



Fortive Overview

Bank of America Industrials Conference

March 19, 2024

Forward Looking Statements & Non-GAAP Financial Measures

Statements in this presentation that are not strictly historical, including statements regarding anticipated financial results, global and regional economic conditions, industry trends, geopolitical events, interest rate and current exchange rate impact, future prospects, shareholder value, impact of cybersecurity incidents, impact of voluntary government notification and any other statements identified by their use of words like “anticipate,” “expect,” “believe,” “outlook,” “guidance,” “target”, or “will” or other words of similar meaning are “forward-looking” statements within the meaning of the federal securities laws. These factors include, among other things: deterioration of or instability in the economy, the markets we serve, international trade policies and the financial markets, security breaches or other disruptions of our information technology systems, the spread of, and the future resurgence of COVID-19, supply chain constraints, our ability to adjust purchases and manufacturing capacity to reflect market conditions, reliance on sole sources of supply, changes in trade relations with China, contractions or lower growth rates and cyclicalities 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 related to any use of artificial intelligence, risks relating to international economic, geopolitical, including war and sanctions, 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, adverse effects of restructuring activities, risk related to tax treatment of our separation of Vontier, 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 and climate change. 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, 2023. 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 may contain references to financial measures not presented in accordance with generally accepted accounting principles (“GAAP”). We have not reconciled forward-looking targets or outlook regarding non-GAAP measures, other than forecasted adjusted EPS, because any corresponding GAAP measures and the reconciliations thereto would require us to make estimates or assumptions with precision about acquisitions, capital and other expenditures and similar adjustments during the relevant period. Information required by Regulation G with respect to historical non-GAAP financial measures and for forward-looking adjusted EPS are available on [fortive.com](https://www.fortive.com) under “Investors – Quarterly Results”.

All financial metrics relate only to the continuing operations, and all growth or period changes refer to year-over-year comparisons unless otherwise stated. Please refer to the corresponding Form 10-K for the year ended December 31, 2023 for additional details relating to the financial results and performances discussed in this presentation.

Forward looking financial information not otherwise presented as a range reflect assumptions underlying the midpoint of our forward-looking targets.

Presenters



Chuck McLaughlin
SVP & Chief Financial Officer



Elena Rosman
VP Investor Relations

Strategic Focus and Value Creation

Transformed, High Quality Portfolio Of High Growth, Profitable Businesses

Growth Platforms Aligned To Secular Trends In Large, Attractive Markets

FBS Remains A Core Differentiator, Relentlessly Driving Sustainable Results

Disciplined Capital Deployment Enhances Earnings & FCF Compounding

Fortive Today

High Quality Portfolio Of High Growth, Profitable Businesses

3 SEGMENTS

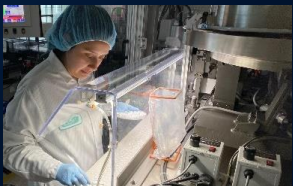
INTELLIGENT OPERATING SOLUTIONS (IOS)



PRECISION TECHNOLOGIES (PT)



ADVANCED HEALTHCARE SOLUTIONS (AHS)



