's Greenest Companies.

Always Improving, Always Moving Forward

FBS fuels our commitment to continuous improvement. This year, over 1,000 participants representing 70 teams across 12 locations worldwide came together for our largest-ever CEO Kaizen, and another 500 team members from across our operating companies united to share best practices at the Fortive Growth and Innovation Conference.

Our culture of continuous improvement comes to life in many ways, and one of the most inspiring is our annual Day of Caring. Since our founding, Fortive employees have dedicated over 400,000 hours to causes they care about most. Whether it's protecting the planet by cleaning up rivers, forests, and oceans, or strengthening communities by supporting the unhoused and helping children in need, our team members are making a positive impact where they live, work, and serve.

This year, Fortive was certified in the U.S. as a Great Place to Work—something I've always known to be true and am proud to see recognized. *U.S. News & World Report* also named Fortive as one of the Best Companies to Work for in Manufacturing. In 2024, the Fortive Foundation contributed $1.3M to non-profit organizations that advance STEM education, community resilience, and environmental stewardship, and the Fortive Scholarship Program awarded 20 new scholarships and renewed 32 more as part of our commitment to the next generation.

In my time as CEO, I have seen our vision for a better tomorrow come to life. While there will always be challenges in our future, progress is a state of perpetual motion; the only way is forward. I want to express how extraordinarily proud I am of the bold thinkers, dreamers, and doers who turn our sustainability goals into reality.

Thank you for joining in our pursuit of progress and for putting your trust in us.

James A. Lico
President and CEO

2024 Sustainability Highlights

6th
consecutive year on *Newsweek*'s Most Responsible Companies list

76%
employee engagement score

+60%
revenue generated from sustainability-enabling products and services

100%
on Human Rights Campaign Corporate Equality Index, for the eighth consecutive year

84%
employee inclusion & belonging score

31%
absolute reduction in Scope 1 and 2 GHG emissions, compared to 2019 baseline

73%
of operating companies in top quartile for total recordable incident rate (TRIR)

39
average days for Speak Up! case closure, exceeding goal of 45 days

24K+
hours dedicated to community service

1 of 136
World's Most Ethical Companies® Honorees, recognized by Ethisphere

B
rating for climate on CDP's Climate Change disclosure

100%
operating companies participation 2024 Day of Caring

About Fortive

Fortive delivers essential technology and connected workflow solutions across a range of attractive end markets. Our businesses and strategic segments—Intelligent Operating Solutions, Advanced Healthcare Solutions, and Precision Technologies—are built on leading brands, innovative technologies, and established market positions. Fortive is based in Everett, Washington, with research and development, manufacturing, sales, distribution, service, and administrative operations in more than 50 countries. Fortive's global team of more than 18,000 team members is united by a powerful shared purpose: *essential technology for the people who accelerate progress*.

Across 16 operating companies and a broad range of industries, our teams work together to build a more sustainable future through critical hardware- and software-enabled workflow solutions, applied intelligence, advanced analytics, and other rapidly advancing technologies.

We are driven by our vision of a stronger, safer, and more sustainable world. Our solutions empower customers to reduce environmental impacts, improve health, and ensure safe workplaces and operational continuity of critical infrastructure. With our growth mindset, we foster innovation and experimentation to develop products and services that accelerate progress for all.

Making a positive impact on the world is core to who we are, what we do, and how we do it. Our culture of continuous improvement accelerates progress for people-centric fields like industrial manufacturing, engineering labs, workplace safety, facility and asset management, product development, and healthcare.

AT A GLANCE

16
operating companies

18K+
team members worldwide

50+
countries

$6.2B
2024 revenue

Culture & Values

We are guided by our shared purpose to deliver essential technology for the people who accelerate progress. We accelerate transformation in high-impact fields, such as industrial and healthcare safety and productivity, delivering high-tech solutions and high impact for engineers, scientists, frontline workers, and patients around the world.

Our values guide how we deliver every day for our stakeholders:

WE BUILD EXTRAORDINARY TEAMS FOR EXTRAORDINARY RESULTS.

We believe we are more together, and we all have something unique to offer as we come together to solve problems no one could solve alone, committed to a strong and inclusive culture.

CUSTOMER SUCCESS INSPIRES OUR INNOVATION.

We believe our most important breakthroughs are the ones that help our customers succeed, and we strive to break down barriers and forge new paths to world-changing innovations to move our customers forward.

KAIZEN IS OUR WAY OF LIFE.

We know we can always do and be better. Our commitment to continuous improvement, grounded in our Fortive Business System inspires us to approach our work with curiosity. We are always growing and learning.

WE COMPETE FOR OUR SHAREHOLDERS.

We believe that prioritizing trust, Sustainability, and positive impact creates long-term value for all our stakeholders—our customers, our employees, our shareholders, and our communities.
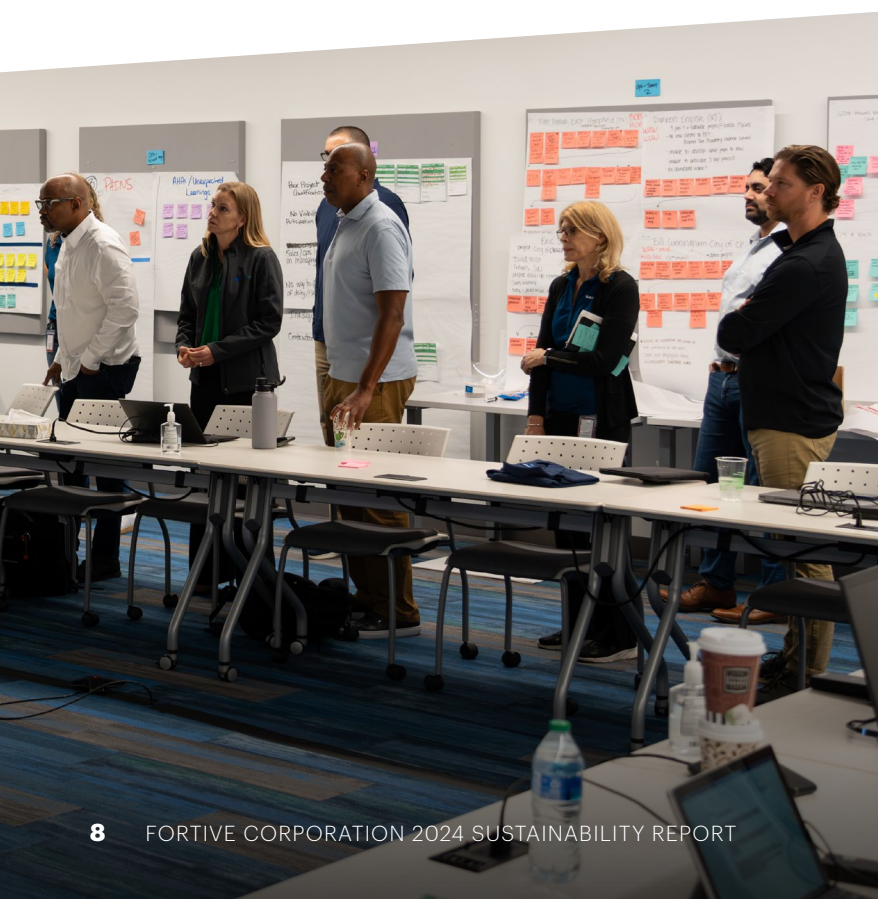
THE FORTIVE BUSINESS SYSTEM

Our teams across Fortive's operating companies share a culture built on high expectations, inclusion, humility, and transparency—core principles of our Fortive Business System (FBS). Reinforced by operational rigor, FBS empowers our teams with tools and best practices for high performance and execution across our portfolio.

FBS accelerates and sustains progress in every aspect of our business, including new product development and commercialization, finance, human capital management, and sustainability. As our portfolio evolves, we continue to enhance FBS with new technology enablers like AI and machine learning to drive growth, productivity, and impact.

Our Business

Intelligent Operating Solutions

Our Intelligent Operating Solutions segment provides advanced instrumentation, software, and services to tens of thousands of customers, enabling their mission-critical workflows. These offerings include electrical test & measurement, facility and asset lifecycle software applications, and connected worker safety and compliance solutions across a range of vertical end markets including manufacturing, process industries, healthcare, utilities and power, and communications and electronics.

Typical users of these safety, productivity, and sustainability solutions include electrical engineers, electricians, electronic technicians, EHS professionals, network technicians, facility managers, first-responders, and maintenance professionals.

Products and services within our Intelligent Operating Solutions segment are marketed under a variety of leading brands including:

ACCRUENT | FLUKE | GORDIAN | INDUSTRIAL SCIENTIFIC | INTELEX | ServiceChannel

Advanced Healthcare Solutions

Our Advanced Healthcare Solutions segment supplies critical workflow solutions enabling healthcare providers to deliver exceptional patient care more efficiently. Our offerings include instrument sterilization solutions, instrument tracking, biomedical test tools, radiation detection and safety monitoring, and end-to-end clinical productivity software and solutions. Our healthcare offerings help ensure critical safety standards are met, instruments and operating rooms are working at peak performance, and complex procedures are followed accurately in these mission-critical healthcare environments.

Products and services in our Advanced Healthcare Solutions segment are marketed under a variety of brands including:

ASP | Censis | LANDAUER | FLUKE Biomedical | provation

Precision Technologies

On September 4, 2024, we announced our intention to separate our Precision Technologies segment into an independent publicly traded company, subject to the satisfaction of certain conditions, including, among others, final approval of Fortive's Board of Directors, satisfactory completion of financing, receipt of a favorable opinion of legal counsel and/or a private letter ruling from the U.S. Internal Revenue Service with respect to the tax treatment of the transaction for U.S. federal income tax purposes, the effectiveness of a Form 10 registration statement filed with the SEC, and other regulatory approvals.

