

Evercore ISI Technology Conference

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Olumide Soroye, President & CEO, IOS

FORWARD LOOKING STATEMENTS & NON-GAAP FINANCIAL MEASURES

Statements in this presentation that are not strictly historical, including statements regarding anticipated financial results, economic conditions, future prospects, anticipated market opportunities, anticipated business and acquisition opportunities, timing of acquisitions and other transactions, and any other statements identified by their use of words like “anticipate,” “expect,” “believe,” “outlook,” “guidance,” “forecast,” or “will” or other words of similar meaning are “forward-looking” statements within the meaning of the federal securities laws. There are a number of important factors that could cause actual results, developments and business decisions to differ materially from those suggested or indicated by such forward-looking statements and you should not place undue reliance on any such forward-looking statements. These factors include, among other things: the duration and impact of the COVID-19 pandemic, our ability to manage supply chain constraints and transportation disruptions, deterioration of or instability in the economy, geopolitical relations and conflicts, the markets we serve, international trade policies and the financial markets, changes in trade relations with China and Russia, contractions or lower growth rates and cyclicity of markets we serve, competition, changes in industry standards and governmental regulations, our ability to recruit and retain key employees, our ability to successfully identify, consummate, integrate and realize the anticipated value of appropriate acquisitions and successfully complete divestitures and other dispositions, our ability to develop and successfully market new products, software, and services and expand into new markets, the potential for improper conduct by our employees, agents or business partners, contingent liabilities relating to acquisitions and divestitures, impact of changes to tax laws, our compliance with applicable laws and regulations and changes in applicable laws and regulations, risks relating to international economic, political, legal, compliance and business factors, risks relating to potential impairment of goodwill and other intangible assets, currency exchange rates, tax audits and changes in our tax rate and income tax liabilities, the impact of our debt obligations on our operations, litigation and other contingent liabilities including intellectual property and environmental, health and safety matters, our ability to adequately protect our intellectual property rights, risks relating to product, service or software defects, product liability and recalls, risks relating to product manufacturing, our relationships with and the performance of our channel partners, commodity costs and surcharges, our ability to adjust purchases and manufacturing capacity to reflect market conditions, reliance on sole sources of supply, security breaches or other disruptions of our information technology systems, adverse effects of restructuring activities, risk related to tax treatment of our prior separations, impact of our indemnification obligation to Vontier, impact of changes to U.S. GAAP, labor matters, and disruptions relating to man-made and natural disasters. Additional information regarding the factors that may cause actual results to differ materially from these forward-looking statements is available in our SEC filings, including our Annual Report on Form 10-K for the year ended December 31, 2021. These forward-looking statements speak only as of the date of this presentation and Fortive does 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.

This presentation contain references to forward-looking financial measures not presented in accordance with generally accepted accounting principles (“GAAP”). We have not reconciled such forward-looking outlook regarding non-GAAP measures because any corresponding GAAP measures and the reconciliations thereto would require us to make estimates or assumptions about unidentified and unknown acquisitions, stock price, capital and other expenditures and similar adjustments during the relevant period.

FORTIVE TODAY

FOCUSED SEGMENTS WITH DURABLE GROWTH DRIVERS

INTELLIGENT OPERATING SOLUTIONS



Delivering leading workflow solutions that facilitate field and facility safety, reliability, and productivity

PRECISION TECHNOLOGIES



Enabling IoT expansion and accelerating the development of new technologies and innovations

ADVANCED HEALTHCARE SOLUTIONS



Essential products and workflow solutions that ensure safe, efficient and timely delivery of healthcare

DEMOGRAPHICS



INTERNET OF THINGS



RESHORING / MFG



REGULATION, SAFETY, ESG



AUTOMATION & DIGITIZATION



Essential technologies for the people who accelerate progress...

Connected solutions for all types of facilities: factories, buildings and hospitals