5 GROWTH PLATFORMS



Connected reliability



Environmental health & safety



Facility & asset lifecycle



Product realization



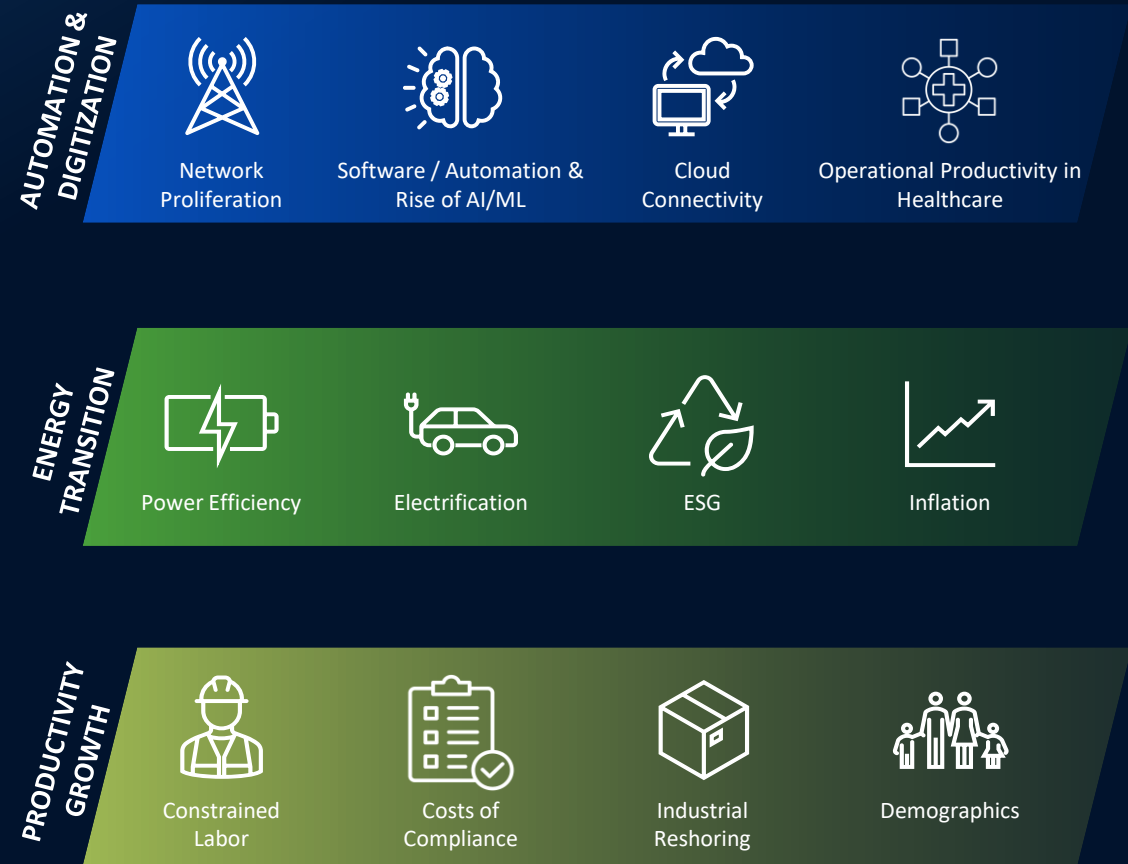
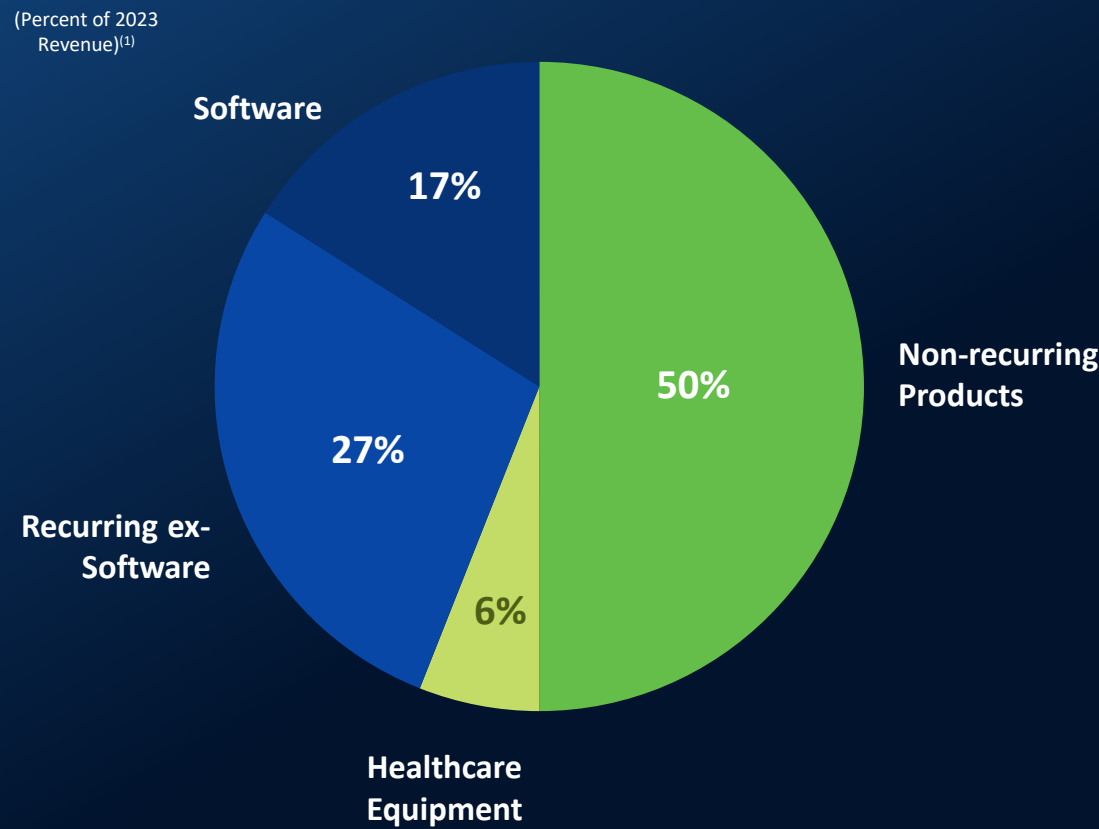
Perioperative loop



