



## Welcome to your CDP Climate Change Questionnaire 2020

### C0. Introduction

#### C0.1

**(C0.1) Give a general description and introduction to your organization.**

Fortive is a diversified industrial technology growth company encompassing businesses that are recognized leaders in attractive markets. Our well-known brands hold leading positions in field solutions, product realization, sensing technologies, health, transportation technology, and franchise distribution. We are guided by our shared purpose to deliver essential technology for the people who accelerate progress, and we are united by our culture of continuous improvement and bias for action that embody our Fortive Business System (FBS). Through rigorous application of our proprietary FBS set of growth, lean, and leadership tools and processes, we continuously improve business performance in the critical areas of innovation, product development and commercialization, global supply chain, sales and marketing and leadership development. Our commitment to FBS and our goal of creating long-term shareholder value enable us to drive customer satisfaction and profitability, significant improvements in innovation, growth and operating margins, and disciplined acquisitions to execute strategy and expand our portfolio into new and attractive markets. We are headquartered in Everett, Washington and, as of December 31, 2019, employed a team of approximately 25,000 research and development, manufacturing, sales, distribution, service and administrative employees in more than 50 countries around the world.

#### C0.2

**(C0.2) State the start and end date of the year for which you are reporting data.**

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Reporting year	January 1, 2019	December 31, 2019	Yes	2 years

## C0.3

### **(C0.3) Select the countries/areas for which you will be supplying data.**

Argentina  
Australia  
Brazil  
Canada  
Chile  
China  
Denmark  
Finland  
France  
Germany  
India  
Italy  
Japan  
Netherlands  
Norway  
Republic of Korea  
Slovakia  
South Africa  
Sweden  
Switzerland  
Turkey  
United Kingdom of Great Britain and Northern Ireland  
United States of America



## C0.4

**(C0.4) Select the currency used for all financial information disclosed throughout your response.**

USD

## C0.5

**(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.**

Operational control

# C1. Governance

## C1.1

**(C1.1) Is there board-level oversight of climate-related issues within your organization?**

Yes

### C1.1a

**(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.**

Position of individual(s)	Please explain
Board Chair	The entire Board of Directors has oversight responsibility for the CSR program, including climate-related issues.
Director on board	Members of the Board on the Nominating and Governance Committee of the Board oversee CSR reporting, including disclosure of climate-related goals, progress, strategy and innovation. As identified in their charter (Fortive 2020 Proxy Statement, pp. 23-24, 32), the Nominating and Governance Committee oversees CSR reporting.

## C1.1b

**(C1.1b) Provide further details on the board’s oversight of climate-related issues.**

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Please explain
Scheduled – some meetings	Monitoring implementation and performance of objectives Monitoring and overseeing progress against goals and targets for addressing climate-related issues	The General Counsel (SVP) reports to the entire Board on CSR strategic initiatives, progress, strategy, and performance to the Board on a periodic basis. A key CSR focus is Fortive's Sustainability program, including the strategy, execution and innovation.

## C1.2

**(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.**

Name of the position(s) and/or committee(s)	Responsibility	Frequency of reporting to the board on climate-related issues
Other C-Suite Officer, please specify General Counsel (Senior Vice President)	Other, please specify Executive CSR Program oversight, including climate change-related matters	Annually
Other, please specify VP of CSR	Both assessing and managing climate-related risks and opportunities	As important matters arise
Other, please specify Director of Sustainability	Both assessing and managing climate-related risks and opportunities	As important matters arise
Risk committee	Assessing climate-related risks and opportunities	As important matters arise
Safety, Health, Environment and Quality committee	Assessing climate-related risks and opportunities	As important matters arise

## C1.2a

**(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).**

General Counsel (SVP): Executive officer responsible for Fortive's CSR Program oversight and progress, as well as EHS and Risk Management. Climate change-related matters are in-scope of the CSR Program and include Fortive's publicly stated goal to reduce GHG emissions intensity by 40% by 2030, relative to the 2017 base year. The General Counsel reports to the Board about CSR Program reporting and strategic initiatives on a quarterly basis, as needed. Leading up to and since the announcement of the GHG emissions intensity goal in 2019, the General Counsel has reported to the Board about the CSR Program on an annual basis. The General Counsel also reports to the Board about EHS compliance matters and Risk Management, on an annual basis or more frequently as needed.

VP of CSR: Executive responsible for the strategy and execution of the CSR Program, including climate change-related matters. The VP and Director of Sustainability support the General Counsel's reports to the Board and to the Nominating and Governance Committee of the Board.

Director of Sustainability: Executive responsible for the strategy and execution of the Sustainability program, the scope of which is centered on climate change-related issues and actions.

The VP of CSR and Director of Sustainability share responsibility for regular updates to the Fortive senior leadership team, comprised of the CEO, CFO, CHRO, General Counsel, and Operating Company senior leaders.

Risk Committee: The General Counsel (SVP) is the executive officer responsible for Risk Management. In 2019, the Risk Assessment was updated to include climate change-related impacts in the company-wide Risk Assessment Program. The General Counsel monitors the progress on CSR reporting, including the data integrity and disclosure of GHG emissions intensity and performance toward the 40% emissions intensity goal.

Environmental, Health and Safety Leadership Council (EHSLC): The EHSLC reports to the General Counsel and supports the Director of Sustainability with implementation of certain key initiatives.

## C1.3

**(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?**

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	On an annual basis, the Compensation Committee establishes performance goals for each executive officer, with such goals designed to align each executive officer's performance objectives with the Company's overall strategic initiatives. In determining the annual incentive compensation for the corresponding fiscal year for an executive officer, the Compensation Committee takes into account the individual's execution against his or her performance goals, while also considering the individual's overall performance, the contribution of such individual to the Company's results and the individual's demonstrated leadership behavior in alignment with the Company's core values.

### C1.3a

**(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).**

Entitled to incentive	Type of incentive	Activity incentivized	Comment
Other C-Suite Officer	Monetary reward	Other (please specify) Composite Performance Factor/Personal Performance Factor	Fortive's SVP, General Counsel's personal performance goals include (but are not limited to) EHS compliance and management, the Enterprise Risk Management program and effectiveness, and CSR program performance, including climate change-related initiatives.
Other, please specify VP of CSR	Monetary reward	Other (please specify) Composite Performance Factor/Personal Performance Factor	The VP of CSR's personal performance goals include CSR program performance, which includes climate change-related initiatives.
Other, please specify Director of Sustainability	Monetary reward	Other (please specify) Composite Performance Factor/Personal Performance Factor	The Director Sustainability's personal performance goals include development and execution of the company's Sustainability strategy, which centers on climate-change related matters, including Fortive's publicly stated GHG emissions intensity reduction goal.



## C2. Risks and opportunities

### C2.1

**(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?**

Yes

#### C2.1a

**(C2.1a) How does your organization define short-, medium- and long-term time horizons?**

	From (years)	To (years)	Comment
Short-term	0	2	
Medium-term	2	5	
Long-term	5		Fortive is building our business for the long-term, and we do not place a cap on the time horizon for strategic planning.

#### C2.1b

**(C2.1b) How does your organization define substantive financial or strategic impact on your business?**

Fortive is comprised of over 20 Operating Companies (OpCos) that span multiple industries, from manufacturing to tech to healthcare. The definition of substantive varies by OpCo and is directly influenced by the OpCo's business, markets, and industry. However, there are established thresholds for capital allocation that require the OpCo President's approval and, at another threshold, Fortive senior leadership approval. The thresholds are a proxy for substantive financial and strategic impact, as at each threshold level, capital allocations are reviewed and decided upon by senior leaders to evaluate and ensure alignment with the strategy and financial plan. At the OpCo level, the Presidents make the final decisions. At the Fortive corporate level, the CEO and CFO evaluate and decide to ensure alignment with the company strategy and budgeting prioritization.