Our Precision Technologies segment helps solve tough technical challenges to speed breakthroughs in a wide range of applications, from food and beverage production and manufacturing to next-generation electric vehicles and clean energy, as our customers seek new test solutions to enable the electrification and connectivity of everything. Our expertise in materials, methods, and measurements are reflected in our electrical test & measurement and sensing and material technologies offered to a broad set of customers and vertical end markets including industrial, power and energy, automotive, medical equipment, food and beverage, aerospace and defense, semiconductor, and other general industries. Customers for these products and services include design engineers for advanced electronic devices and equipment, process and quality engineers focused on improved process capability and productivity, facility maintenance managers driving increased uptime, and other customers for whom precise measurement, reliability, and compliance are critical in their applications.

Products and services in our Precision Technologies segment are marketed under a variety of brands including:

ANDERSON-NEGELE | Gems Setra | HENGSTLER DYNAPAR | QUALITROL | PACSCI EMC | Tektronix

OUR PORTFOLIO IS STRATEGICALLY ALIGNED TO SECULAR TRENDS:

Productivity & Safety: Innovations that optimize essential resources, contributing to a better, safer, and more productive future

Electrification & Digitization: Solutions that empower engineers by streamlining and digitizing their workflows in an increasingly electrified world.

+60%

revenue generated from Sustainability-enabling products and services

ALIGNMENT TO UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

3 GOOD HEALTH AND WELL-BEING

7 AFFORDABLE AND CLEAN ENERGY

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

11 SUSTAINABLE CITIES AND COMMUNITIES

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

13 CLIMATE ACTION

Our Commitment to Sustainability

Our vision of accelerating a sustainable future for all is rooted in our purpose—*essential technologies for the people who accelerate progress*. We boldly pursue this vision by investing in our people, our operations, and breakthrough innovations that directly address environmental and societal challenges. Innovating solutions that positively transform our world is both our driving force and our inspiration.

Sustainability is linked to our strategy through the strong secular trends that fuel our portfolio growth. Many of these trends have their roots in sustainability, and by aligning them with our portfolio we can harness their momentum across our workflows. Our continuous pursuit of better and the power of FBS have propelled advancements in our program and accelerated our ambition to go even further.

Every day, Fortive's products, services, and people are working behind the scenes to:

- Ensure safe operating conditions for workers in high-risk workplaces
- Provide software solutions to improve worker health and safety as well as environmental performance
- Enable operational and process efficiencies that reduce environmental impacts
- Safeguard the operational capacity of critical infrastructure and physical assets
- Advance automated, tailored perioperative care for patients and their procedures
- Enable quick and accurate results from medical testing
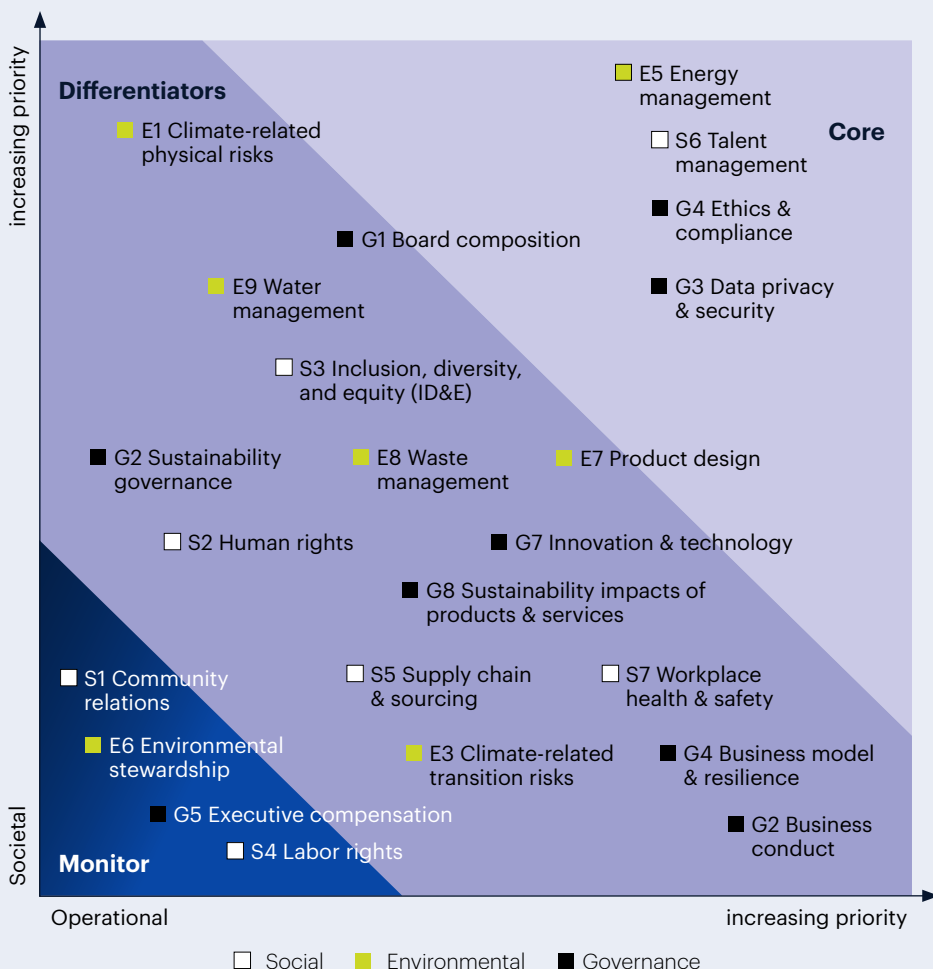
Materiality Assessment

Recurring materiality assessments help us better understand the most pressing sustainability challenges facing the company, our stakeholders, and society. They also inform our Sustainability Pillars, strategy, and goals to ensure we address the ESG issues that are most relevant to our business.

As a data-driven company, we rely on quantitative processes to minimize bias and make informed decisions based on data and science.

Our latest materiality assessment refresh in 2023 leveraged Datamaran®, whose AI-powered risk and materiality software enables us to:

- **Identify and prioritize the Sustainability issues that matter most to our business** from an impact on the organization and the impact Fortive's operations have on stakeholders and society;

- **Consider the bi-directional impacts of the issues we prioritize** for management, measurement, and continuous improvement, with awareness and accounting of the bi-directional impacts of the issues to and from our operations; and

- **Understand the issues that are fundamental and those that differentiate us—**where our culture of continuous improvement presents an opportunity to manage effectively, reduce risks, and deliver results.

We undertook a comprehensive analysis of the output of the surveys and decided on a tiered stakeholder weighted methodology as the most logical and value-aligned approach. The resulting materiality assessment is shown below.

increasing priority

Differentiators

■ E1 Climate-related physical risks

■ E5 Energy management

□ S6 Talent management

Core

■ G1 Board composition

■ G4 Ethics & compliance

■ E9 Water management

■ G3 Data privacy & security

□ S3 Inclusion, diversity, and equity (ID&E)

■ G2 Sustainability governance

■ E8 Waste management

■ E7 Product design

□ S2 Human rights

■ G7 Innovation & technology

■ G8 Sustainability impacts of products & services

□ S1 Community relations

□ S5 Supply chain & sourcing

□ S7 Workplace health & safety

■ E6 Environmental stewardship

■ E3 Climate-related transition risks

■ G4 Business model & resilience

■ G5 Executive compensation

■ G2 Business conduct

□ S4 Labor rights

Monitor

Societal

Operational → increasing priority

□ Social   ■ Environmental   ■ Governance

Topics are separated into three categories to reflect our characterization of the results:

■ **Core:** Issues that are high priority from an operational and societal impact; we understand these issues to be non-negotiable, or table stakes
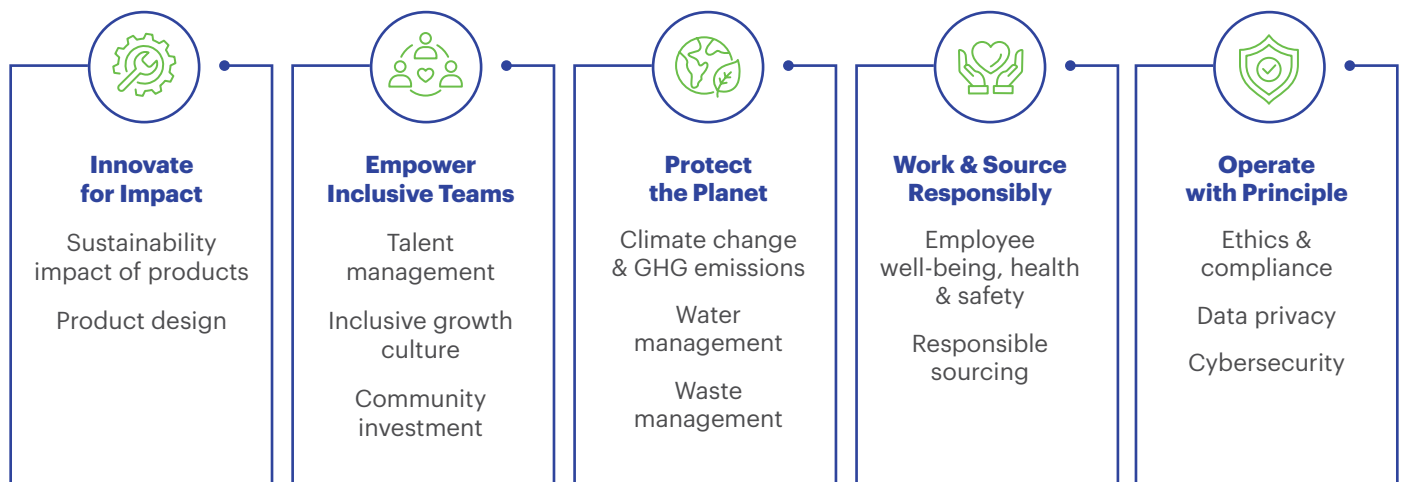
■ **Differentiators:** Issues that are medium-high priority from an operational and/or societal impact; we understand the relative priority of these issues to be influenced by the unique nature of our business, and therefore, present risks and opportunities unique to Fortive influenced by our management approach of each

■ **Monitor:** Issues that are low priority from an operational and societal impact; we approach these issues as ones to monitor over time, and voluntary as to Fortive's decision to prioritize

*The standard applied for this materiality assessment differs from the materiality assessment applied for purposes of SEC and other regulatory requirements or frameworks.