- ✓ Leading positions in critical customer workflows
- ✓ Connected solutions for all types of facilities
- ✓ Domain expertise hardware / software / data analytics
- ✓ Aligned to secular trends
- ✓ Industry-leading margins
- ✓ Superior FCF compounding

Increased Durability

Hardware, Software and Recurring Revenue Aligned to Favorable Secular Trends



Power of FBS: Sustaining Differentiated Results

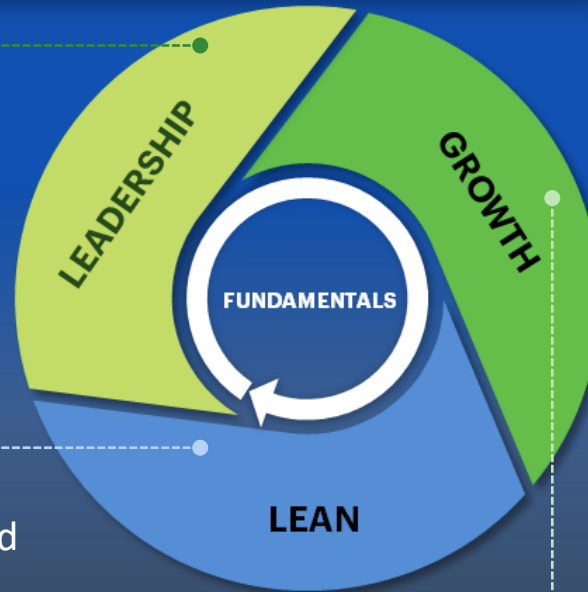
Delivering Value Through Innovation, Leadership and Productivity

EVOLUTION OF FBS TOOLS AND RIGOROUS OPERATING CADENCE ...

Building capabilities and leaders to enable extraordinary results

Maximizing customer expectations with best-in-class quality, delivery, and cost

Accelerating growth through innovation and improved commercial execution



... DELIVERING SUSTAINED MULTI-YEAR PERFORMANCE



2019 to 2023:

- ✓ +MSD CORE GROWTH CAGR
- ✓ ~70 BPS/YR ADJ. GMX
- ✓ ~125 BPS/YR ADJ. OMX
- ✓ 14% ADJ. EPS CAGR
- ✓ 19% FREE CASH FLOW CAGR

Disciplined Capital Allocation Strategy

Compounding FCF Generation Enables Capacity for M&A and Rapid Deleveraging

STRONG FCF GENERATION

✓ Smart capital deployment informed by value creation strategy

✓ Strategic use of balance sheet to accelerate compounding

Robust Capital Structure



- ✓ Maintain strong investment grade credit rating
- ✓ Target ~1.5 - 2.0x Net Leverage
- ✓ Proven history of quick deleveraging post-acquisitions