2022 KEY EXPECTATIONS*

\$5.8B

Total Revenue

~40%

Recurring Revenue

~19%

2-Year Stack Core Growth

~59%

Adj. Gross Margin

>24.1%

Adj. Operating Profit Margin

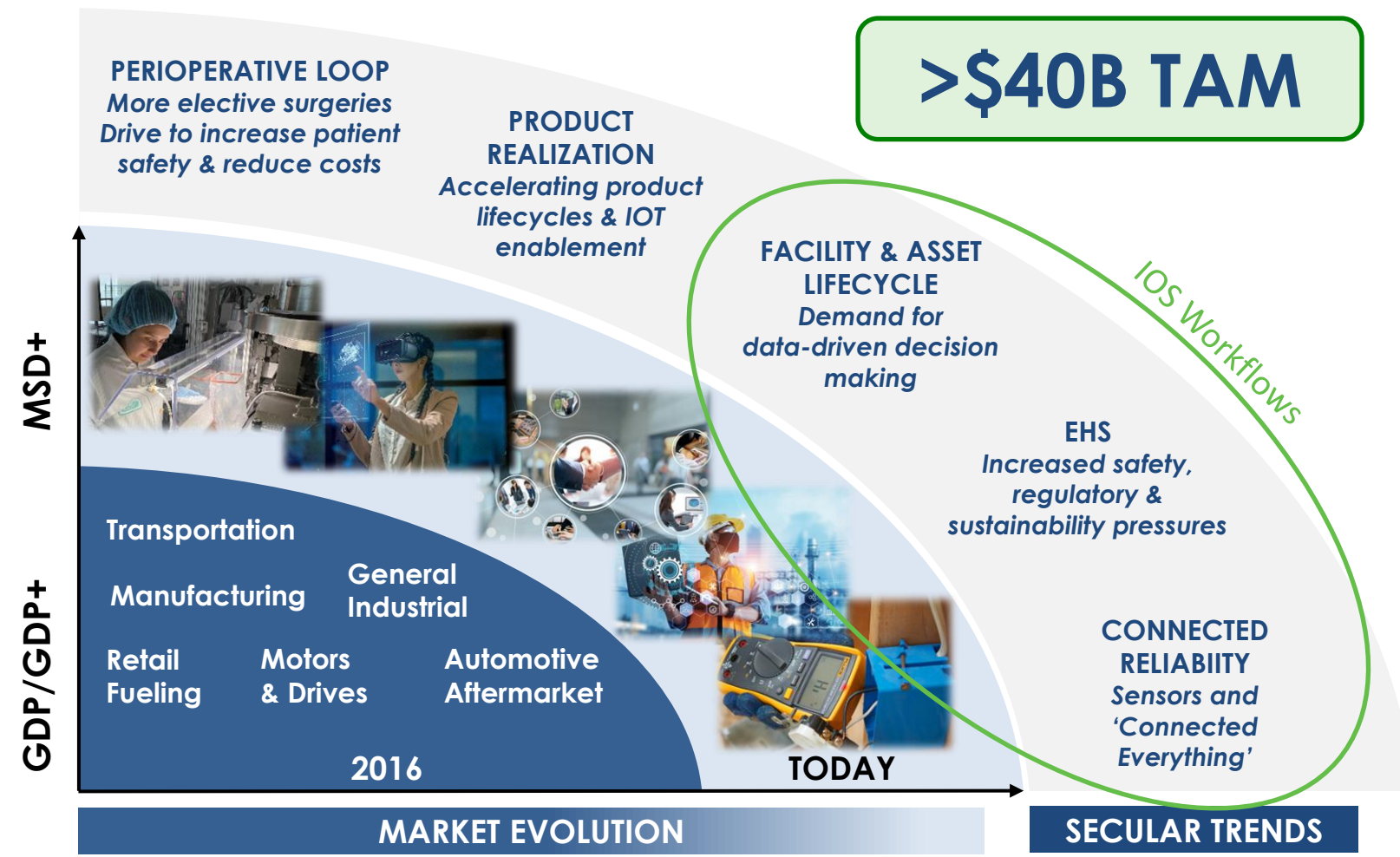
~20%

FCF Margin

LEADING POSITIONS IN CRITICAL CONNECTED WORKFLOWS

WORKSTREAMS POSITIONED IN HIGH GROWTH MARKETS

>\$40B TAM



5 KEY WORKFLOWS

- Significant runway to drive MSD growth through cycle
- Aligned with strong secular trends
- Increased exposure to more durable, less cyclical end markets
- Address critical workflows with key pain points
- High-growth and profitability recurring revenue opportunities

FOCUSED ON ATTRACTIVE, HIGH GROWTH MARKET OPPORTUNITIES

INTELLIGENT OPERATING SOLUTIONS (IOS) TODAY

Business Overview

Provides solutions to accelerate field and facility safety, reliability, and productivity, as well as operating intelligence, across a range of vertical end markets

Mission-Critical Workflows

Facility & Asset Lifecycle



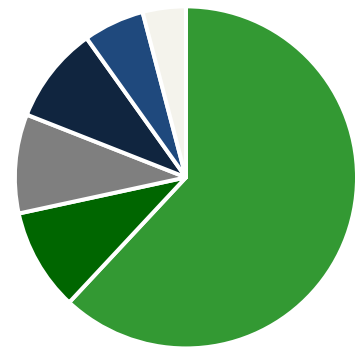
Connected Reliability



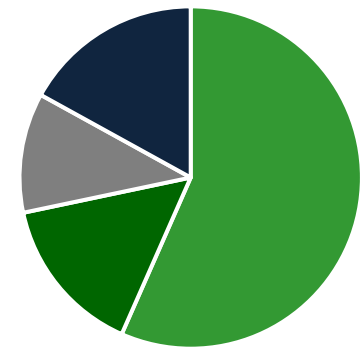
Environment, Health and Safety (EHS)