Sustainability Framework

Our Sustainability Pillars guide our strategy and define goals to drive progress. We focus our resources on continuous improvement in these areas, knowing they drive business value while proactively mitigating risk. The Sustainability Pillars reflect the environmental, social, and governance issues that are most relevant to our business, and are informed by our 2020 and 2023 materiality assessments and their near- and long-term value for the company and our stakeholders.

Innovate for Impact

Sustainability impact of products

Product design

Empower Inclusive Teams

Talent management

Inclusive growth culture

Community investment

Protect the Planet

Climate change & GHG emissions

Water management

Waste management

Work & Source Responsibly

Employee well-being, health & safety

Responsible sourcing

Operate with Principle

Ethics & compliance

Data privacy

Cybersecurity

Summary of Sustainability Goals & Progress

GOAL	TARGET YEAR	2024 PERFORMANCE
Reduce absolute Scope 1 and 2 GHG emissions 50% from 2019 levels	**2029**	In 2024, we reduced Scope 1 and 2 GHG emissions by 5.1% YoY, a reduction of 31.0% from our 2019 baseline.
Reduce absolute water use 10%, relative to 2022 levels	**2029**	In 2024, we reduced water consumption by 0.3% YoY and by 0.6% YoY across our high-risk sites, a result of targeted root cause analysis and corrective actions.
Achieve top industry quartile scores for total recordable injury rate (TRIR) and days away restricted or transferred (DART) for 100% of operating companies	**Annually**	In 2024, 73% of our operating companies achieved top quartile TRIR and 87% DART—a 17% and 25% YoY increase respectively.
Complete 100% of Responsible Sourcing Audits	**Annually**	In 2024, we completed 100% of Responsible Sourcing Audits across the organization.

Management & Governance

Management and governance are crucial to the successful integration and implementation of Sustainability considerations across Fortive and our operating companies. The role of our management and governance model is to ensure awareness and alignment of:

- Strategic priorities
- Shareholder Value
- Risk management
- Stakeholder engagement
- Compliance and accountability
- Resource allocation
- Continuous improvement
- Innovation and resilience across the organization

Fortive's Sustainability governance model is as follows.

BOARD

The Nominating and Governance Committee of the Board has responsibility for oversight of climate-related strategies and goals, and sustainability disclosure and reporting. Fortive's Chief Legal Officer, Peter Underwood, provides updates at every meeting to the Board's Nominating and Governance Committee as well as, at least annually, to the full Board of Directors on Fortive's Sustainability strategy and goals, and disclosure plans and reports.

CHIEF LEGAL OFFICER

Fortive's Sustainability strategy and execution are managed by Peter Underwood. Mr. Underwood reports directly to the CEO, and his responsibilities include, among others, management of Compliance, Enterprise Risk Management, EHS, and Sustainability. Mr. Underwood provides regular updates to Fortive's senior leadership team, and operating company leaders on Sustainability-related targets, initiatives, and performance.

FORTIVE SUSTAINABILITY TEAM

The Sustainability team works cross-functionally to guide implementation of the Sustainability strategy with other functions and the operating companies. The team is responsible for development and implementation of the company's Sustainability strategy, focusing primarily on the Protect the Planet pillar and our annual Day of Caring. The team reports to Mr. Underwood and briefs the senior leadership team each quarter on Sustainability targets and performance.

OUR COMMITMENT TO CORPORATE RESPONSIBILITY & TRANSPARENCY

This report provides an update on Fortive's progress toward our Sustainability goals in calendar year 2024 and is prepared in alignment with the following frameworks:

- The **Global Reporting Initiative** (GRI) standards: Core (2021 standard)
- The **Sustainability Accounting Standards Board** (SASB) standard for Electrical & Electronic Equipment (RT-EE version 2023-12)
- The **Task Force on Climate-Related Financial Disclosure** (TCFD) framework
- The **United Nations Global Compact**
- The **United Nations Sustainable Development Goals** (UN SDGs)

In addition, we report our complete greenhouse gas (GHG) profile and performance via the CDP Climate Change disclosure each year. View our most recent CDP disclosures **here**.

> **"Our board is committed to ensuring that Fortive is transparent in our strategic journey towards a sustainable future and building an even more resilient company that enhances long-term value creation for all our stakeholders."**
>
> **Jeannine Sargent**
> Chair of the Nominating & Governance Committee

Safety & Productivity

From factory floors to operating rooms, the demand for safety and productivity has never been greater. Our innovations propel enhancements within vital workflows by optimizing essential resources, contributing to a better, safer, and more productive future.


HEALTHCARE PRODUCTIVITY

Pegasys ORion photographs surgical instrument trays and leverages AI to optimize tray configurations, saving critical procedure time while reducing hospital water and energy waste from unnecessary sterilization of unused instruments.
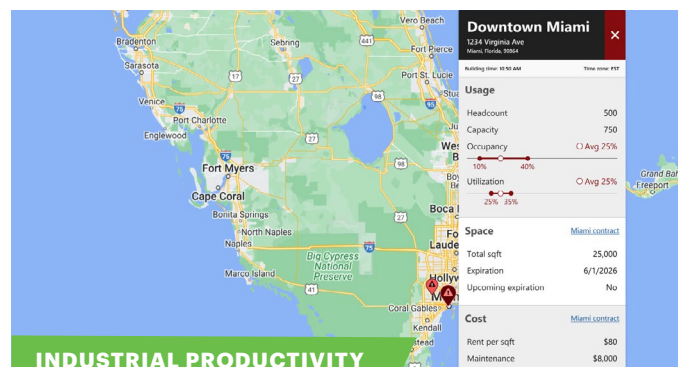

INDUSTRIAL PRODUCTIVITY

Fluke's PVA-1500 is an advanced solar analyzer that empowers customers to safely and efficiently conduct accurate performance analysis and troubleshooting of solar modules, improving photovoltaic system performance to meet the rising demand for clean energy. The first of its kind, the PVA-1500 is one of the only tools on the market capable of safely testing utility-scale sites with high-efficiency modules at 1,500 volts.
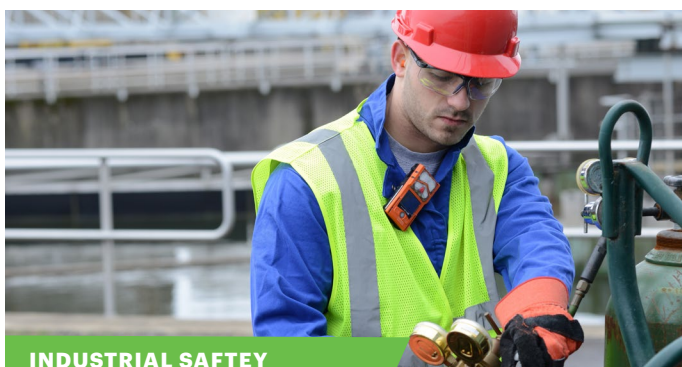
INDUSTRIAL SAFTEY

Industrial Scientific's Ventis Pro5, a compact, wearable personal protective monitor, immediately alerts workers to harmful gases within their breathing zone and sends critical data to Safety and Industrial Hygiene teams for a safer work environment.

INDUSTRIAL PRODUCTIVITY

Accruent Space Intelligence (ASI) centralizes space utilization insights to help businesses drive operational efficiencies across their real estate portfolio. This translates to reduced resource consumption and environmental impact for office buildings around the world.
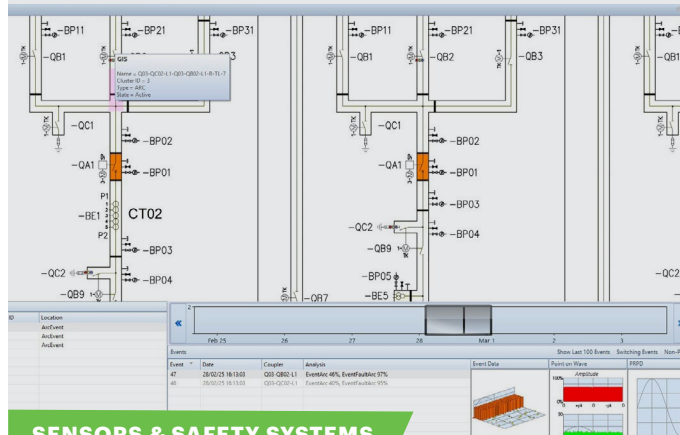
Electrification & Digitization

We empower engineers by streamlining and digitizing their workflows in an increasingly electrified world, leveraging our deep expertise in hardware, software, and AI-driven data analytics. Our focus on continuous innovation and our extensive product portfolio will position us as a key enabler of technologies necessary to drive electrification and digitization.
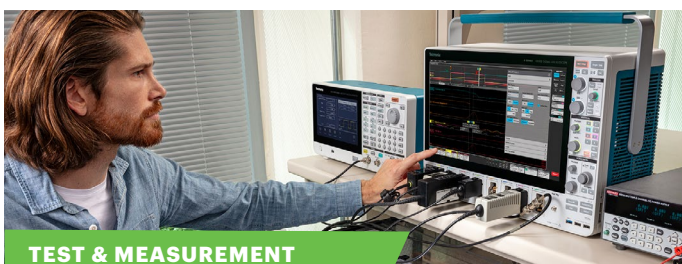
SENSORS & SAFETY SYSTEMS

Gems Setra's Power Meter is an easy-to-install multi-load submetering device that enables safe and accurate measurement of both low and high amperage services. The Power Meter's power analytics provides valuable data insights that can be used to reduce energy usage and even identify inefficient or malfunctioning equipment before it fails. The field rotatable meter enclosure and intuitive web portal setup & configuration interface significantly reduce installation time and cost per metering point.

TEST & MEASUREMENT

Tektronix' TICP IsoVu™ Isolated Current Probe enables engineers to more accurately measure electrical currents, driving electric vehicle (EV) innovation by extending battery life, minimizing power consumption for Internet of Things (IoT) devices, and reducing data center power requirements.