## C2.2

### (C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

---

#### Value chain stage(s) covered

Direct operations  
Upstream  
Downstream

#### Risk management process

Integrated into multi-disciplinary company-wide risk management process

#### Frequency of assessment

Annually

#### Time horizon(s) covered

Short-term  
Medium-term  
Long-term

#### Description of process

Fortive identifies, assesses and responds to climate-related risks through our comprehensive enterprise risk management (ERM) program. Through an annual process of standardized and comprehensive assessments, business and functional leaders evaluate and identify 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; Physical Assets and Natural Disasters, and Supply Chain.

The results of the ERM assessment informs business decisions related to workplaces, infrastructure investments and/or relocation, current and emerging regulatory regimes, supplier and commodity sourcing, compliance, EHS programs, and climate change planning. For each risk





category, leaders assess and report the severity and probability of the risks affecting operations and identify countermeasures implemented or planned to mitigate the risks. Climate change resiliency plans address the operating company's readiness and response to scenarios including drought, flooding, and heat waves.

We engage employees from representative geographies and operations (at both company and Fortive levels) to inform and evaluate all risk assessments and company-level risk prioritization. The Fortive Risk Committee reviews and develops the Fortive-level risk assessment based on these company prioritizations, combined with broader corporate-level risks. The Risk Committee reports the results to the Board of Directors annually, with our audit committee overseeing our Enterprise Risk Management process.

---

**Value chain stage(s) covered**

Direct operations

**Risk management process**

Integrated into multi-disciplinary company-wide risk management process

**Frequency of assessment**

More than once a year

**Time horizon(s) covered**

Short-term

Medium-term

**Description of process**

Fortive's operating companies assess the EHS Risk at each of our EHS Significant Sites and report the EHS Risk Score on a semi-annual basis. The EHS Risk Score is a Fortive standard metric comprised of 18 EHS performance criteria, including CSR goals, which may include energy use, water use and waste reduction goals to improve a site's environmental footprint. sustainability of a site's operation(s). The EHS Risk Score is weighted based on site population, and our goal is to reduce the average EHS Risk Score across the company by implementing EHS programs and energy and GHG reduction initiatives.



**Value chain stage(s) covered**

Direct operations  
Upstream

**Risk management process**

Integrated into multi-disciplinary company-wide risk management process

**Frequency of assessment**

Every three years or more

**Time horizon(s) covered**

Short-term

**Description of process**

We recognize the significant impact that suppliers could have on our business and with our global presence, the planet and natural resources. Fortive suppliers are required to affirmatively commit to the standards outlined in our Supplier Code of Conduct. In 2019, we added CSR-related questions to the supplier questionnaire, which is required to be completed by all suppliers. In conjunction with the CSR questionnaire, we incorporated training for internal auditors to ensure quality and consistency.

**C2.2a**

**(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?**

	<b>Relevance &amp; inclusion</b>	<b>Please explain</b>
Current regulation	Relevant, always included	Fortive's Enterprise Risk Management (ERM) and EHS Risk Score include current regulations in their risk registers. The ERM evaluates regulatory and compliance risks, including environmental regulations, and the management of these risks based on severity and probability. Fortive's EHS Leadership Council and EHS professionals across the company monitor current and emerging EHS regulations, including climate- and environmental regulations. The EHSLC meets bi-weekly and conducts a semi-annual risk assessment of our significant operations to evaluate their relative EHS Risk, including management to address environmental impacts, leading EHS metrics and public/reputational risks, among others.

		As a global company with operations that cross numerous industries, Fortive is subject to a range of environmental laws and regulations. Compliance with these laws and regulations requires, and is expected to require, operating and capital costs. For example, Fortive has significant operations across the European Union, Australia and California where climate-related regulations may be applicable. For example, we monitor requirements such as Australia's National Greenhouse Gas and Energy Reporting requirements, California's State Assembly Bill 32, Low Carbon Fuel Standard and Sustainable Transportation Planning for applicability to our business and the industries and customers we serve.
Emerging regulation	Relevant, sometimes included	Fortive's Enterprise Risk Management (ERM) evaluates regulatory and compliance risks, including emerging regulations, and the management of these risks based on severity and probability. Emerging environmental risks are evaluated as part of the regulatory & compliance and physical asset and natural disaster assessments, based on severity and probability. Fortive's EHS Leadership Council and EHS professionals across the company monitor current and emerging EHS regulations, including climate- and environmental regulations. The EHSLC meets bi-weekly and conducts a semi-annual risk assessment of our significant operations to evaluate their relative EHS Risk, including management to address environmental impacts, leading EHS metrics and public/reputational risks, among others. Our operating companies monitor emerging regulations and the potential impacts on our customers. For example, emerging regulations for end producer responsibility (EPR) underscores the importance of our product end-of-life management processes. Increasingly, municipalities and states are increasing the stringency of waste management regulations to reduce landfill disposal due to the land use, emissions and other environmental impacts.
Technology	Relevant, sometimes included	Fortive's products and services help our customers accelerate progress toward a sustainable future and recognize that technology is a critical pathway to progress. Fortive operating companies conduct peer benchmarks and market assessments to understand and stay ahead of current technologies and trends, particularly those that may pose a threat to our business. The climate-related impacts of technology are more indirect than direct; however, we monitor and are proactive in our cybersecurity policies and practices to ensure the safety and security of our operations and our customers. The criticality of many of our products and services for operation and management of critical infrastructure makes our efforts all the more critical. For example, several of our operating companies' sensors are used in critical infrastructure including public and commercial water services. Security of these devices is critical for sustainable management of these limited resources.
Legal	Not relevant, included	We do not have active or pending climate-related legal claims in the reporting period. Fortive's Enterprise Risk Management (ERM) evaluates regulatory and compliance risks, including current or pending climate-related legal claims.

Market	Relevant, always included	Given the diversity of Fortive operating companies, each operating company evaluates risks associated with their industry and market. Risks and opportunities are reflected in each operating company's strategic plan. For example, Gilbarco Veeder Root (GVR) monitors the market conditions in the transportation industry and sector and incorporates strategic priorities in their strategic plan. In 2018, GVR made a minority investment in Tritium, a privately held electric vehicle (EV) charging manufacturer, and in 2019, announced availability of payment options for the Veefil RT-50kW EV chargers manufactured by Tritium.
Reputation	Relevant, always included	Fortive's Enterprise Risk Management (ERM) and EHS Risk assessment programs include metrics related to reputation and community relations. Fortive is committed to sustainable performance and through environmental stewardship, corporate citizenship, inclusion & diversity, and high standards of ethics, business conduct and corporate governance. The values are integral to our culture and fundamentally important to how we conduct our business and engagement with customers, employees, suppliers and the communities where we operate. Our reputation is influenced by the real and perceived culture which directly impacts our ability to attract and retain diverse top talent. Stakeholders from investors to prospective employees evaluate Fortive's commitments, performance and innovation associated with climate change-related matters, including our GHG intensity goal and its influence within and on the business. [Source: 2020 Proxy Statement]
Acute physical	Relevant, always included	Fortive's Enterprise Risk Management (ERM) program includes assessment of acute physical risks in the risk register and management process. Each operating company is required to assess risks associated with physical assets and natural disasters, for example, physical asset/building system reliability and increased operational costs (e.g. increased costs from increased peak demands on energy consumption), business continuity planning and exposure(s) to a lack of contingency planning for natural disasters, terrorism, workplace violence or malicious acts, or IT disaster/non-recovery. We have significant operations located in regions that could have higher risks due to the frequency and intensity of natural disasters and storm events, including China, India, Japan, and the Southeastern U.S. These regions are among those experiencing increased frequency and intensity natural disaster events, including the most economically impactful in 2019*. * Source: "Weather, Climate & Catastrophe Insight", AON's 2019 Annual Report.
Chronic physical	Relevant, always included	Fortive's Enterprise Risk Management (ERM) program includes assessment of chronic physical risks in their risk registers and management process. Each operating company is required to assess risks associated with physical assets and natural disasters, for example, physical asset/building system reliability and increased operational costs (e.g. sustained increasing costs due to energy and water demand if/when resource scarcity is reflected in market prices). We have



		significant operations in geographic locations that are experiencing and/or at-risk of sustained increases in average temperatures, reduced water availability, and strained infrastructure services which will increase operational costs over the medium- and long-term, such as across most regions of the U.S., India, China, South America, Australia and the Asian South Pacific.
--	--	---