Deployment Priorities



Acquisitions

Accelerating strategy through accretive M&A



Share Repurchases

Opportunistic share repurchases



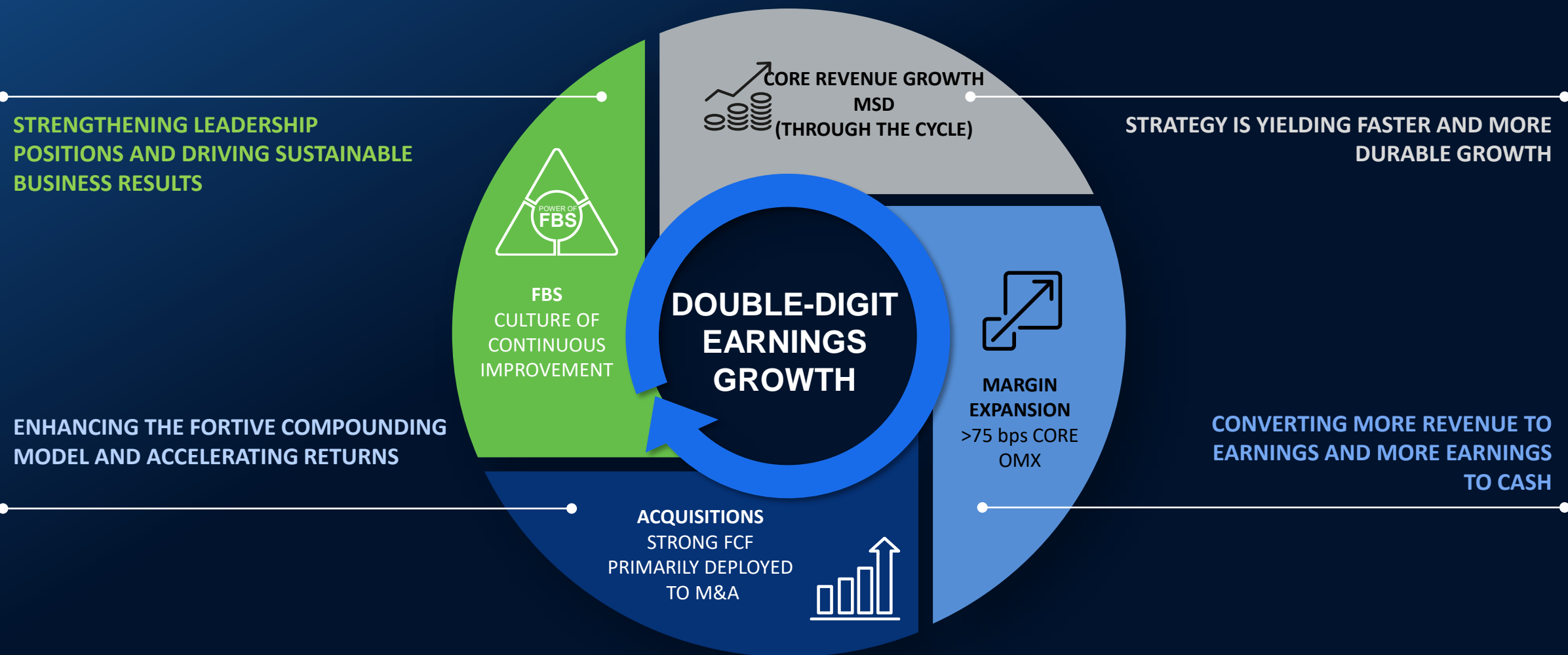
Dividend Policy

Increase dividends with Earnings / Free Cash Flow

- ✓ Increased quarterly dividend in November 2023