SENSORS & SAFETY SYSTEMS

Qualitrol's PDMG-RH, enhanced with ARC detection and location technology, improves energy grid reliability by enabling gas insulated switchgear users to reduce downtime with real time fault location, allowing for reenergization in a fraction of the time. Combined into a common platform with Qualitrol's iSGM, SF6 monitoring system, both systems work together to reduce a utility's carbon footprint, by identifying SF6 emissions sooner, enabling users to take corrective action.

People Strategy

Fortive is made up of a global team, over 18,000 strong, energized by a powerful purpose. Our people strategy centers on empowering inclusive teams working together to solve problems no one could solve alone. For you. For us. For growth.

Management Approach

We advance our people strategy through FBS and our career development and rewards systems. We continually measure, review, and refine our people strategy through measured employee experience processes. These actions define our inclusive growth culture and accelerate progress for our customers, our teams, and the world.

Our focus on continuous improvement comes to life through a multi-year Human Resources Transformation initiative, that enables our business strategy for the future. These new systems and focused improvements enhance our employee value proposition and build our employer brand while delivering better experiences to our people and results for our customers.

Our Board of Directors, along with the Compensation Committee, oversee our people strategy and measurement actions.

Inclusive Growth Culture

We are more together. Our inclusive growth culture sets the tone for Fortive's people strategy and, when coupled with the power of FBS, drives extraordinary results and long-term value for our people and shareholders.

We are focused on cultivating an inclusive environment where everyone can contribute to their fullest potential, attracting and retaining top talent from a wide variety of candidate sources, and sustaining policies and practices that ensure no group is inadvertently disadvantaged. Fortive is committed to adhering to EEO (equal employment opportunity) principles. All people are evaluated through a neutral merit-selection process. We do not consider race, ethnicity, gender, or any other protected trait in our hiring, promotional, or other processes.

To oversee our inclusive growth culture as a defining element of our people strategy, our Inclusive Growth Culture Center of Excellence (CoE) works closely with senior management, other Human Resources CoEs, our operating companies, and Employee and Friends Resource Groups (EFRGs).

2024 PERFORMANCE

76%
Employee Engagement score

84%
Employee Inclusion & Belonging score

In the spirit of **Empowering Inclusive Teams**, Fluke Health Solutions employee and neurodiversity advocate Tiffani Williams recognized the need for a new EFRG to offer support, resources, and community for team members who identify as neurodivergent.

In addition to raising awareness and helping to destigmatize conditions, the group will help its members be successful at work and to reframe their unique perspectives and creativity as positive traits that make Fortive stronger.

Global Employees
- 38% Female
- 62% Male

Race & Ethnicity (US Only)
- 62% White
- 15% Asian
- 7% Black
- 10% Hispanic
- 1% American Indian/ Alaskan Native
- 0.4% Native Hawaiian/ Other Pacific
- 5% Two or More Races
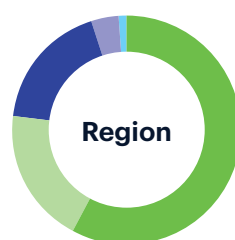
Region
- 58% North America
- 19% Europe
- 18% Asia Pacific
- 4% Latin America (incl. Brazil, Mexico & Caribbean)
- 1% Middle East & Africa

Employee Experience and Communication

Our promise to our people is—For you. For us. For growth. To achieve this promise, our leaders at all levels of the organization actively seek feedback with quarterly touchpoints to strengthen our inclusive growth culture and people practices.

In our last comprehensive census survey in Q4-2024, over 85% of our global team responded, delivering continued strength in overall engagement and in inclusion and belonging at high ratings of 76% and 84%, respectively.

Employee and Friends Resource Groups

At Fortive, Employee & Friends Resource Groups (EFRGs) activate our inclusive growth culture by creating space for all voices to be heard. They are powerful platforms for connection, learning, and demonstrating intersectional allyship. We have eight EFRGs across Fortive, which are voluntary, employee-driven, aligned with Fortive's Shared Purpose and values, and open to all employees, regardless of how they identify.

Our EFRGs have been a cornerstone of our inclusive growth culture since our founding. In 2024, our EFRGs continued to mature, aligning their programming with annual plans designed to address the greatest gaps within their respective groups. With approximately 1,000 active members representing more than 20 countries, our EFRGs have made significant strides in promoting respect, belonging, and empowerment across the organization. From impactful heritage month celebrations to intimate watercooler connections, these efforts have helped cement a sense of community across the globe.

Business, Career Development, and Reward Systems

Our culture of continuous improvement inspires us to keep experimenting, growing, and learning. Our robust career development and reward systems advance our people strategy and inclusive growth culture by attracting, growing, and retaining the exceptional people we need now and in the future. These business and career development systems strengthen our ability to deliver our employee value proposition, build our employer brand, drive professional growth for our people, and deliver results for our customers.

UNLEASHING FBS

Throughout 2024, many of our operating companies experienced significant transformation in their business operations through the evolution of FBS to include robotic process automation (RPA), machine learning, and AI.

In 2024 we held our **largest ever annual CEO Kaizen event**. Over 1,000 employees representing 70 teams across 10 locations and 3 continents joined with our most senior leaders to spark collaboration, accelerate momentum, and drive sustainable results across the company.

The **Hengstler-Dynapar** team exemplifies our value of "kaizen is our way of life." By embracing the power of FBS, teamwork, and creativity, the team doubled their units per hour labor, winning the CEO Kaizen in the Lean category for a second year in a row.

We're committed to offering equal pay for equal work. Not only is it the right thing to do, but this commitment also allows us to attract and retain talented people, strengthens our inclusive culture, and results in a higher-performing company. We regularly review our pay levels, which are defined for each job based on market data including geography, and we proactively adjust if needed to achieve equal pay for equal work.

Our Performance and Development processes drive results and career growth for our global teams. Performance for Growth deploys our strategies into goals across the organization, while Development for Growth translates our beliefs and values into desired leader competencies at all levels of the organization. Together, these processes provide a roadmap for the way we work, deliver results, and build high-performing teams.

We also invest in our people at every level through our growth and development experiences. These experiences range from leadership learning and FBS immersion to hands-on skill building in each of our three FBS pillars—growth, lean, and leadership. Collectively, these experiences build skills, strengthen performance, and prepare our people for challenging opportunities.

With our strong and evolving portfolio, our people have the opportunity to accelerate their career across multiple industries, meaningfully contributing to customer success, and impact in the world.

The following is a summary of some of our key employee growth and development experiences.

EXPERIENCE	DESCRIPTION
Fortive Leadership Summit	Development experience tailored toward senior vice presidents and presidents to accelerate growth, drive unrivaled performance with FBS, and advance our inclusive culture.
People Leader Experience	Deep, experiential learning for both new and experienced leaders, harnessing the best of interactive learning, and providing critical tools as our people take on greater people leadership responsibilities.
Accelerated Leadership Experience	Designed for high performing employees preparing to lead Fortive businesses or functions. We use immersive and experiential learning where leaders develop personal skills and insight to fulfill their potential.
FBS Office and University	The FBS Office is dedicated to strategically embedding the mindset and toolset in everything we do. FBS University, our proprietary virtual and hands-on learning environment, develops and reinforces learning for hundreds of FBS Champions across our company each year to deliver value for our customers and shareholders.
FBS Ignite	Supported with intensive development in the FBS toolset, active mentoring from the FBS Office, and executive career coaching, participants advance and share their expertise across different businesses. Over the past two years, we have expanded FBS Ignite to include our senior operating company leaders, further enabling them to lead with FBS to drive impact.
Growth Accelerator	A key development experience that enables our team to solve challenges in new, inspiring ways through three key innovation tools: Deep Customer Insight, Solution Generation, and Experimentation—each designed to enable our people to develop critical, breakthrough solutions for customers.

"I remain inspired by our extraordinary teams. Through our culture of high expectations and high support, our innovation, and our relentless drive for better, we continue to advance our Shared Purpose, making a tangible impact on the lives of millions of people around the world."

Stacey Walker
SVP & Chief People Officer

Community

We operate on a global scale, but we also work to be a powerful force for active service and positive change in our local communities. Our teams contribute to and have a positive impact in the communities around the world where we live and work.

Management Approach

We build trust in our communities and act as responsible global citizens through three primary channels—our annual Day of Caring, the Fortive Foundation, and the Fortive Scholarship Program.

Through our annual Fortive Day of Caring, we dedicate our time, resources, and talents to support local organizations and causes we care about most. Each site or operating company identifies events that are meaningful to their teams and communities, inspiring participation and creating lasting community impact.

Established in 2019, the Fortive Foundation expands and accelerates our philanthropic efforts and corporate giving. The Foundation awards charitable contributions to non-profit organizations whose missions advance and support:

- STEM education
- Community resilience
- Environmental stewardship

Building on our commitment to education, we also provide scholarship awards to our employees' children to support their pursuit of post-secondary education through the Fortive Scholarship Program. Each year, we grant 20 new scholarships, along with renewal awards.

2024 PERFORMANCE

$1.3M
in charitable donations to non-profit organizations that advance STEM education, community resilience, and environmental stewardship

52
scholarships awarded through the Fortive Scholarship Program (20 new awards and 32 renewals)

100%
of our operating companies hosted at least one community volunteer event

24K+
volunteer hours contributed through our annual Day of Caring

170+
Global communities supported through Day of Caring events worldwide

Day of Caring

Day of Caring is a Fortive tradition that embodies our spirit of generosity and optimism. Acts of service connect us to the communities where we live and work, enhance our sense of well-being, and provide opportunities to engage in activities or with organizations that are fulfilling on a personal level.

An employee-led initiative, Day of Caring empowers our teams to come together, engage with causes they care about, and provide meaningful support to community partners. Across the company, we offer everyone a full, paid day off to serve their community.

In 2024, teams across more than 170 global Fortive locations supported local non-profit and community organizations whose missions support:

- **STEM education**
- **Environmental stewardship and maintenance**
- **Mental health and well-being**
- **Animal care**
- **K–12 education**
- **Children with special needs**
- **Elderly care and well-being**
- **Under-represented community support**
- **Food security**
- **Outdoor recreation**

Day of Caring Champions

Behind each Day of Caring event is a Champion—someone or a small team at our sites who works with the local non-profit organizations to identify a need and opportunity for our local team to support their mission.