### C2.3

**(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?**

No

### C2.3b

**(C2.3b) Why do you not consider your organization to be exposed to climate-related risks with the potential to have a substantive financial or strategic impact on your business?**

	Primary reason	Please explain
Row 1	Evaluation in process	<p>In 2019, we announced our commitment to address climate change with our goal to reduce GHG emissions intensity by 40% by 2030, relative to the 2017 base year. Also in 2019, Fortive created two new positions to bolster our organizational infrastructure to support CSR and Sustainability program growth and maturity, a VP of CSR and Director of Sustainability, to lead global CSR and Sustainability initiatives and shape a culture of CSR and Sustainability.</p> <p>In 2019, we expanded our enterprise risk management (ERM) process to include climate-related risks, and in 2020, we are evaluating systems and standard work to identify, prioritize and collaborate to incorporate sustainability and climate-related risks, opportunities and decision-making.</p> <p>Also in 2019, Fortive acquired Intelx, a leading EHSQ &amp; Sustainability software company. Fortive and its operating companies are transitioning to the Intelx platform for EHSQ and sustainability performance management. The analytics available via Intelx's</p>

		sustainability performance indicators (SPI) platform will enable more and better data analysis, including forecasting, to inform planning and risk mitigation.
--	--	--

## C2.4

**(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?**

Yes

### C2.4a

**(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.**

---

**Identifier**

Opp1

**Where in the value chain does the opportunity occur?**

Direct operations

**Opportunity type**

Resource efficiency

**Primary climate-related opportunity driver**

Other, please specify

Energy use reduction and energy efficiency investments

**Primary potential financial impact**

Reduced direct costs

**Company-specific description**

In 2019, Fortive announced our commitment to reduce the Scope 1 and 2 greenhouse gas (GHG) emissions across EHS significant sites by 40% per dollar of revenue generated by 2030, relative to the 2017 base year. To help achieve that target we intend to follow several steps including continued scoping of emissions-reduction capital projects that can be undertaken by our operating companies with corporate support and that will provide further efficiency gains and cost reductions. For example, our operating companies implement energy efficiency projects regularly to reduce energy use and related costs. Our Gems Sensors operation in the Northeast U.S. re-lamped the whole facility to LED, installed a building management program to manage 25 Rooftop ac units, and installed variable frequency drives (VFDs) and oxygen sensors on the rooftop AC units, estimated to reduce almost 240,000 kWh annually.

**Time horizon**

Short-term

**Likelihood**

Virtually certain

**Magnitude of impact**

Medium-low

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

**Potential financial impact figure – minimum (currency)**

**Potential financial impact figure – maximum (currency)**

**Explanation of financial impact figure**

We are implementing a process to track and quantify the energy use reduction opportunities across our significant sites.

## **Cost to realize opportunity**

### **Strategy to realize opportunity and explanation of cost calculation**

Our strategy to reduce GHG emissions is multi-faceted and grounded in the Fortive Business System (FBS). For example, we are refreshing and revising the Energy Kaizen program to deploy at scale, to enable our operating companies to conduct and own the energy management and reduction opportunity identification process. In 2020 and beyond, we have and continue to deploy the energy kaizen program at scale, while also evaluating renewable energy and shared service opportunities to improve operational efficiency at scale.

### **Comment**

---

#### **Identifier**

Opp2

#### **Where in the value chain does the opportunity occur?**

Downstream

#### **Opportunity type**

Products and services

#### **Primary climate-related opportunity driver**

Development of climate adaptation, resilience and insurance risk solutions

#### **Primary potential financial impact**

Increased revenues resulting from increased demand for products and services

#### **Company-specific description**

Water use reduction: GEMS works with the United Kingdom (UK) environment agency, providing hydrostatic level and pressure sensors to monitor the UK Water supply network. Our sensors contributed to ensuring continuity of water supply and minimization of waste. UK Water





leakage has reduced by about a third from the 1994-95 high. Water conservation and efficiency has a positive impact on climate adaptation, resilience and risk mitigation due to water's finite availability and the energy-intensive methods being developed to mitigation risk of depletion.

**Time horizon**

Medium-term

**Likelihood**

Very likely

**Magnitude of impact**

Medium-low

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

**Potential financial impact figure – minimum (currency)**

**Potential financial impact figure – maximum (currency)**

**Explanation of financial impact figure**

We are developing and implementing a process to capture and quantify the market potential related to our sensing technology platform for sustainable business and operational use.

**Cost to realize opportunity**

**Strategy to realize opportunity and explanation of cost calculation**

Our Sensing Technologies business offers devices that sense, monitor and control operational or manufacturing variables, such as temperature, pressure, level, flow, turbidity, and conductivity. Users of these products span a wide variety of industrial and manufacturing markets, including medical equipment, food and beverage, marine, industrial, off-highway vehicles, building automation, and semiconductors. Our competitive advantage in these markets is based on our ability to apply advanced sensing technologies to a variety of customer needs, many of which are in demanding operating environments. Our modular products and agile supply chain enable rapid customization of solutions for unique operational requirements and which meet the lead time needs of our customers.

## Comment

---

### Identifier

Opp3

### Where in the value chain does the opportunity occur?

Downstream

### Opportunity type

Products and services

### Primary climate-related opportunity driver

Development of new products or services through R&D and innovation

### Primary potential financial impact

Increased revenues resulting from increased demand for products and services

### Company-specific description

Fluke's portfolio of industrial instrumentation includes the ii900, a thermal imaging camera, and Norma 6000 series of portable power analyzers. The ii900 Sonic Industrial Imager visually pinpoints the location of compressed air, gas, and vacuum leaks by transforming the soundwaves from air leaks into visual heat map images. With an average leak rate of 30%,<sup>4</sup> identifying leaks in compressed air systems enables maintenance teams to identify common and wasteful leaks within minutes without disrupting operations. Reducing compressed air leaks

reduces utility bills, equipment maintenance time and costs, and GHG emissions.

Fluke's Norma 6000 series power analyzers enable customers to measure voltage, current, and active and reactive power using precise calculations of the energy used to improve energy conversion. This solution addresses consumer and customer demands for more energy efficient business operations and infrastructure, especially in fast-growing markets like China.

**Time horizon**

Medium-term

**Likelihood**

Virtually certain

**Magnitude of impact**

Medium

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

**Potential financial impact figure – minimum (currency)**

**Potential financial impact figure – maximum (currency)**

**Explanation of financial impact figure**

We are developing and implementing a process to capture and quantify the market potential related to our Field Solutions platform for sustainable business and operational use.

**Cost to realize opportunity**

### **Strategy to realize opportunity and explanation of cost calculation**

Our Field Solutions products include a variety of compact professional test tools, thermal imaging and calibration equipment for electrical, industrial, electronic and calibration applications, online condition-based monitoring equipment; portable gas detection equipment, consumables, and software as a service (SaaS) offerings including safety/user behavior, asset management, environmental, health and safety (EHS) quality management and compliance monitoring; subscription-based technical, analytical, and compliance services to determine occupational and environmental radiation exposure; and software, data analytics and services for critical infrastructure in utility, industrial, energy, construction, facilities management, public safety, mining, EHS, and healthcare applications. Our product realization services and products help developers and engineers across the end-to-end product creation cycle from concepts to finished products. Our test, measurement and monitoring products are used in the design, manufacturing and development of electronics, industrial, and other advanced technologies.