Revenue* By OpCo & Geography



- Fluke
- ISC
- Accruent
- Gordian
- ServiceChannel
- InteleX



- N. America
- W. Europe
- China
- RoW

2022 KEY EXPECTATIONS*

\$2.45B
Total Revenue

>20%
2-Year Stack Core Growth

Low 30%
Recurring Revenue

Low 30%
Software Revenue

~65%
Adj. Gross Margin

>28%
Adj. Operating Profit Margin

STRONG BRANDS AND IMPROVED EXECUTION CONTRIBUTING TO ROBUST 2022 OUTLOOK

* Projected figures based on the midpoint of FY 2022 guidance

HOW WE HAVE BUILT THE IOS SEGMENT

FLUKE®

2016 2017 2018 2019 2020 2021

IOS TODAY

Leading instrumentation business with strong installed base and brand recognition

- TAM: ~\$7B
- Revenue: ~\$1.2B
- Market Growth: GDP/GDP+
- Recurring: Minimal
- Software: Minimal
- GM: Low 60s

Connected Reliability



Environmental, Health & Safety (EH&S)



Facility & Asset Lifecycle



Hardware-advantaged, software-enabled provider of field/facility safety, reliability, and productivity solutions

- TAM: ~\$20B
- Revenue: \$2.45B
- 2-Yr Stack Core: >20%
- Market Growth: MSD+
- Recurring: Low 30s
- Software: Low 30s
- Adj. GM: 65%
- Adj. OP: >28%

BUILDING FROM STRENGTH

- Expanding our TAM by extending into agencies to leverage positions of strength
- Connected Reliability builds on Fluke's world-leading expertise in test and measurement
- EH&S software position a natural extension of ISC's worker safety solutions
- F&AL extends IOS' expertise in asset maintenance and management into Facilities

SCALED POSITIONS IN CRITICAL CUSTOMER WORKFLOWS WITH SIGNIFICANT GROWTH AND M&A RUNWAY

IOS WELL POSITIONED FOR GROWTH

	Connected Reliability (~60% of Sales*)	Environmental Health & Safety (EHS) (~15%*)	Facility & Asset Lifecycle (~25%*)
	Leader in software-driven reliability and productivity solutions for Industry 4.0	Leader in Software and AI solutions for EHS and ESG workflows	Leader in data, network, and workflow solutions for the built environment
Revenue '22	~\$1.5B	~\$0.4B	>\$0.5B
2-Yr Stack '21/22 Core	Mid 20%	High-Teens	High 20%*
TAM	>\$8B	>\$6B	>\$10B
Market Growth	MSD	HSD	LDD
Key Growth Drivers	<ul style="list-style-type: none"> Factory floor digitization Decreasing costs of connectivity Remote reliability service AI/ML powered analytics Aging technician workforce 	<ul style="list-style-type: none"> ESG performance and compliance Increasing and dynamic regulatory landscape Proliferation of connected devices No more Excel AI/ML powered analytics 	<ul style="list-style-type: none"> Skilled labor shortage Need to connect demand and supply at critical moments Datafication and digitization of pre-construction workflows Battle for talent and retention increases importance of safe and productive facilities

KEY GROWTH DRIVERS

- Increasing penetration for software-enabled solutions
- 'Connected everything' and the proliferation of sensors
- Competition driving need for productivity improvements and better uptime
- Increasingly complex ESG and risk management needs
- Explosion of data sources and demand for data-driven decision making

EXPOSURE TO SECULAR DRIVERS FUELS GROWTH OUTLOOK

FBS IN ACTION AT IOS

FLUKE®

FBS APPLICATIONS

- Lean Portfolio Management
- Daily Visual Mgmt / Problem Solving

IMPACT

- **80% of new products** aligned to strategic growth areas - doubled 3-year revenue potential from new products
- **35% improvement** in unit output in critical cells, recovering Q4 shortfall

ACCRUENT

FBS APPLICATIONS

- Daily Visual Management
- Kaizen / Lean Portfolio Management

IMPACT

- **Doubled negative working capital** levels Y/Y
- **~30% in incremental growth** between Q4'21 and Q1'22 from uplift on renewals