Day of Caring Champions collaborate with leaders and employee teams to plan and execute the service event(s), alongside the community organization's leaders and constituents.

From planting a garden to walking shelter animals to cleaning a facility for youth-in-need, we roll up our sleeves to help those who help our communities every day.
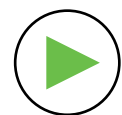
See a video recap of 2024 Day of Caring

Fortive Scholarship Program

We believe that great young minds can create a positive future. Their optimism, ingenuity, and ambition will shape a more sustainable and just world.

The Fortive Scholarship Program supports students' pursuit of post-secondary education by providing two- or four-year college, university, or vocational school scholarships to the next generation of world changers.

Scholarship awards are based on academic performance, leadership, and economic need, with each scholarship renewable for up to three years.

In 2024, Fortive awarded 20 new scholarships to students bound to two- and four-year colleges, universities, and vocational schools, and 32 renewal scholarships to continuing students.

Fortive Foundation

We established the Fortive Foundation to direct and scale our philanthropic efforts. Since its launch in 2020, the Foundation has tripled its annual charitable contribution, supporting non-profit organizations worldwide whose missions and impact align with the Foundation's giving areas:

• STEM education
• Community resilience
• Environmental stewardship

The Foundation partners with select non-profit organizations to amplify our philanthropic impact. Through both the American Red Cross and GlobalGiving, team members can donate directly to support communities in need, with their contributions matched by the Fortive Foundation.

SCALING IMPACT WITH PARTNERS

The Fortive Foundation supports non-profit organizations whose missions advance progress in STEM education, environmental stewardship, and community resilience.

In 2024, the Foundation donated $1.3M in charitable contributions to non-profit organizations, including these keystone partners:

STEM Education
Code.org
AnitaB.org
Engineers Without Borders

Community Resilience
Boys and Girls Club of America
Human Rights Campaign Foundation
Feeding America

Environmental Stewardship
The Nature Conservancy
One Tree Planted
Surfrider Foundation

In 2024, the **Fortive Environmental Alliance**, an employee affinity group formed to promote environmental responsibility, awareness, and action, sponsored a company-wide Eco Challenge. Across Fortive, 117 participants from 11 operating companies took 1,000+ actions including walking instead of driving, reducing water use, and choosing meatless or vegan meals.
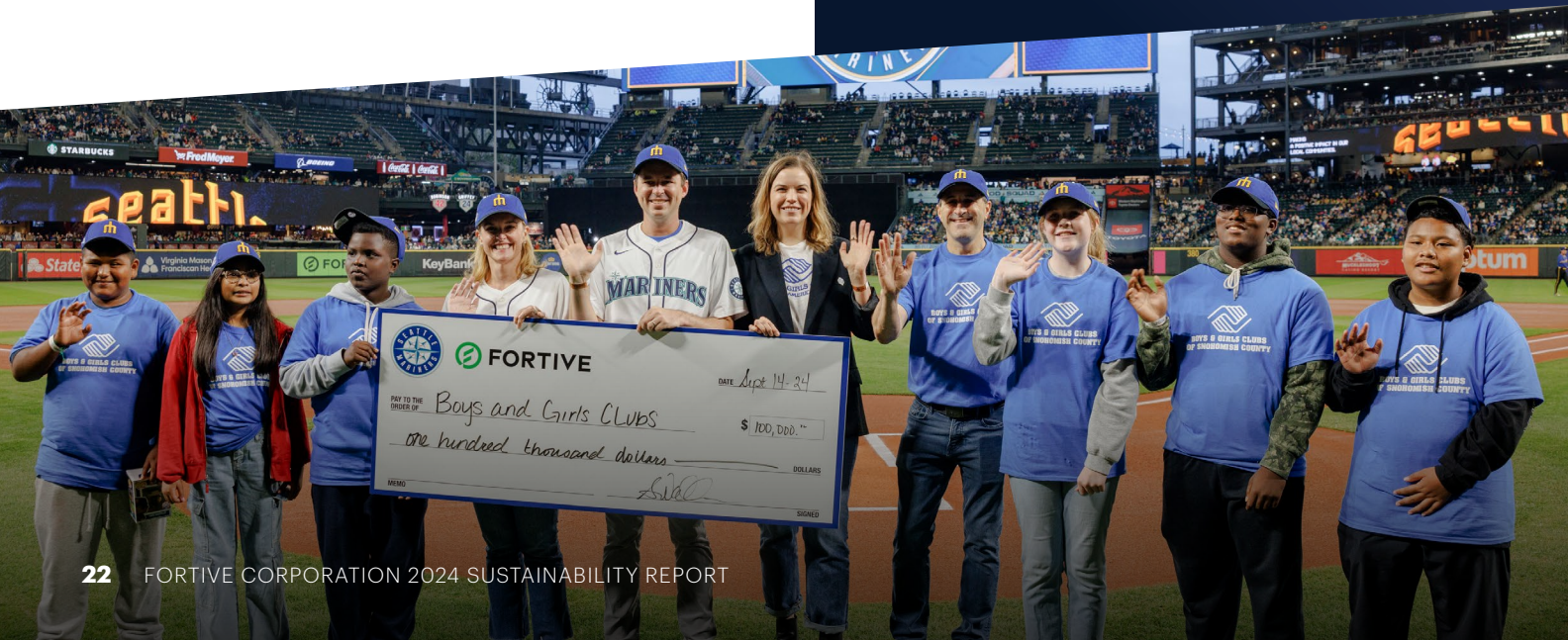
Climate Change & GHG Emissions

Climate change is one of the most pressing issues facing our planet today. We understand the importance of taking action to address climate change. As a responsible corporate citizen, we recognize our duty to take bold action to mitigate the effects of climate change—this is why we committed to reduce absolute Scope 1 and 2 greenhouse gas (GHG) emissions 50% by 2029 from 2019 levels, consistent with the Science Based Targets Initiative (SBTi) guidance.

Management Approach

Our strategy to reduce GHG emissions across our operations leverages Fortive's core strengths—our data-driven culture, scaling smart and impactful results using FBS, and our commitment to kaizen to improve and sustain performance.

To reduce our Scope 1 and 2 GHG emissions, our plans center on these three strategies:

Direct Emissions Reductions: Derived from GHG emissions reduction projects identified and implemented across our major sites. These range from infrastructure upgrades to process and workflow efficiencies and/or improvements.

Renewable Energy: Achieved through utility clean energy purchases, on-site renewable energy installations, and renewable energy certificates procured through unbundled and large-scale renewable energy power purchase agreements.
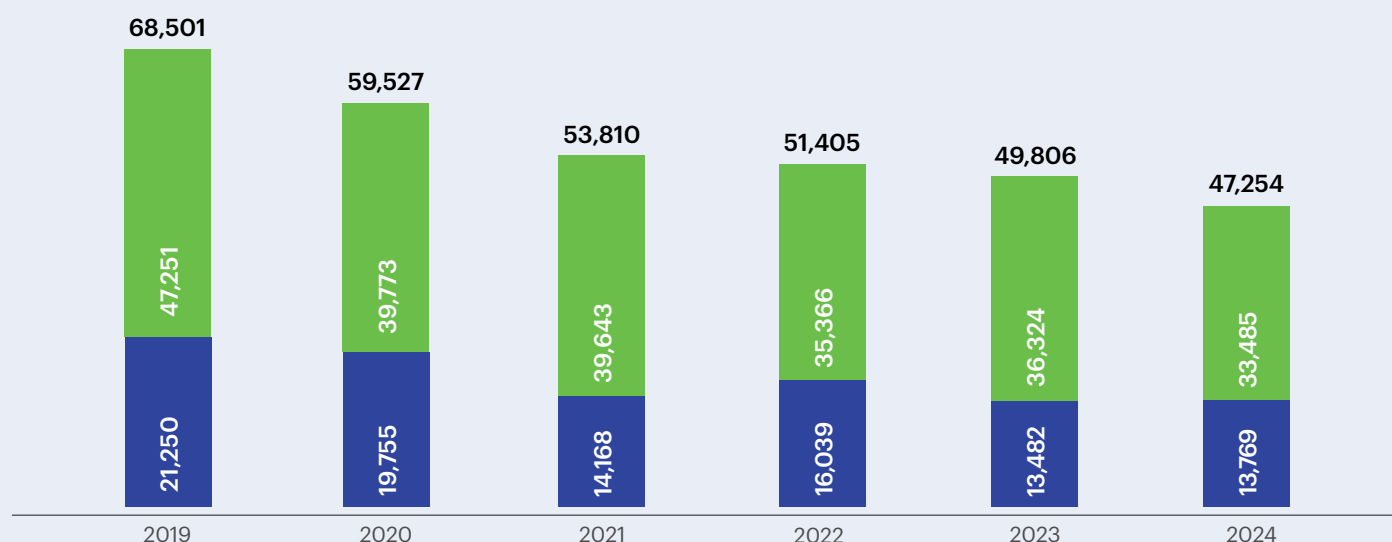
Organic Efficiency: Indirect emissions reductions gained via the continued addition of renewable energy to the electricity grid.

Implementation of these initiatives is driven via cross-functional collaboration with Finance, EHS, Facilities, Operations, Procurement, and Legal teams across our operating companies.

2024 GOALS & PERFORMANCE

GHG Emissions (metric tons of CO_2e)

Scope 1
Scope 2

Year	Scope 1	Scope 2	Total
2019	21,250	47,251	68,501
2020	19,755	39,773	59,527
2021	14,168	39,643	53,810
2022	16,039	35,366	51,405
2023	13,482	36,324	49,806
2024	13,769	33,485	47,254

2029 GHG Goal—Strategic Roadmap

In 2022, we announced our commitment to reduce absolute Scope 1 and 2 GHG emissions 50% by 2029, from 2019 levels. Our goal is aligned with the Science Based Targets Initiative (SBTi) for interim targets, and to achieve the goal, we have grounded our strategic plan with these management priorities:

- **GHG targets for operating companies**: To drive continuous improvement and investment of carbon reduction initiatives, each operating company has an annual GHG reduction target. Goals are scoped relative to the operating company's size and carbon intensity

- **Sustainability kaizens**: Our teams continuously evaluate and identify opportunities to reduce energy, sources of GHG emissions, water and waste inefficiency, and other sustainability components of our EHS risk score through a robust toolkit including regular sustainability kaizens and sustainability assessments.