Fluke, like all Fortive operating companies, uses Voice of the Customer (an FBS tool) to understand and define what products and services customers need, and then design and develop to exceed expectations. Using the VOC enables Fortive operating companies to explore and identify the problem or opportunity for which customers need a solution. We then work backward from there to design, experiment, iterate, and test until the solution addresses, and more often, exceeds the customers expectations. As an example, the ii900 reflects Fluke's understanding from extensive VOC and market surveys that compressed air leaks are a significant source of energy waste but the traditional model of shutting down a plant for a few hours to conduct a leak test and/or conducting those tests after-hours in a non-operational environment is costly and ineffective.

#### **Comment**

## **C3. Business Strategy**

### **C3.1**

**(C3.1) Have climate-related risks and opportunities influenced your organization's strategy and/or financial planning?**

Yes



### C3.1a

**(C3.1a) Does your organization use climate-related scenario analysis to inform its strategy?**

No, but we anticipate using qualitative and/or quantitative analysis in the next two years

### C3.1c

**(C3.1c) Why does your organization not use climate-related scenario analysis to inform its strategy?**

Fortive announced its first greenhouse gas (GHG) reduction goal in 2019 and we are implementing the systems and processes necessary to collect, analyze and report our GHG emissions data in accordance with The GHG Protocol, which foundational for our climate change strategy. Scenario planning is in our roadmap as we evolve the Sustainability program strategy to include more detailed and scientific analysis.

### C3.1d

**(C3.1d) Describe where and how climate-related risks and opportunities have influenced your strategy.**

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	Fortive's customers are making the world stronger, safer, and better by powering clean energy, reducing water waste, keeping critical infrastructure up and running, and ensuring safe, sterile healthcare environments. Our customers count on Fortive's innovative products and services to accelerate progress toward these ambitious, world-shaping goals. Our data-driven Voice of the Customer (VOC) informs us of the needs of our customers, and their plans to fulfill their customers' demands. We are partnering for safer hospitals and highways, renewable energy solutions, and smarter use of precious natural resources. Climate-related risks and opportunities accelerate the demand and our innovative culture to develop and enhance products and services to realize the impacts our products enable, at scale.



Supply chain and/or value chain	Not evaluated	In 2019, we added CSR-related questions to our supplier questionnaire which Fortive requires be completed by all suppliers. The questionnaire responses will enable us to establish an initial baseline, including the response data gathered in 2020. Climate-related risks and opportunities are in the roadmap for Value Chain assessment.
Investment in R&D	Yes	Many of our operating companies provide products and services that enable customers to mitigate climate change impacts across a range of industries, including software and technology solutions, sensing technology and IoT, transportation and mobility, and healthcare. Fortive's operating companies account for climate-related risks and opportunities by prioritizing R&D investments in the capital allocation process that respond to known and anticipated customer needs.
Operations	Yes	Through the Enterprise Risk Management, EHS Risk Score and energy kaizen programs, we account for climate change-related risk and energy use reduction opportunities. Climate change-related risks are identified through the ERM and the EHS Risk Score. The energy kaizen program is a proactive program used to identify energy use and carbon reduction opportunities at the site and operational level.

### C3.1e

**(C3.1e) Describe where and how climate-related risks and opportunities have influenced your financial planning.**

	Financial planning elements that have been influenced	Description of influence
Row 1	Revenues Indirect costs Capital allocation Acquisitions and divestments	<p>Indirect costs: climate-related increases in global average temperatures presents risk to operational costs (i.e., indirect costs) due to increased demand for energy to maintain and manage workplace temperatures. For example, our clean rooms require accurate and consistent temperatures to ensure product quality and integrity, and are therefore at higher risk of higher indirect costs. These risks are accounted for in the budgeting process, which may result in lower operational budget availability for other key operations, such as implementation of energy reduction activities.</p> <p>Capital allocation: climate-related impacts to the industries and customers we serve influences the what capital allocation</p>

		<p>is approved, based on impact and alignment to near-term business objectives and longer-term strategic investments. Operating company presidents determine capital allocation based on customer priorities and alignment to the business strategy, including development of additional or enhanced products and services that power clean energy, reduce water waste, keep critical infrastructure operational and support transportation electrification.</p> <p>Revenues: An increase in demand for sustainable operations and renewable energy delivered increases in revenue across our operating companies. For example, Fluke offers industrial instrumentation that support operational efficiency such as the ii900, Sonic Industrial Imager and Fluke's Norma 6000 series of portable power analyzers. These tools enable operations teams to identify leaks in compressed air systems, which comprise approx. 10% of industrial electricity usage (ii900), and measurement of voltage, current, and active and reactive power using precise calculations of the energy used to improve energy conversion (Norma 6000 series). Tektronix oscilloscopes and Qualitrol's DGA-LT1 wireless digital gas analyzer monitor support the renewable energy industry, providing precise measurements for electrical systems and continuous tracking of failure indicators in wind turbines to prevent outages and ensure consistent energy delivery to the grid.</p> <p>Acquisitions and divestments: Gilbarco Veeder-Root (GVR), a Fortive operating company, is a minority investor in Tritium, a privately held electric vehicle (EV) charging manufacturer. In 2019, GVR announced the availability of payment options for the Veefil RT-50kW EV chargers manufactured by Tritium. These payment methods are continuing GVR's commitment to making electric vehicle charging broadly accessible to all parts of the convenience industry.</p>
--	--	--

### C3.1f

**(C3.1f) Provide any additional information on how climate-related risks and opportunities have influenced your strategy and financial planning (optional).**

In 2019, Fortive publicly announced our commitment to reduce GHG intensity by 40% by 2030 relative to the 2017 base year, hired a Director of Sustainability and appointed a VP of Corporate Social Responsibility to lead and guide the efforts and innovation necessary to achieve the goal. In support of the goal and our commitment, Fortive is investing in purpose-built data systems to improve the integrity and rigor of Fortive-wide sustainability data collection. In 2019, we committed to transition our data collection to the Intelx Sustainability Performance Indicators (SPI) platform,

software specifically designed for CSR and sustainability data collection and reporting in alignment with third-party standards and frameworks (e.g. GRI, CDP, SASB).

## C4. Targets and performance

### C4.1

**(C4.1) Did you have an emissions target that was active in the reporting year?**

Intensity target

### C4.1b

**(C4.1b) Provide details of your emissions intensity target(s) and progress made against those target(s).**

---

**Target reference number**

Int 1

**Year target was set**

2019

**Target coverage**

Company-wide

**Scope(s) (or Scope 3 category)**

Scope 1+2 (location-based)

**Intensity metric**

Metric tons CO<sub>2</sub>e per unit revenue



**Base year**

2017

**Intensity figure in base year (metric tons CO<sub>2</sub>e per unit of activity)**

0.017

**% of total base year emissions in selected Scope(s) (or Scope 3 category) covered by this intensity figure**

100

**Target year**

2030

**Targeted reduction from base year (%)**

40

**Intensity figure in target year (metric tons CO<sub>2</sub>e per unit of activity) [auto-calculated]**

0.0102

**% change anticipated in absolute Scope 1+2 emissions**

13

**% change anticipated in absolute Scope 3 emissions**

0

**Intensity figure in reporting year (metric tons CO<sub>2</sub>e per unit of activity)**

0.012

**% of target achieved [auto-calculated]**

73.5294117647

**Target status in reporting year**

Underway



**Is this a science-based target?**

No, and we do not anticipate setting one in the next 2 years

**Please explain (including target coverage)**

Fortive has a dynamic business model, as our growth strategy is driven by organic growth and to a greater extent, acquisitions. Predicting the absolute emissions reduction in our target year, 2030, is challenging and is low fidelity due to the significant difference in our portfolio at that time.