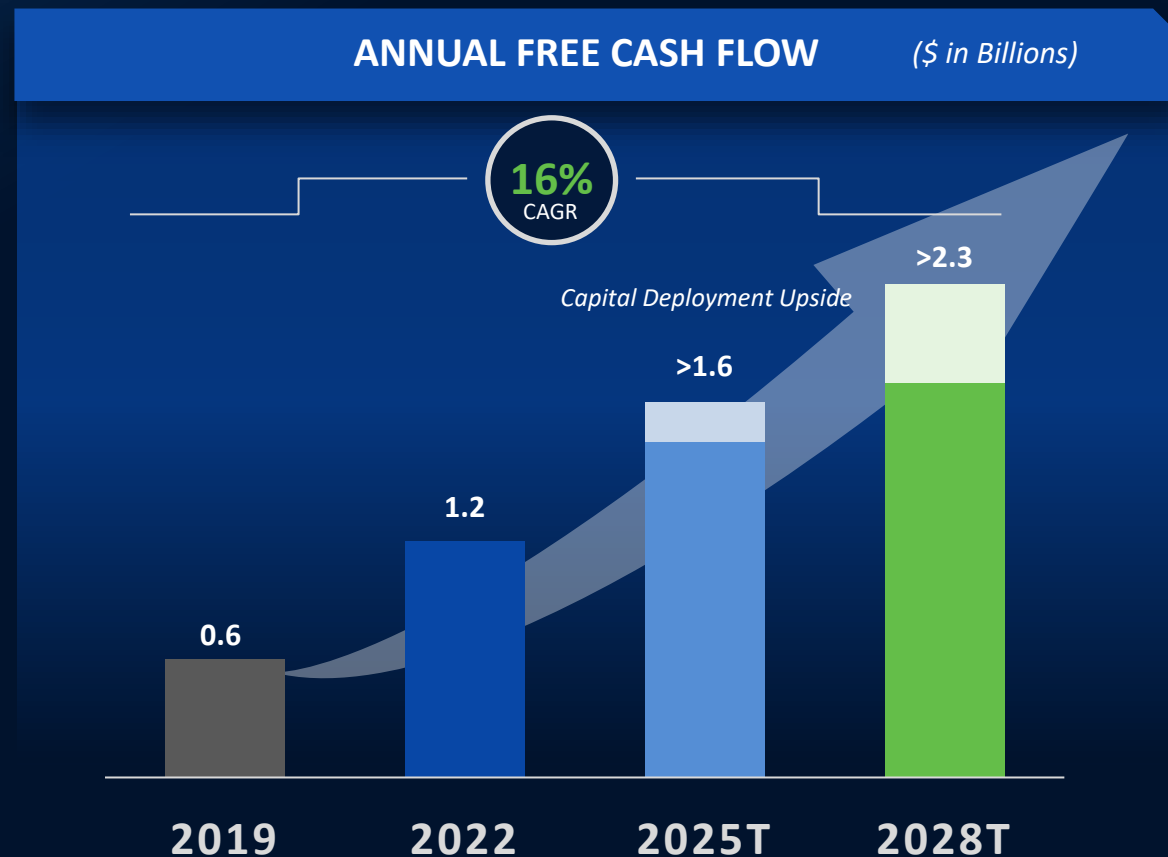
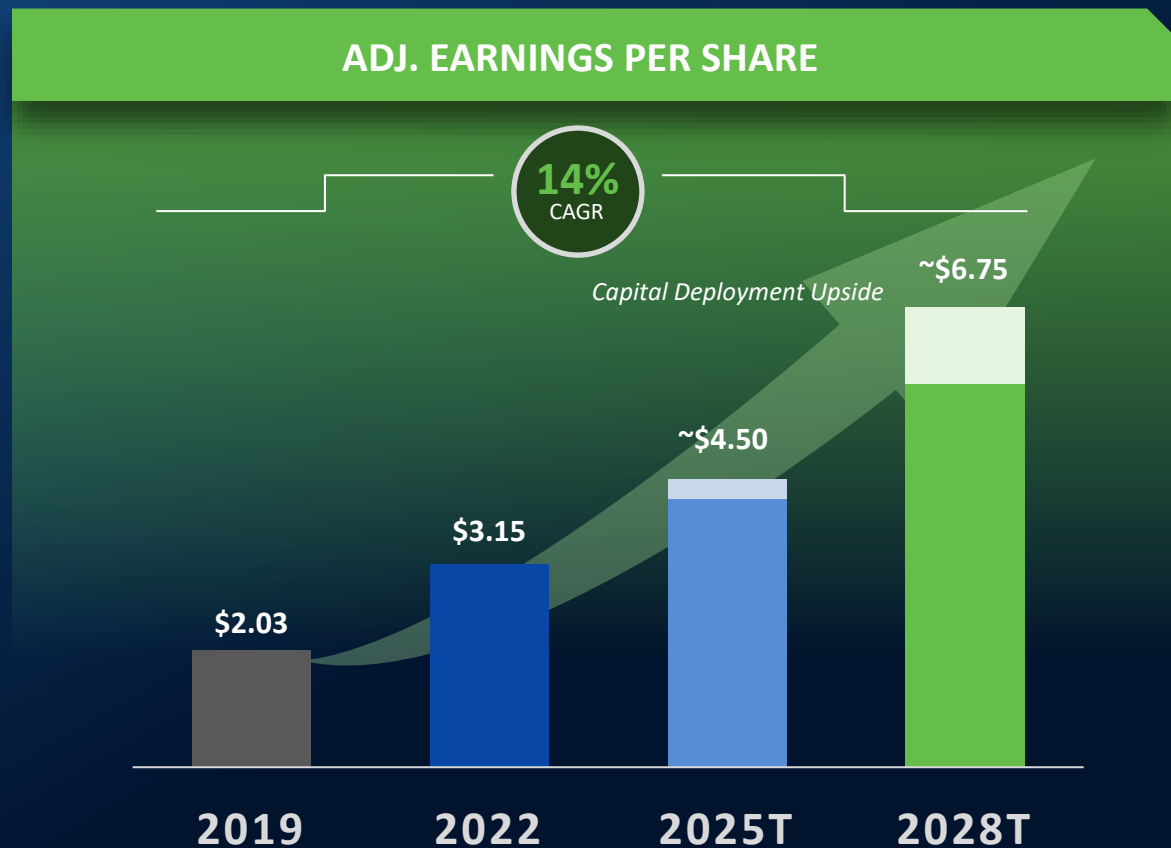
Fortive Formula For Value Creation

Continued Compounding Through Proven Flywheel



Accelerating Earnings And Cash Flow Compounding

With Upside From Capital Deployment





FORTIVE