- **Capital investments**: We support capital funding for projects that deliver meaningful GHG emissions reductions.

  - Projects are reviewed by the Fortive Sustainability team prior to the annual budget process; approved projects are submitted for inclusion in the operating company's budget for the following year.

- **Renewable energy**: Our evolving renewable energy procurement strategy balances direct-through-utility procurement, on-site renewable energy installations, and large-scale, clean-energy projects.

- Our internal renewable energy procurement policy guides operating companies in their procurement of community and on-site renewable energy solutions to ensure consistency and integrity.

- The policy identifies viable renewable energy instruments and sources of renewable energy.

Scope 3 GHG Emissions

In 2024, we focused on identifying ways to reduce Scope 3 emissions throughout our supply chain by deepening our understanding of our value chain partners' GHG risks and opportunities and engaging key vendors to identify opportunities for continuous improvement in upstream carbon emissions.

Collecting and analyzing Scope 3 emissions helps us understand:

- Which Scope 3 categories are relevant

- Which categories are significant contributors to our GHG emissions profile

- Where and how we can achieve impacts and reductions in the near- and long-term

In 2024, our Scope 3 GHG emissions totaled over 495k metric tons CO_2e (MTCO$_2$e). Relative to our Scope 1 and 2, our value chain emissions were more than 10x higher.

We are further evaluating our Scope 3 emissions profile following the separation of our Precision Technologies businesses.

SCOPE 3 EMISSIONS, BY CATEGORY (MTCO$_2$e)

Across the 15 categories of Scope 3 GHG emissions, we determined that 10 are relevant:

UPSTREAM

- 🟢 **161,024** Purchased goods and services
- 🟢 **72,007** Capital goods
- 🔵 **11,618** Fuel and energy related activities
- 🟣 **75,774** Transportation & distribution
- 🔵 **4,089** Waste generated in operations
- 🔵 **22,015** Business travel
- ⚫ **20,226** Employee commuting

DOWNSTREAM

- ⚪ **126,745** Use of sold products
- 🟡 **25** End-of-life treatment of sold products
- ⚫ **2,072** Investments

(1) Our Scope 3 data analysis currently leverages economic input-output models.

Water Management

We recognize the importance of water stewardship in the regions where we operate worldwide. Although our operations are not water intensive relative to industry standards, we strive to minimize the impact we have on watersheds and water withdrawals.

In 2023, we announced our commitment to reduce absolute water use 10% by 2029, relative to 2022 levels. In support of this goal, we are accelerating our efforts to reduce water use in high-risk regions[1] and at our highest use sites. In 2024, Fortive received a C rating in water from the CDP Climate Change disclosure, an important baseline for further evaluating and identifying opportunities for improving our water management practices.

Management Approach

We use a rigorous data collection and review process to qualify and quantify water use across our operations. The process aligns with our GHG accounting process, using Intelex's Sustainability Performance Initiatives (SPI) software for water data collection and management. Each site reports water use to better understand what sources and operations are driving water consumption.

As with GHG emissions and source data, we use PowerBI dashboards to give leaders, site managers, and EHS and facilities professionals real-time visibility into water management. Through the dashboards, site managers and teams can easily identify anomalies and trends, and take immediate action.

Fortive supports funding for projects that deliver meaningful water reduction. These projects are a key component of our water reduction strategy, and we leverage our culture of kaizen to examine and identify opportunities for impactful reductions.

Water Risk Assessment

In 2024, we prioritized routine monitoring, prompt maintenance, and water conscious behaviors in addition to continued use of our Sustainability Assessment tool.

The assessment facilitates the evaluation of water consumption at our sites, informing water risk and reduction opportunities in support of our target. It also helps site managers and teams account for water use and relevant operations, often uncovering potential water-related risks and opportunities.

	2022	2023	2024
Water Use (megaliters)	323.7	366.2	365.1

Our 2024 water consumption decreased 0.3% compared to 2023. We attribute this decrease in part to root cause analysis and corrective action deployments. Water consumption decreased by 0.6% across our high-risk sites.

Waste Management

Because Fortive works in the Industrial and/or Capital Goods sectors, waste is often flagged as a significant issue. Our operating companies maintain comprehensive waste management and recycling programs that support our philosophy of eliminating waste through recycling programs, avoiding unnecessary waste generation, and using recovery methods whenever possible. Our teams also receive hazardous waste management compliance training to prioritize the responsible management of hazardous waste to meet strict regulatory requirements.

In 2024, we reported our businesses' non-hazardous waste outputs for the first time, to improve transparency and set a clear baseline for continuous improvement.

(1)   We use the World Resources Institute (WRI) Aqueduct 3.0 Water Risk Atlas tool to evaluate water risk across our global operations. Sites in regions identified as having "Extreme" or "High" risk are required to complete a water risk assessment. In addition, regardless of risks, those sites with significant water use also complete a comprehensive assessment.

Data Management and Governance

The Fortive Sustainability team has primary responsibility for climate, water, and waste data collection and management processes.

In support of our GHG and water reduction goals, we continuously improve on the integrity, completeness, and procedures used for climate, water, and waste data collection and reporting. We have:

- Leveraged **Intelex**, a purpose-built environmental data collection management system,
- Obtained third-party Limited Assurance for our GHG account processes and data, and
- Strengthened our GHG emissions accounting and reporting processes by transitioning to a utility bill data management system, which automates time-consuming data entry to improve timeliness, accuracy, and completeness.
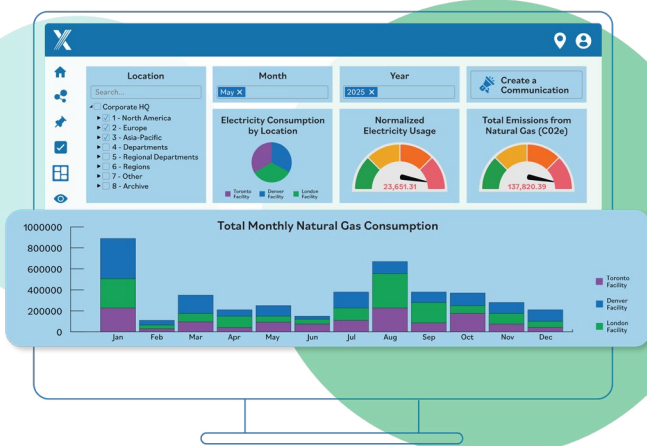
UNLEASHING FBS

We have established Intelex as our single source of truth for GHG and supporting data management. To drive consistency and alignment to *The Greenhouse Gas Protocol* standards, we created an internal GHG Accounting Protocol. We also use the protocol as a teaching and training tool to drive consistency and completeness of GHG data collection and accounting. Intelex continues to serve as our single source of truth.

Applying the rigor and discipline of FBS, we have defined and refined the GHG data collection, accounting, and reporting processes and controls to ensure that the data we publish is of the highest integrity, traceable, and complete. This has been instrumental in securing third-party Limited Assurance in accordance with ISO 14064-3 and ISAE 3000.

We seek third-party assurance for GHG accounting and reporting to ensure the following:

- **Credibility and trustworthiness**
- **Compliance**
- **Objectivity and independence**
- **Risk management**
- **Stakeholder expectations**
- **Continuous improvement**

Through each third-party assurance process, we gain new opportunities to drive continuous improvement. Third-party assurance also confirms that our internal protocol and its controls and procedures conform to the best practices outlined in *The Greenhouse Gas Protocol* standards.

THE EVOLUTION OF FORTIVE'S ENVIRONMENTAL DATA COLLECTION & MANAGEMENT SYSTEMS

2017–19	2020	2021	2022	2023	2024
Excel-based GHG accounting; annual data collection	Transitioned to **Intelex** ESG software; quarterly data collection	Fully operational in **Intelex** ESG software; quarterly data collection	Internal PowerBI dashboards; drill-down data	Began implementation of utility bill management system (UBMS)	UBMS launch; evaluating data controls and procedures
Used available resources	Scaled efficiency by partnering with EHS and Compliance	Expanded scope of data collection	Enhanced internal visibility to environmental data and performance	Improved timeliness of data collection; eliminated manual data entry	Align with new climate-related disclosure requirements

Workplace Health & Safety

Our vision is to maintain a world-class environmental, health, and safety (EHS) program rooted in the spirit of kaizen. We strive to proactively identify and mitigate EHS risks for our employees, advance operational efficiency, and eliminate waste.

Management Approach

We are committed to the health, safety, and well-being of our people. To keep our teams safe, we have proactive EHS programs that prioritize identifying risks and mitigating hazards to avoid injury and incidents.

We track EHS metrics including total recordable incident rates (TRIR) and days away restricted or transferred (DART), and use this data to develop preventative and corrective action plans that enhance workplace safety.

To quantify and drive continuous improvement, our operating companies assess the EHS Risk at each of our EHS Significant Sites and report the EHS Risk Score twice a year. The EHS Risk Score is a Fortive standard metric comprising five EHS performance categories:

- Leadership involvement
- Health & safety
- Environmental
- Sustainability
- Metrics

We regularly audit our EHS significant sites to drive continuous improvement. In 2024, we updated our auditor training program to expand global coverage and facilitate collaboration and best practice sharing across our operating companies. We also introduced new processes and standardized work to further integrate sustainability considerations into the EHS audit cycle.

Our EHS policy aligns with ISO 14001 standards, reflecting our commitment to safety and the well-being of our people, customers, and planet. We leverage data and FBS tools to ensure that EHS management meets and exceeds applicable laws and regulations across all of our operating companies.