**C4.2**

**(C4.2) Did you have any other climate-related targets that were active in the reporting year?**

No other climate-related targets

**C4.3**

**(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.**

Yes

**C4.3a**

**(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.**

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	46	1,559
To be implemented*	25	1,041
Implementation commenced*	19	935
Implemented*	19	935

Not to be implemented	21	
-----------------------	----	--

## C4.3b

**(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.**

**Initiative category & Initiative type**

Energy efficiency in buildings  
Lighting

**Estimated annual CO2e savings (metric tonnes CO2e)**

739

**Scope(s)**

Scope 2 (location-based)

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**

1,600,000

**Investment required (unit currency – as specified in C0.4)**

8,920,000

**Payback period**

4-10 years

**Estimated lifetime of the initiative**

6-10 years

**Comment**

**C4.3c**

**(C4.3c) What methods do you use to drive investment in emissions reduction activities?**

Method	Comment
Other Customer RFPs, RFQs	Fortive invests in the development and modification of its products and services in response to actual or anticipated customer demands for solutions to help customers achieve their emissions reduction goals. For example, across Fortive, our operating companies fund and staff testing laboratories for products and services that support lower carbon market solutions (e.g., renewable energy, transportation electrification) and our customers' carbon intensity. Where appropriate, we apply those solutions to our own operations to derive performance and emissions reductions.

**C4.5**

**(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?**

Yes

**C4.5a**

**(C4.5a) Provide details of your products and/or services that you classify as low-carbon products or that enable a third party to avoid GHG emissions.**

---

**Level of aggregation**

Group of products

**Description of product/Group of products**

Driven by fuel economy standards and consumer demand, Matco has adjusted its automotive diagnostics product portfolio to support the electric and hybrid segments of the automotive industry. Matco tools such as high-voltage test equipment and tire pressure monitoring systems help automakers monitor increasingly complex vehicle systems and maintain peak fuel efficiency and performance standards.

**Are these low-carbon product(s) or do they enable avoided emissions?**

Avoided emissions

**Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions**

Other, please specify

The automakers manage the calculus of avoided emissions in the development of electric and hybrid vehicles. Our products support optimized operation of vehicles, including EVs and hybrid vehicles.

**% revenue from low carbon product(s) in the reporting year**

**Comment**

---

**Level of aggregation**

Group of products

**Description of product/Group of products**

Tektronix oscilloscopes, analyzers, signal generators and meters to characterize, test, and create a variety of alternative energy sources such as solar cells, LED lighting, wind turbines, hybrid/electric vehicles, batteries, and fuel cells.

**Are these low-carbon product(s) or do they enable avoided emissions?**

Avoided emissions

**Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions**

Other, please specify

The industries that rely on Tektronix oscilloscopes conduct the calculus of avoided emissions associated with their products and services. Our products support optimized operation of the alternative and renewable energy sources cited.

**% revenue from low carbon product(s) in the reporting year**

**Comment**

---

**Level of aggregation**

Group of products

**Description of product/Group of products**

Fluke's Norma 6000 series of portable power analyzers enable customers to measure voltage, current, and active and reactive power using precise calculations of the energy used to improve energy conversion. This solution addresses consumer and customer demands for more energy efficient business operations and infrastructure, including solar farms and electric vehicles.

**Are these low-carbon product(s) or do they enable avoided emissions?**

Avoided emissions

**Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions**

Other, please specify

The industries that rely on Fluke's Norma 6000 conduct the calculus of avoided emissions associated with their products and services. Our products support preventive maintenance and energy efficiency in a wide-range of industries.

**% revenue from low carbon product(s) in the reporting year**

**Comment**

**Level of aggregation**

Product

**Description of product/Group of products**

Qualitrol's new DGA-LT1 wireless digital gas analyzer monitor continuously tracks failure indicators in wind turbines. This helps to prevent unexpected outages and ensures a steady supply of clean energy to the grid.

**Are these low-carbon product(s) or do they enable avoided emissions?**

Avoided emissions

**Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions**

Other, please specify

The industries that rely on Qualitrol's DGA-LT1 gas analyzer conduct the calculus of avoided emissions associated with their products and services. Our products support preventive maintenance and energy efficiency in a wide-range of industries.

**% revenue from low carbon product(s) in the reporting year**

**Comment**

---

**Level of aggregation**

Product

**Description of product/Group of products**

The Fluke ii900 Sonic Industrial Imager enables maintenance teams to quickly and accurately locate air, gas and vacuum leaks in compressed air systems; even in noisy environments. Teams can inspect an entire plant, during peak operations, in a matter of hours, enabling quick and easy identification of air leak repairs needed to ensure efficient operations and reduce utility bills.

**Are these low-carbon product(s) or do they enable avoided emissions?**

Avoided emissions

**Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions**

Other, please specify

The industries that rely on Fluke's ii900 conduct the calculus of avoided emissions associated with their products and services. Our products support preventive maintenance and energy efficiency in a wide-range of industries.

**% revenue from low carbon product(s) in the reporting year**

**Comment**

---

**Level of aggregation**

Group of products

**Description of product/Group of products**

Accruent's integrated facilities management software supports ongoing operational efficiency for more than 10,000 customers in 150 countries. The software helps customers monitor building systems and physical resources, reducing damage, extending lifespan, and managing assets. Positive outcomes include an average 2–5% reduction in refrigerant usage and 15% reduction in energy costs.

**Are these low-carbon product(s) or do they enable avoided emissions?**

Avoided emissions

**Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions**

Other, please specify

The industries that rely on Accruent's software conduct the calculus of avoided emissions associated with the application of the software in systems and asset management. Accruent's software is used by customers across a wide-range of industries.



**% revenue from low carbon product(s) in the reporting year**

**Comment**

---

**Level of aggregation**

Group of products

**Description of product/Group of products**

Fuel dispensing vapor containment space can account for the loss of thousands of gallons of petroleum product a year if left unmanaged. Gilbarco Veeder-Root offers multiple products for monitoring and managing the vapor containment space to avoid petroleum product evaporation. For example, Gilbarco Veeder-Root's continuous pressure monitoring (CPM) and vapor recovery systems limit the release of volatile compounds into the atmosphere.

**Are these low-carbon product(s) or do they enable avoided emissions?**

Avoided emissions

**Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions**

**% revenue from low carbon product(s) in the reporting year**

**Comment**

## C5. Emissions methodology

### C5.1

(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).

#### Scope 1

---

**Base year start**

January 1, 2017

**Base year end**

December 31, 2017

**Base year emissions (metric tons CO<sub>2</sub>e)**

34,038

**Comment**

#### Scope 2 (location-based)

---

**Base year start**

January 1, 2017

**Base year end**

December 31, 2017

**Base year emissions (metric tons CO<sub>2</sub>e)**

61,041

**Comment**

## Scope 2 (market-based)

---

**Base year start**

**Base year end**

**Base year emissions (metric tons CO<sub>2</sub>e)**

**Comment**

## C5.2

**(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.**

The Climate Registry: General Reporting Protocol

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

US EPA Center for Corporate Climate Leadership: Indirect Emissions From Purchased Electricity

US EPA Center for Corporate Climate Leadership: Direct Emissions from Stationary Combustion Sources

## C6. Emissions data

### C6.1

**(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO<sub>2</sub>e?**

**Reporting year**

---

**Gross global Scope 1 emissions (metric tons CO2e)**

22,821

**Start date**

January 1, 2019

**End date**

December 31, 2019

**Comment**

**Past year 1**

---

**Gross global Scope 1 emissions (metric tons CO2e)**

24,354

**Start date**

January 1, 2018

**End date**

December 31, 2018

**Comment**

**Past year 2**

---

**Gross global Scope 1 emissions (metric tons CO2e)**

34,038

**Start date**

January 1, 2017

**End date**

December 31, 2017

**Comment**

## C6.2

**(C6.2) Describe your organization's approach to reporting Scope 2 emissions.**

**Row 1**

---

**Scope 2, location-based**

We are reporting a Scope 2, location-based figure

**Scope 2, market-based**

We have no operations where we are able to access electricity supplier emission factors or residual emissions factors and are unable to report a Scope 2, market-based figure

**Comment**

## C6.3

**(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO<sub>2</sub>e?**

**Reporting year**

---

**Scope 2, location-based**

65,138

**Start date**

January 1, 2019

**End date**

December 31, 2019

**Comment**

**Past year 1**

---

**Scope 2, location-based**

65,172

**Start date**

January 1, 2018

**End date**

December 31, 2018

**Comment**

**Past year 2**

---

**Scope 2, location-based**

61,041

**Start date**

January 1, 2017

**End date**

December 31, 2017

**Comment**

Base year

**C6.4**

**(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?**

Yes

**C6.4a**

**(C6.4a) Provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure.**

---

**Source**

Fortive's GHG emissions intensity reduction goal is specific to the Scope 1 and Scope 2 emissions of our EHS significant sites which are defined by the size and complexity of site operations and number of employees working at the site. EHS significant sites represent over 65% of our total global footprint and include our large and/or manufacturing operations which may include traditional manufacturing and/or light assembly.

