

# Accelerating Progress Toward a Sustainable Future

## 2022 SUSTAINABILITY REPORT EXECUTIVE SUMMARY

### Fortive At a Glance

- 18,000+ employees
- 50+ countries worldwide
- 18 operating companies
- \$5.2B revenue (FY2021)
- 9.5% organic growth (FY2021)

### ESG Framework Alignment

- Global Reporting Initiative (GRI): Core
- Sustainability Accounting Standards Board (SASB)
- Task Force on Climate-Related Financial Disclosures (TCFD)
- United Nations Global Compact signatory (UNGC)
- United Nations Development Goals (UN SDGs)

**We innovate and deliver safe, productive, and sustainable solutions for our customers.**

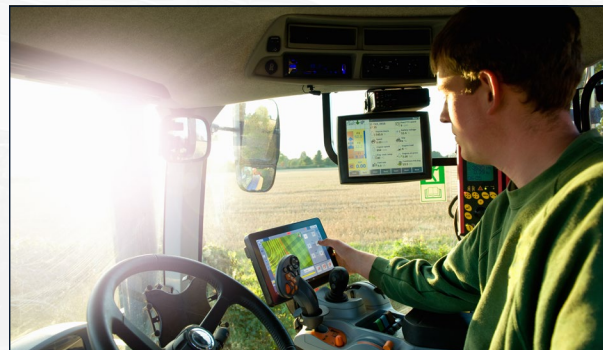
## Our Commitment to Sustainability

At Fortive, we are boldly pursuing our vision of accelerating a sustainable future for all by investing in our people, our operations, and breakthrough innovations that directly address environmental and societal challenges.

## Our Sustainability Value Proposition

Our commitment to Sustainability is inextricably linked with our shared purpose: essential technology for the people who accelerate progress. The work we do, and how we do it, centers around IMPACT.

Every day, Fortive’s products, services, and people are making an impact behind the scenes to:



### Innovate for the Environment and Society

Innovative technologies that conserve precious natural resources and minimize environmental impacts



### Innovate for Patient Care

Fortive products and services are at work behind the scenes to ensure patient and worker safety in healthcare environments



### Innovate for Safety and Critical Operations

Products designed to support a safe working environment, human health and well-being, and the sustainability of customer operations

## Recognitions and Affiliations








**CEO ACTION FOR DIVERSITY & INCLUSION**



# Our Sustainability Strategy

We conducted a refreshed materiality assessment of environmental, social and governance (ESG) issues in 2020 to understand which issues are most germane to our business, from an internal and external perspective.

The ESG issues that were identified via the materiality assessment as high importance from an internal and external view were organized and informed our Strategic Sustainability Pillars.

-  Inclusion and Diversity  
Organizational Culture and Management  
Talent Acquisition, Retention, and Development
-  Community Engagement and Support
-  Climate Change and Greenhouse Gas Emissions  
Water Use  
Waste Management
-  Employee Well-Being, Safety, and Health  
Responsible Supply Chain and Procurement  
Human Rights
-  Ethics and Compliance  
Business Resilience  
Digital Privacy and Security

## ANNOUNCING OUR NEW GOALS




**CLIMATE:** Reduce absolute Scope 1 and 2 GHG emissions **50%** by 2029, from 2019 levels, in alignment with Science-based Targets Initiative (SBTi) guidance

**SUPPLIER DIVERSITY:** **10%** increase in spend with diverse suppliers from 2021 levels

**ETHICS & COMPLIANCE:** **45-day average** for SpeakUp! case closure rate

# Sustainability Strategic Pillars

Our sustainability pillars align our actions with our purpose and values. And our strategy and goals reflect those material issues.

 <p><b>Empower Inclusive and Diverse Teams</b></p> <p><i>Advance an equitable and inclusive culture that enables everyone to be authentic and do their best work.</i></p> <p><b>GOALS</b></p> <ul style="list-style-type: none"> <li>• <b>50%</b> gender representation</li> <li>• <b>37%</b> BIPOC representation</li> <li>• <b>50%</b> senior leader diversity</li> </ul> <p><b>2021 PROGRESS</b></p> <ul style="list-style-type: none"> <li>• <b>37%</b> gender representation</li> <li>• <b>27%</b> BIPOC representation</li> <li>• <b>43%</b> senior leader diversity</li> </ul>	 <p><b>Invest in Our Communities</b></p> <p><i>Create and advocate for positive impacts in the communities in which we work, live, and serve.</i></p> <p><b>GOALS</b></p> <ul style="list-style-type: none"> <li>• <b>100%</b> operating company participation in Day of Caring</li> <li>• <b>100%</b> charitable contributions aligned to Fortive Foundation Giving Areas</li> </ul> <p><b>2021 PROGRESS</b></p> <ul style="list-style-type: none"> <li>• <b>100%</b> operating company participation in Day of Caring</li> <li>• <b>100%</b> alignment with Fortive Foundation Giving Areas</li> </ul>	 <p><b>Protect the Planet</b></p> <p><i>Protect the environment and resources across the value chain.</i></p> <p><b>GOALS</b></p> <ul style="list-style-type: none"> <li>• <b>50%</b> GHG emissions intensity reduction (2017–2025)</li> </ul> <p><b>2021 PROGRESS</b></p> <ul style="list-style-type: none"> <li>• <b>51.0%</b> GHG emissions intensity reduction</li> <li>• <b>18.8%</b> absolute GHG emissions reduction (2017–2025)</li> </ul>	 <p><b>Work and Source Responsibly</b></p> <p><i>Raise and reinforce expectations to ensure people, safety, and quality are priority #1.</i></p> <p><b>GOALS</b></p> <ul style="list-style-type: none"> <li>• <b>100%</b> operating company achieve top quartile for TRIR and DART within industry</li> <li>• <b>10%</b> increase in spend with diverse suppliers</li> </ul> <p><b>2021 PROGRESS</b></p> <ul style="list-style-type: none"> <li>• <b>62%</b> operating company achieves top quartile</li> <li>• <b>12.3%</b> increase in spend with diverse suppliers</li> </ul>	 <p><b>Operate With Principle</b></p> <p><i>Establish and enforce boundaries to protect critical assets.</i></p> <p><b>GOALS</b></p> <ul style="list-style-type: none"> <li>• <b>45 days</b> average SpeakUp! case closure rate</li> </ul> <p><b>2021 PROGRESS</b></p> <ul style="list-style-type: none"> <li>• <b>&lt;45 days</b> average SpeakUp! case closure rate</li> </ul>
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