EHS Governance

Fortive's Chief Legal Officer is the executive sponsor of the EHS Leadership Council (EHSLC), which includes senior EHS leaders responsible for EHS and Sustainability initiatives at operating companies as well as Fortive's Sustainability team, who is responsible for integrating Sustainability into company operations. Each operating company oversees day-to-day EHS management to ensure that policies and practices reflect the nature of their site-specific work.

The EHSLC develops company-wide policies and supports our network of over 300 sites across the globe. The EHSLC is responsible for EHS policy, including reviewing it every two years. EHS leaders are responsible for aligning their operating company's EHS policy to the Fortive EHS policy to ensure consistency and continuity.

The EHSLC ensures that EHS professionals and leaders across Fortive can easily communicate progress, challenges, and opportunities to improve.

2024 GOALS & PERFORMANCE

73%
Total Recordable Incident Rate (TRIR)*

87%
Days Away, Restricted or Transferred (DART)*

* Percentage of operating companies in the top quartile of their industry; refer to the EHS Data Table for certifications.

The EHS Risk Score

The EHS Risk Score is an internal tool used by all our operating companies to assess risks, define leading EHS practices, and drive continuous improvement. Across Fortive, sites review and assess their EHS risk profile twice annually, and scores are reported to leadership.

The goal is to reduce the average EHS Risk Score across the company by implementing EHS programs and initiatives that reflect and respond to hazards and risks applicable to our workplaces.

The EHSLC is responsible for management of the EHS Risk Score, including reviewing and updating the categories and criteria at least every three years.

In 2024 we completed an initiative to improve our internal audit process, increasing the number of Fortive lead auditors by 25% and the overall number of internal audits by 27%.

Increase in Fortive lead auditors

25%

Increase in internal audits conducted

27%

UNLEASHING FBS

Our operating companies are committed to ensuring safe workplace environments. Our EHS and facilities teams work together to understand the situational risks that could result in injury or incident across a wide range of conditions. We recognize timely EHS training and proactive risk identification and corrective action as leading indicators of employee safety and prioritize these strategies accordingly to reduce incidents and workplace risks.

In 2024, OpCo EHS teams leveraged FBS to improve environmental and employee health and safety management, including:

- The **Gems Setra Brighton** team improved audit transparency and accountability through augmented visual management tools across all management levels at the site. These actions resulted in a 53% increase in audit completions from 2023 to 2024.

- The **Tektronix China** team conducted an energy kaizen at the Pudong site to identify and implement energy savings measures that would not adversely impact production. The team identified 54,000 kWh in energy saving opportunities, representing 32MT CO_2e emissions.

- The EHS Risk Score helped the **Fluke Norwich** team elevate their safety training programs. Areas identified as higher risks received more frequent safety talks, targeted training sessions, and the implementation of stricter safety protocols. These actions have resulted in greater risk reduction and improved EHS Risk Scores.

Responsible Sourcing

Setting High Standards for Partners and Suppliers

We expect our partners and suppliers to share our high standards for quality and safety, our commitment to fair labor practices, and our stand against corruption and human trafficking.

The Fortive Supplier Code of Conduct (Supplier Code) articulates these expectations and standards for conduct and transparency. We share it with partners and suppliers to:

- Clearly articulate our values, standards, and expectations
- Ensure alignment with our priorities for safe and fair working conditions
- Promote production practices that ensure quality and safety
- Protect the rights of all people and respect for the planet

Building a Stronger and More Resilient Supply Chain

We work continuously with our suppliers to build a more resilient supply chain that responds to the evolving demands of our customers and our world. Our commitment to resilient supply drives our risk management strategy, which includes:

- Defining, deploying, and upholding standards
- Building relationships with strategic suppliers who share our commitments
- Broadening our aperture for prospective suppliers under sole source conditions
- Reducing risk associated with materials, services, and supplier readiness
- Pursuing partnerships with responsible regional suppliers

Supplier Code of Conduct

Our Supplier Code is available in 14 languages, and we proactively engage with suppliers to ensure alignment with our standards and expectations.

Guided by the Supplier Code, we work with suppliers that follow production practices that ensure quality, safety, environmental protection, and the rights of all people.

The Supplier Code is aligned with the International Labour Organization (ILO) and includes specific language on human rights and combating modern slavery. Through our Human Rights Risk Assessment and Supplier Audit Program, we also educate suppliers on our expectations outlined in the Supplier Code.

Supply Chain Governance

The Procurement and Supply Chain Function, is led and managed by the Vice President – Corporate Procurement, with support from the Fortive Corporate Procurement team as well as the Vice President and Associate General Counsel for Global Trade. This team sets global standards and issues global policies that establish expectations for the operating companies.

Due to the unique sourcing requirements of each operating company, each has a dedicated procurement team that implements policies, programs, and strategies in their daily procurement operations to fulfill the needs of the business and the customers we serve.

Supplier Audit Program

The Fortive Responsible Sourcing Audit Program aims to enforce the standards set forth in our Supplier Code, covering:

- Fair competition
- Corruption
- Trade practices
- Human rights
- Labor rights
- Climate risk management
- EHS compliance
- Materials quality
- Data privacy

Responsible Sourcing audits are coordinated through our Human Rights Risk Assessment process. The audit frequency is informed by the corresponding Corruption Perception Index (CPI) and Global Slavery Index.

Before conducting audits, every internal auditor undergoes training on identifying the indicators of human rights and modern slavery violations and evaluating the implementation and effectiveness of recommended policies to protect workers' rights and safety.

In 2024, we assessed over 130 direct material suppliers, and 100% of suppliers received a satisfactory rating. Areas for improvement were confined to policy and process enhancements.

If a Responsible Sourcing audit reveals a significant issue, our legal teams evaluate the situation and advise on the appropriate actions required by applicable laws, regulations, and supplier contract terms and conditions. We treat non-conformance by a supplier as severely as we do within our own operations, as clearly communicated in the Supplier Code.

Sourcing Locally

We identify and prioritize suppliers that are geographically closer to our sites and customer locations. This reduces our carbon footprint by minimizing distances between suppliers and our operations, enhances business resilience, and contributes value to local communities.

Supplier Diversity

Our success depends on delivering high quality innovative solutions for our customers, and our suppliers are critical partners to our success. Ensuring that certified diverse suppliers have an equal chance to compete for supplier contracts promotes healthy competition and gives us a full view of qualified suppliers to ensure we provide the best for our customers.

We recruit from a wide variety of supplier sources, provide training on unconscious bias to our procurement teams, and monitor policies and practices to ensure that no group is inadvertently disadvantaged.

All suppliers are evaluated through a neutral merit-selection process. We do not consider race, ethnicity, gender, or any other protected trait in the selection of our suppliers, nor do we have any financial set-asides or commitments for any demographic group.

Human Rights

This is our 6th year of supplier assessments to address human rights. We are committed to conducting our operations in an ethical and responsible manner, which includes upholding fair labor standards for all employees across our operating companies. In our commitment as a signatory to the United Nations Global Compact, we extend these expectations for business conduct across our supplier network.

Threats to human rights are constantly evolving and growing. We take seriously the need to understand labor and human rights practices across our suppliers. We actively engage with them to ensure they support international efforts to protect human rights and abolish forced labor, child labor, and human trafficking.

Supporting human rights and fighting modern slavery advances the safety of the communities from which we source. Our objective is to leverage our assessment process to educate our suppliers and raise expectations across our supply base.

2024 GOALS & PERFORMANCE

100%

completion of Responsible Sourcing Audits for high-risk suppliers

Integrity & Compliance

Integrity and compliance are integral to our culture and our success. When we do the right thing by acting in accordance with our Code of Conduct (Code) and our values, we deepen the trust and respect of our colleagues, our customers, our business partners, and our shareholders.

ONE OF THE WORLD'S MOST ETHICAL COMPANIES

This year Fortive was honored as one of the World's Most Ethical Companies® by Ethisphere. We earned this distinction alongside 136 global companies, chosen based on 240+ proof points on practices that support robust ethics and compliance, governance, ethical culture, environmental, and social impact.

ETHISPHERE®
GOOD. SMART. BUSINESS. PROFIT.®

"Fortive is honored to be named one of the World's Most Ethical Companies this year. Acting with Integrity is a core value and fundamental to the culture we have built across our business."

Jennifer Zerm, VP & Chief Compliance Officer

Management Approach

Fortive's Chief Compliance Officer and the compliance team lead the global compliance program. The team sets global standards and issues global policies that establish expectations for the entire company, including operating companies. In collaboration with the compliance personnel within operating companies, the global team ensures the program runs effectively. The Audit Committee of the Board of Directors has oversight responsibility for the compliance program and monitors its effectiveness.

The Global Compliance Program sets the global minimum standard. Each operating company assesses their business model and their industries to determine whether to enhance, restrict, or adopt new policies and procedures. Compliance is a significant element of the Risk Assessment Process (RAP), which is conducted annually and updated regularly throughout the year.

2024 GOALS & PERFORMANCE

23
languages available for our Code of Conduct

+99%
on-time completion rate for online compliance training

89%
of people leaders trained on Managing with Integrity

39
average days for Speak Up! case closure, exceeding goal of 45 days

+93%
completion rate for Code of Conduct training across approximately 16,000 employees

Measuring and tracking our key performance indicators (KPIs) for ethics and compliance is integral to continued improvement. We review the KPIs quarterly with senior leadership to ensure visibility and transparency on our program's current state and improvement opportunities.

We provide all employees with annual ethics and compliance training, along with learning toolkits on the Code and other critical topics.

SPEAK UP!

Our Speak Up! program exemplifies our open-door policy and commitment to transparency: our employees and business partners have multiple avenues available to raise questions or integrity concerns, including our Speak Up! phone hotline and web reporting tool.

Risk Assessment Program (RAP)

We proactively approach risk management by identifying and evaluating key risks using a consistent framework and comprehensive assessments.