**Relevance of Scope 1 emissions from this source**

Emissions are not relevant

**Relevance of location-based Scope 2 emissions from this source**

Emissions are not relevant

**Relevance of market-based Scope 2 emissions from this source (if applicable)**

Emissions are not relevant

**Explain why this source is excluded**

All Fortive sites are evaluated annually by the EHS Leadership Council in conjunction with EHS leaders from the business segment (e.g. Advanced Instrumentation & Solutions). The remaining global footprint is comprised of leased office space which has been evaluated and determined to be low EHS risk, including low climate-related risk and/or low carbon reduction opportunities.

## C6.5

### (C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

#### Purchased goods and services

---

##### Evaluation status

Not evaluated

##### Please explain

Fortive announced its first GHG emissions intensity reduction goal in 2019, focused on Scope 1 and 2 emissions. In 2020, we will conduct a materiality assessment to prioritize ESG topics in our CSR and Sustainability strategies. We will use the materiality assessment to identify which Scope 3 categories/value chain intersections are identified as material and begin mapping those Scope 3 categories into our strategic plan.

#### Capital goods

---

##### Evaluation status

Not evaluated

##### Please explain

Fortive announced its first GHG emissions intensity reduction goal in 2019, focused on Scope 1 and 2 emissions. In 2020, we will conduct a materiality assessment to prioritize ESG topics in our CSR and Sustainability strategies. We will use the materiality assessment to identify which Scope 3 categories/value chain intersections are identified as material and begin mapping those Scope 3 categories into our strategic plan.

#### Fuel-and-energy-related activities (not included in Scope 1 or 2)

---

##### Evaluation status

Not evaluated



**Please explain**

Fortive announced its first GHG emissions intensity reduction goal in 2019, focused on Scope 1 and 2 emissions. In 2020, we will conduct a materiality assessment to prioritize ESG topics in our CSR and Sustainability strategies. We will use the materiality assessment to identify which Scope 3 categories/value chain intersections are identified as material and begin mapping those Scope 3 categories into our strategic plan.

**Upstream transportation and distribution**

---

**Evaluation status**

Not evaluated

**Please explain**

Fortive announced its first GHG emissions intensity reduction goal in 2019, focused on Scope 1 and 2 emissions. In 2020, we will conduct a materiality assessment to prioritize ESG topics in our CSR and Sustainability strategies. We will use the materiality assessment to identify which Scope 3 categories/value chain intersections are identified as material and begin mapping those Scope 3 categories into our strategic plan.

**Waste generated in operations**

---

**Evaluation status**

Not evaluated

**Please explain**

Fortive announced its first GHG emissions intensity reduction goal in 2019, focused on Scope 1 and 2 emissions. In 2020, we will conduct a materiality assessment to prioritize ESG topics in our CSR and Sustainability strategies. We will use the materiality assessment to identify which Scope 3 categories/value chain intersections are identified as material and begin mapping those Scope 3 categories into our strategic plan.

**Business travel**

---

**Evaluation status**

Not evaluated

**Please explain**



Fortive announced its first GHG emissions intensity reduction goal in 2019, focused on Scope 1 and 2 emissions. In 2020, we will conduct a materiality assessment to prioritize ESG topics in our CSR and Sustainability strategies. We will use the materiality assessment to identify which Scope 3 categories/value chain intersections are identified as material and begin mapping those Scope 3 categories into our strategic plan.

### **Employee commuting**

---

#### **Evaluation status**

Not evaluated

#### **Please explain**

Fortive announced its first GHG emissions intensity reduction goal in 2019, focused on Scope 1 and 2 emissions. In 2020, we will conduct a materiality assessment to prioritize ESG topics in our CSR and Sustainability strategies. We will use the materiality assessment to identify which Scope 3 categories/value chain intersections are identified as material and begin mapping those Scope 3 categories into our strategic plan.

### **Upstream leased assets**

---

#### **Evaluation status**

Not evaluated

#### **Please explain**

Fortive announced its first GHG emissions intensity reduction goal in 2019, focused on Scope 1 and 2 emissions. In 2020, we will conduct a materiality assessment to prioritize ESG topics in our CSR and Sustainability strategies. We will use the materiality assessment to identify which Scope 3 categories/value chain intersections are identified as material and begin mapping those Scope 3 categories into our strategic plan.

### **Downstream transportation and distribution**

---

#### **Evaluation status**

Not evaluated

#### **Please explain**



Fortive announced its first GHG emissions intensity reduction goal in 2019, focused on Scope 1 and 2 emissions. In 2020, we will conduct a materiality assessment to prioritize ESG topics in our CSR and Sustainability strategies. We will use the materiality assessment to identify which Scope 3 categories/value chain intersections are identified as material and begin mapping those Scope 3 categories into our strategic plan.

### **Processing of sold products**

---

#### **Evaluation status**

Not evaluated

#### **Please explain**

Fortive announced its first GHG emissions intensity reduction goal in 2019, focused on Scope 1 and 2 emissions. In 2020, we will conduct a materiality assessment to prioritize ESG topics in our CSR and Sustainability strategies. We will use the materiality assessment to identify which Scope 3 categories/value chain intersections are identified as material and begin mapping those Scope 3 categories into our strategic plan.

### **Use of sold products**

---

#### **Evaluation status**

Not evaluated

#### **Please explain**

Fortive announced its first GHG emissions intensity reduction goal in 2019, focused on Scope 1 and 2 emissions. In 2020, we will conduct a materiality assessment to prioritize ESG topics in our CSR and Sustainability strategies. We will use the materiality assessment to identify which Scope 3 categories/value chain intersections are identified as material and begin mapping those Scope 3 categories into our strategic plan.

### **End of life treatment of sold products**

---

#### **Evaluation status**

Not evaluated

#### **Please explain**



Fortive announced its first GHG emissions intensity reduction goal in 2019, focused on Scope 1 and 2 emissions. In 2020, we will conduct a materiality assessment to prioritize ESG topics in our CSR and Sustainability strategies. We will use the materiality assessment to identify which Scope 3 categories/value chain intersections are identified as material and begin mapping those Scope 3 categories into our strategic plan.

### **Downstream leased assets**

---

#### **Evaluation status**

Not evaluated

#### **Please explain**

Fortive announced its first GHG emissions intensity reduction goal in 2019, focused on Scope 1 and 2 emissions. In 2020, we will conduct a materiality assessment to prioritize ESG topics in our CSR and Sustainability strategies. We will use the materiality assessment to identify which Scope 3 categories/value chain intersections are identified as material and begin mapping those Scope 3 categories into our strategic plan.

### **Franchises**

---

#### **Evaluation status**

Not evaluated

#### **Please explain**

Fortive announced its first GHG emissions intensity reduction goal in 2019, focused on Scope 1 and 2 emissions. In 2020, we will conduct a materiality assessment to prioritize ESG topics in our CSR and Sustainability strategies. We will use the materiality assessment to identify which Scope 3 categories/value chain intersections are identified as material and begin mapping those Scope 3 categories into our strategic plan.