GORDIAN®

FBS APPLICATIONS

- Lean Product Development
- Value Stream Mapping

IMPACT

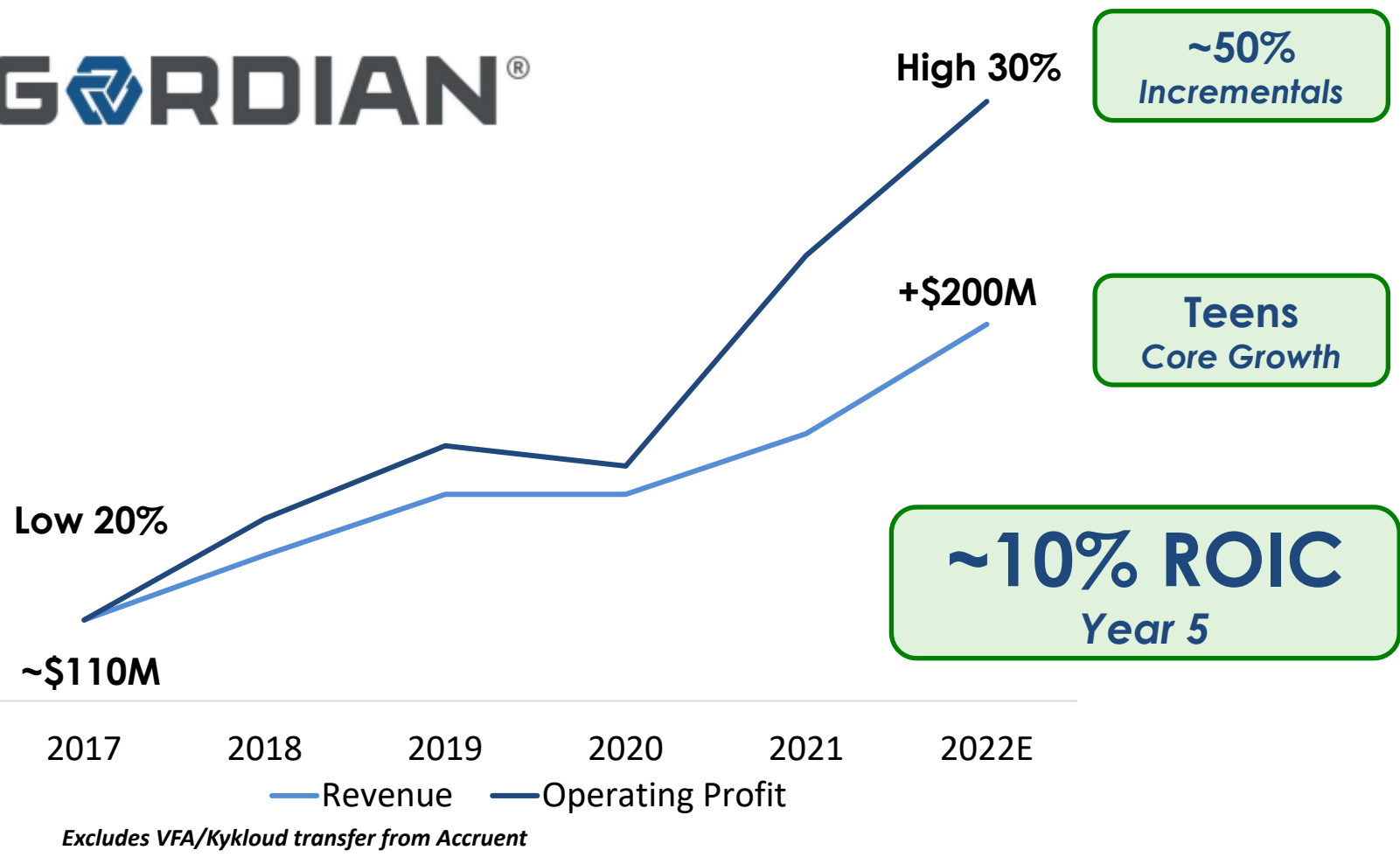
- **>75 clients successfully** migrated and onboarded onto the new JOC Cloud platform
- **2-month improvement** in time to first revenue for Procurement customers

THE FORTIVE BUSINESS SYSTEM



FBS DRIVES DIFFERENTIATED PERFORMANCE IN CHALLENGING ENVIRONMENT

GORDIAN CASE STUDY: CUSTOMER-CENTRIC INNOVATION



KEY SUCCESSES

- Developed complete pre-construction solution with clear data advantage
- Shortened contracting process to achieve revenue faster
- Increased JOC penetration to larger construction projects
- Extended offering of high-value intelligence and execution tools to address multi-year transition to a “new normal” in higher-ed
- Increased penetration through planning solutions that address deferred maintenance / aging infrastructure in SLED

CUSTOMER-CENTRIC INNOVATION LEVERAGING FBS TO DRIVE RESULTS