Our RAP is a core tool we use to identify and manage risks on an ongoing basis. Fortive and its operating companies participate in the RAP annually and make regular updates to ensure that we are effectively identifying risk, mitigating where necessary, and striving to realize opportunities. Business and functional leaders evaluate the risks inherent in their operations on topics including:

- International dynamics
- Human resources
- Regulatory and industry standards
- Finance and accounting compliance
- Product safety and security
- Sales and marketing
- Data protection and cybersecurity
- General and internet technology
- Environmental, health, and safety
- Supply chain
- Climate change
- Artificial Intelligence (AI) risks

We use the RAP results to inform business decisions on topics including our workplaces, infrastructure investments, regulatory framework, supplier and commodity sourcing, compliance, EHS programs, and climate change planning. We track progress on the countermeasures quarterly and adjust our actions as needed.

Within the RAP, operating companies evaluate and rate physical and transition risks associated with climate change. Physical risks may be acute or chronic, and Climate Impact Reports developed by FM Global, our property insurance provider, assist operating companies with the assessments.

Transition risks assessed by the operating companies broadly include:

- Regulations and policies
- Market trends
- Technology and technological trends
- Customer sentiment

There are multiple stages of the RAP process, designed to solicit and incorporate inputs from operating companies, segments, global functions, and regions. This robust process ensures and provides an informed and prioritized view of the risk landscape across the portfolio, globally, and at every level of the organization up to the Board of Directors.

UNLEASHING FBS

We leverage our FBS mindset and toolkit to continuously improve our compliance program. Below are some highlights from 2024.

Continuous Improvement in Compliance

Employees at over 50 sites globally participated in our 2024 Integrity and Compliance Week. Activities and trainings were held in person and virtually to reinforce our integrity and compliance mindset with all employees.

Leveraging Technology to Enable Efficiency

In 2024 we successfully launched the AskCompliance chatbot to help employees quickly answer policy questions and locate the resources they need to support our teams and customers.

ENHANCING COMPLIANCE TRANSPARENCY

Worldwide, demand from stakeholders is increasing for information about our Compliance policies, programs, and adherence to various standards.

We are proud of our integrity and compliance program and the ethical culture that we have built at Fortive and our operating companies. Our Code and Supplier Code are available publicly on our website. Our SpeakUp! hotline is available to all to report concerns.

Privacy, Information & Intellectual Property Governance

Innovation and information are fundamental to our business of providing best-in-class products and services to our customers. With a multitude of artificial intelligence (AI) tools and data science techniques, we are innovating faster and finding new ways of dramatically improving efficiencies. As we incorporate AI and other cutting-edge technologies into our products and processes, we continue to maintain robust data privacy, intellectual property, and information governance programs.

Management Approach

Fortive's Privacy and Information Governance (PRINGO) team strategically manages governance for data privacy, intellectual property, and AI usage. The PRINGO team develops policies and compliance requirements aligned with local, state, and national requirements which are implemented by Fortive's operating companies worldwide. By providing expertise to operating companies and by implementing specialized shared services, PRINGO improves efficiency, streamlines workflows, boosts responsiveness, and reduces our global risk profile.

In addition to meeting legal requirements, we ensure that we operate in accordance with the expectations of employees, customers, and other stakeholders. We address the following requirements through a centralized, automated shared service:

- Records of processing (required in Europe)
- Privacy incident escalation and regulatory reporting
- Data subject rights requests, including access and deletion requests
- Website cookie consent management
- Vendor privacy diligence

- Data Protection Officer appointments and program administration, consolidating separate DPO engagements across Europe to save time and money
- Automated data protection impact assessments and legitimate interest assessments

PRIVACY PROTECTIONS

We are committed to maintaining and protecting customer and employee privacy in our global operations. We adhere to regulations and constantly monitor new and emerging requirements to ensure our practices are current, effective, and responsive.

PRINGO has a telephone number for our teams and customers in the U.S. and Europe to exercise their data privacy rights and submit inquiries. This includes access to personal information and the right to receive a copy, the right to deletion and erasure of all data on an individual, and the right to rectification or the correction of incorrect or incomplete data.

We also added a new role to PRINGO in 2024 to ensure employee privacy was protected during our Human Resource Transformation efforts.

IP RIGHTS

We respect intellectual property rights, which stimulate innovation and creation and drive our growth. We continue to add to our IP portfolio, increasing our number of patents, software code, trade secrets, and trademarks.

AI AND INFORMATION GOVERNANCE

We are committed to governing AI use across Fortive with human oversight and transparency. As laws and regulations evolve worldwide, Fortive's PRINGO team adapts and deploys policies and compliance requirements to meet those changes.

In 2024, the PRINGO team worked closely with a Fortive Accelerated Leadership Experience (ALE) team to develop a framework for AI Governance based on benchmarking, product knowledge, and actionable policies and procedure recommendations. The resulting principles will guide our operating companies in bringing AI to market while meeting legal requirements and leveraging shared expertise.

"Fortive is uniquely positioned to excel in AI Governance. We bring an unwavering commitment to continuous improvement driven by the Fortive Business System (FBS), a thorough understanding of our diverse businesses, and a proven ability to ready them for the complexity and velocity of regulatory change happening today. This makes us confident that we can continue to lead and deliver exceptional results well into the future."

Bill Karazsia
Associate General Counsel – Privacy & Information Governance

Cybersecurity

We prioritize integrity, availability, and confidentiality of information and digital resources in support of our nimble and proactive culture. We demonstrate our commitment through comprehensive and proactive compliance, privacy, and risk programs developed from industry recognized best practices. Enhancing our commitment to curiosity, innovation, and our customers.

Management Approach

Cybersecurity is integral to our risk management process and begins with Board oversight and management focus.

Our Audit Committee is responsible for the oversight of risks from cybersecurity threats and regularly reports to the entire Board. At least annually, management briefs the Board on cybersecurity threats, risk management, and strategy processes. Topics include data security posture, results from third-party assessments, progress on risk-mitigation-related goals, incident response plans, material cybersecurity threat risks or incidents and developments, and steps taken to respond to such risks.

During these sessions, the Board reviews emerging cybersecurity threat risks and discusses the company's ability to mitigate those risks with our Chief Information Officer (CIO) and Chief Information Security Officer (CISO). The Board also considers key enterprise risks, operational budgeting, crisis management planning, and other relevant matters at meetings.

Cybersecurity Governance

Cybersecurity is a critical part of our risk management processes and a priority for our Board and management. To ensure visibility, oversight, and management of information and cybersecurity, our CIO and/or CISO:

- Report to the Audit Committee and to the full Board about cybersecurity threat risks and other cybersecurity related matters

- Meet with the information security teams at the operating companies monthly, or as needed, to review escalated items, compliance with incident response plans, and performance against strategic targets

- Meet with the CEOs of our operating segments and the presidents of our operating companies to discuss IT strategies, updates, and initiatives, including those related to cybersecurity

- Meet with the Audit Committee quarterly and the full Board annually to provide updates on the cybersecurity program, including controls and processes, strategies, achievements, risks, and recent incidents

- Meet with the full Board annually as part of the overall enterprise risk management review

- Meet with other members of the Disclosure Committee to discuss materiality and disclosure with respect to cybersecurity matters

Our Cybersecurity team's strategy and annual performance targets align with the National Institute of Standards and Technology (NIST) Cybersecurity Framework. NIST's maturity rating is the best-in-class industry standard. Fortive continually benchmarks against the NIST standard along with several other external and internal measures.

Cybersecurity Risk Management

Fortive has established a formal enterprise risk program aligned with industry best practices such as National Institute of Security and Technology (NIST), Generally Accepted Privacy Program (GAPP), and ISO 27001/2, ensuring compliance with global regulations like GDPR, SOX, and HIPAA through regular audits and risk assessments. We work to identify and eliminate threats that could disrupt operations, compromise our intellectual property rights, data privacy, or reputation, or threaten litigation, and other legal liability. Corporate and operating company leaders collaborate with subject matter experts to identify and assess cybersecurity threats and enact countermeasures.

Separate cybersecurity-specific risk assessment and management processes are centrally managed and executed at both the corporate and operating company levels.

These processes, including corresponding controls, are designed to help us protect against, detect, and respond to cybersecurity threats. They also aid in ensuring the availability of critical systems, product security, disclosure procedures, escalation, and regulatory compliance in the event of any cybersecurity related disruption.

Our processes protect against risks associated with third-party software and service providers. Third-party risks are included within our overall risk assessment process, as well as our cybersecurity-specific risk identification program.

- Our cybersecurity team, led by our CIO and CISO, coordinates with our privacy and information governance team within our legal department to help ensure digital compliance with applicable regulatory and reporting requirements across all operating companies

- The CIO and CISO undertake an annual review of the cybersecurity strategy and initiatives for Fortive and each of the operating companies, with monthly reviews of performance relative to strategic initiatives with the CEO and the other executive officers

- The CIO and CISO participate in product design efforts with operating company leaders to enhance our product security

- Through the compliance training program, we conduct mandatory cybersecurity management, data privacy, and incident training for all employees

- We continuously monitor emerging vulnerabilities, perform regular security scans and penetration tests of IT assets, and apply security patches to mitigate risks associated with cyber threats

- Through policy, practice, and contract provisions, we require employees, as well as third-party vendors who process data, to treat customer and other personal information and data with care and in compliance with regulations

- We run tabletop exercises conducted by leading third-party cybersecurity experts, with involvement by the broader IT team, legal team, communications team, executive management team, and the Board, to simulate a response to a cybersecurity incident and use the findings to improve our processes and technologies

- We conduct regular network and endpoint monitoring, vulnerability assessments, and penetration testing designed to improve our information systems

- We review, update, and provide training on cybersecurity incident response plans, business continuity plans, and our cyber incident escalation plan, including the involvement of our Disclosure Committee (which includes our CISO as a regular member)

- As part of that cyber incident escalation plan, our Disclosure Committee reviews cybersecurity incidents to assess materiality and consider disclosure requirements

Cybersecurity plays a key role in selecting and overseeing third-party service providers. We perform diligence on critical third parties with access to our systems, data, or facilities that house such systems or data, and continuously monitor for any cybersecurity threat risks. We generally require third parties to contractually manage their cybersecurity risks in specified ways and undergo our own cybersecurity audits when appropriate.

GENERAL CORRESPONDENCE

If you would like to contact a member of Fortive's Sustainability team, you may do so by mail or email:

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