### **Investments**

---

#### **Evaluation status**

Not evaluated

#### **Please explain**



Fortive announced its first GHG emissions intensity reduction goal in 2019, focused on Scope 1 and 2 emissions. In 2020, we will conduct a materiality assessment to prioritize ESG topics in our CSR and Sustainability strategies. We will use the materiality assessment to identify which Scope 3 categories/value chain intersections are identified as material and begin mapping those Scope 3 categories into our strategic plan.

**Other (upstream)**

**Evaluation status**

Not evaluated

**Please explain**

Fortive announced its first GHG emissions intensity reduction goal in 2019, focused on Scope 1 and 2 emissions. In 2020, we will conduct a materiality assessment to prioritize ESG topics in our CSR and Sustainability strategies. We will use the materiality assessment to identify which Scope 3 categories/value chain intersections are identified as material and begin mapping those Scope 3 categories into our strategic plan.

**Other (downstream)**

**Evaluation status**

Not evaluated

**Please explain**

Fortive announced its first GHG emissions intensity reduction goal in 2019, focused on Scope 1 and 2 emissions. In 2020, we will conduct a materiality assessment to prioritize ESG topics in our CSR and Sustainability strategies. We will use the materiality assessment to identify which Scope 3 categories/value chain intersections are identified as material and begin mapping those Scope 3 categories into our strategic plan.

**C-CG6.6**

**(C-CG6.6) Does your organization assess the life cycle emissions of any of its products or services?**

	Assessment of life cycle emissions	Comment
Row 1	No, and we do not plan to start doing so within the next two years	

## C6.7

**(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?**

No

## C6.10

**(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO<sub>2</sub>e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.**

---

**Intensity figure**

0.012

**Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO<sub>2</sub>e)**

87,958

**Metric denominator**

unit total revenue

**Metric denominator: Unit total**

7,381,038

**Scope 2 figure used**

Location-based

**% change from previous year**

2.87

**Direction of change**

Decreased

**Reason for change**

Emissions reduction activities, increase in annual revenue

## C7. Emissions breakdowns

### C7.1

**(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?**

Yes

#### C7.1a

**(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).**

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	22,810	IPCC Second Assessment Report (SAR - 100 year)
CH4	0.129	IPCC Second Assessment Report (SAR - 100 year)
N2O	0.026	IPCC Second Assessment Report (SAR - 100 year)

### C7.2

**(C7.2) Break down your total gross global Scope 1 emissions by country/region.**

Country/Region	Scope 1 emissions (metric tons CO2e)
United States of America	17,658
Canada	50
United Kingdom of Great Britain and Northern Ireland	557

Germany	1,582
China	293
India	207
Italy	176
South Africa	11
Switzerland	634
Turkey	10
Australia	2
Netherlands	2
Denmark	1,375
Brazil	18
Slovakia	245

### C7.3

**(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.**

By business division

### C7.3a

**(C7.3a) Break down your total gross global Scope 1 emissions by business division.**

Business division	Scope 1 emissions (metric ton CO2e)
Accruent	0
Advanced Sterilization Products (ASP)	1,480
Anderson-Negele	428



Censis	0
Fluke	1,390
Fortive Corporate	0
Gems Sensors	355
Gilbarco Veeder-Root	7,277
Gordian	0
Hengstler/Dynapar	1,996
Hennessy Industries	649
Industrial Scientific	896
Invetech	2
Matco Tools	1,202
Pacific Scientific EMC	2,873
Qualitrol	405
Setra	209
Tektronix	3,660
Telematics	0

## C7.5

**(C7.5) Break down your total gross global Scope 2 emissions by country/region.**

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low-carbon electricity, heat, steam or cooling accounted for in Scope 2 market-based approach (MWh)
United States of America	46,171	0	134,948	0

Canada	11	0	369	0
United Kingdom of Great Britain and Northern Ireland	1,199	0	4,693	0
Germany	1,468	0	3,060	0
Japan	276	0	553	0
China	8,624	0	11,198	0
India	3,409	0	4,105	0
Italy	463	0	1,146	0
Republic of Korea	21	0	39	0
France	19	0	306	0
South Africa	460	0	526	0
Switzerland	45	0	1,500	0
Turkey	95	0	200	0
Finland	44	0	230	0
Australia	1,063	0	1,129	0
Netherlands	848	0	2,089	0
Sweden	1	0	48	0
Denmark	86	0	270	0
Brazil	42	0	616	0
Argentina	114	0	291	0
Chile	31	0	71	0
Norway	1	0	45	0

Slovakia	648	0	3,224	0
----------	-----	---	-------	---

## C7.6

**(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.**

By business division

### C7.6a

**(C7.6a) Break down your total gross global Scope 2 emissions by business division.**

Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Accruent	592	
Advanced Sterilization Products (ASP)	372	
Anderson-Negele	490	
Censis	83	
Fluke	12,917	
Fortive Corporate	123	
Gems Sensors	1,033	
Gilbarco Veeder-Root	12,428	
Gordian	0	
Hengstler/Dynapar	6,210	
Hennessy	5,031	
Industrial Scientific	3,552	



Invetech	756	
Matco Tools	634	
Pacific Scientific EMC	3,799	
Qualitrol	496	
Setra	838	
Tektronix	15,784	
Telematics	0	

### C7.9

**(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?**

Decreased

### C7.9a

**(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.**

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	111	Increased	1	Fortive procures green-e certified RECs associated with PG&E's Clean Wind® program.

Other emissions reduction activities	935	Decreased	8	Emissions reductions activities derived from building, infrastructure and process upgrades and improvements.
Divestment	0	No change	0	In 2019, Fortive divested Automation & Specialty platform (the “A&S Business”) with Altra Industrial Motion Corp. There is no change in emissions associated with divestments due to the improvements we implemented in Q1 2020 to improve our GHG accounting process improvements and true-up process that we carried back through our base year (2017).
Acquisitions	455	Increased	4	In 2019, Fortive acquired the Advanced Sterilization Products business (ASP) of Johnson & Johnson, Intelx Technologies, Pruftechnik, and Censis Technologies. There is no change in emissions associated with acquisitions due to the improvements we implemented in Q1 2020 to improve our GHG accounting process improvements and true-up process that we carried back through our base year (2017).
Mergers	0	No change	0	N/A
Change in output	0	No change	0	Annual revenue increased from 2018 to 2019; however, there is no calculated impact on emissions.
Change in methodology	0	No change	0	There is no change in emissions associated with a change in methodology due to accounting and reporting alignments we conducted in Q1 2020 to the GHG Protocol, which were carried back through our base year (2017).
Change in boundary	0	No change	0	There is no change in emissions associated with a change in boundary due to the accounting and reporting alignments we conducted in Q1 2020 to the GHG Protocol, which were carried back through our base year (2017).
Change in physical operating conditions	0	No change	0	There is no change in emissions associated with a change in methodology due to the accounting and reporting alignments we conducted in Q1 2020 to the GHG Protocol, which were carried back through our base year (2017).
Unidentified	9,652	Decreased	87	It is not verified, but we believe this emissions reduction occurred via unrecorded emissions reduction activities, Fortive Business System (FBS) emphasizes the

				criticality of "going to Gemba (workplace)", where inefficiencies (aka "muda") are often identified.
Other	0	No change	0	N/A

## C7.9b

**(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?**

Location-based

## C-CG7.10

**(C-CG7.10) How do your total Scope 3 emissions for the reporting year compare to those of the previous reporting year?**

We don't have any Scope 3 emissions data

## C8. Energy

### C8.1

**(C8.1) What percentage of your total operational spend in the reporting year was on energy?**

More than 0% but less than or equal to 5%

### C8.2

**(C8.2) Select which energy-related activities your organization has undertaken.**

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes

Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	No

### C8.2a

**(C8.2a) Report your organization’s energy consumption totals (excluding feedstocks) in MWh.**

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	LHV (lower heating value)	0	3,137	3,137
Consumption of purchased or acquired electricity		3,791	170,656	174,447
Total energy consumption		3,791	173,793	177,584

### C8.2b

**(C8.2b) Select the applications of your organization’s consumption of fuel.**

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	No
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

## C8.2c

**(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.**

---

**Fuels (excluding feedstocks)**

Fuel Oil Number 2

**Heating value**

LHV (lower heating value)

**Total fuel MWh consumed by the organization**

588.7

**Emission factor**

73.96

**Unit**

kg CO<sub>2</sub>e per million Btu

**Emissions factor source**

IEA Year 2011 Factors from "CO<sub>2</sub> Emissions from Fuel Combustion" (2013 Edition)

**Comment**

---

**Fuels (excluding feedstocks)**

Natural Gas

**Heating value**



LHV (lower heating value)

**Total fuel MWh consumed by the organization**

110.38

**Emission factor**

53.06

**Unit**

kg CO2e per million Btu

**Emissions factor source**

IEA Year 2011 Factors from "CO2 Emissions from Fuel Combustion" (2013 Edition)

**Comment**

---

**Fuels (excluding feedstocks)**

Diesel

**Heating value**

LHV (lower heating value)

**Total fuel MWh consumed by the organization**

2,438.13

**Emission factor**

73.96

**Unit**

kg CO2e per million Btu

**Emissions factor source**

IEA Year 2011 Factors from "CO2 Emissions from Fuel Combustion" (2013 Edition)

**Comment**

**C-CG8.5**

**(C-CG8.5) Does your organization measure the efficiency of any of its products or services?**

	Measurement of product/service efficiency	Comment
Row 1	No, but we plan to start doing so within the next two years	

**C9. Additional metrics**

**C9.1**

**(C9.1) Provide any additional climate-related metrics relevant to your business.**

**Description**

Energy usage

**Metric value**

33,101

**Metric numerator**

MMBTu

**Metric denominator (intensity metric only)**



square footage (SF)

**% change from previous year**

4.78

**Direction of change**

Increased

**Please explain**

Fortive calculates but does not use energy intensity as a performance metric, particularly for internal baselines, due to significant variability in Operating Companies business activities and site-level operations.

**C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6**

**(C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6) Does your organization invest in research and development (R&D) of low-carbon products or services related to your sector activities?**

	Investment in low-carbon R&D	Comment
Row 1	Yes	Our customers' success inspires our innovation—so when our customers win, we win. Our customers are making the world better and safer in critical areas like infection prevention and workplace safety. When we innovate for our customers, we are directly accelerating progress and sustainability.

**C-CG9.6a**

**(C-CG9.6a) Provide details of your organization’s investments in low-carbon R&D for capital goods products and services over the last three years.**

**Technology area**

Electromobility components

**Stage of development in the reporting year**

Large scale commercial deployment

**Average % of total R&D investment over the last 3 years**

≤20%

**R&D investment figure in the reporting year (optional)**

**Comment**

GVR - with Tritium, supporting payment systems for EV charging

---

**Technology area**

Smart systems

**Stage of development in the reporting year**

Large scale commercial deployment

**Average % of total R&D investment over the last 3 years**

≤20%

**R&D investment figure in the reporting year (optional)**

**Comment**

Setra Remote Energy Monitoring

---

**Technology area**

Electromobility components

**Stage of development in the reporting year**

Large scale commercial deployment

**Average % of total R&D investment over the last 3 years**

≤20%

**R&D investment figure in the reporting year (optional)**

**Comment**

GTT traffic sensing systems

---

**Technology area**

Electromobility components

**Stage of development in the reporting year**

Large scale commercial deployment

**Average % of total R&D investment over the last 3 years**

≤20%

**R&D investment figure in the reporting year (optional)**

**Comment**

Matco automotive diagnostics product

---

**Technology area**

Machinery automation

**Stage of development in the reporting year**

Large scale commercial deployment

**Average % of total R&D investment over the last 3 years**

≤20%

**R&D investment figure in the reporting year (optional)**

**Comment**

Andersen-Negele sensors reduce water and chemical usage

---

**Technology area**

Renewable energy

**Stage of development in the reporting year**

Small scale commercial deployment

**Average % of total R&D investment over the last 3 years**

≤20%

**R&D investment figure in the reporting year (optional)**

**Comment**

FLUKE ii900 and Norma 6000

---

**Technology area**

Renewable energy

**Stage of development in the reporting year**

Small scale commercial deployment

**Average % of total R&D investment over the last 3 years**

≤20%

**R&D investment figure in the reporting year (optional)**

**Comment**

Qualitrol DGA-LT1

## **C10. Verification**

### **C10.1**

**(C10.1) Indicate the verification/assurance status that applies to your reported emissions.**

	Verification/assurance status
Scope 1	No third-party verification or assurance
Scope 2 (location-based or market-based)	No third-party verification or assurance
Scope 3	No emissions data provided

## C10.2

**(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?**

No, but we are actively considering verifying within the next two years

## C11. Carbon pricing

### C11.1

**(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?**

No, and we do not anticipate being regulated in the next three years

### C11.2

**(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?**

No

### C11.3

**(C11.3) Does your organization use an internal price on carbon?**

No, and we do not currently anticipate doing so in the next two years



## C12. Engagement

### C12.1

**(C12.1) Do you engage with your value chain on climate-related issues?**

Yes, our customers

### C12.1b

**(C12.1b) Give details of your climate-related engagement strategy with your customers.**

---

**Type of engagement**

Collaboration & innovation

**Details of engagement**

Other, please specify

Our operating companies regularly engage customers using Voice of the Customer (VOC) to understand and identify current and emerging needs. Customer needs are indirectly influenced by climate-related trends in their industry, e.g. transportation.

**% of customers by number**

**% of customer - related Scope 3 emissions as reported in C6.5**

0

**Please explain the rationale for selecting this group of customers and scope of engagement**

VOC is a Fortive Business System (FBS) tool that structures the customer engagement to maximize learnings, outcomes and success. Through VOC, our Operating Companies gather wide and deep data from customers and relevant stakeholders to understand product and service

needs. This information is analyzed and applied to iterative and innovative collaborations to improve the customer experience and address market opportunities and emerging trends.

### **Impact of engagement, including measures of success**

## **C12.3**

**(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?**

No

## **C12.3g**

**(C12.3g) Why do you not engage with policy makers on climate-related issues?**

Fortive announced its first greenhouse gas (GHG) reduction goal in 2019. We are implementing foundational programs as well as systems and processes necessary to align our Sustainability program to best practices. Policy engagement is in our roadmap as we evolve the Sustainability program strategy.

## **C12.4**

**(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).**

---

### **Publication**

In voluntary sustainability report

### **Status**

Complete

### Attach the document

 Fortive\_CSR\_Report(Full)\_2020.pdf

### Page/Section reference

Pillar 4 - Safeguard the Environment, pp. 22-23

### Content elements

Governance  
Strategy  
Emissions figures  
Emission targets  
Other metrics

### Comment

## C15. Signoff

### C-FI

**(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.**

Fortive announced its first greenhouse gas (GHG) reduction goal in 2019 and we are implementing the systems and processes necessary to collect, analyze and report our GHG emissions data in accordance with The GHG Protocol, which is foundational for our climate change strategy. Scenario planning is in our roadmap as we evolve the Sustainability program strategy.

### C15.1

**(C15.1) Provide details for the person that has signed off (approved) your CDP climate change response.**



	Job title	Corresponding job category
Row 1	Senior Vice President and General Counsel	Other C-Suite Officer

## Submit your response

**In which language are you submitting your response?**

English

**Please confirm how your response should be handled by CDP**

	I am submitting to	Public or Non-Public Submission
I am submitting my response	Investors	Public

**Please confirm below**

I have read and accept the applicable Terms