

# Fortive Releases Annual Sustainability Report

*Highlights 2022 Achievements and New 2029 Targets Including Emissions and Water Reduction, Supplier Diversity and Enhanced Ratings*

EVERETT, Wash.--(BUSINESS WIRE)-- Fortive Corporation ("Fortive") (NYSE: FTV) announced today it has published its annual Sustainability Report, detailing the company's continued commitment to achieving ambitious goals for a sustainable future.

"Our commitment to creating a sustainable future remains a priority, and is embedded in our strategy and shared purpose," said James A. Lico, President and Chief Executive Officer of Fortive. "We believe that the positive impact from our Sustainability initiatives will benefit our stakeholders and drive long-term value for our shareholders. With more than 60% of our revenue last year generated from products and services that enable sustainability-related outcomes, we are committed and invested in accelerating progress toward our Sustainability goals and delivering impact for our customers."

The report details Fortive's environmental, social, and governance (ESG) approach and performance, with notable accomplishments including:

- **Significant Greenhouse Gas (GHG) Emissions Reductions:** Achieved a 22.4% reduction in absolute Scope 1 and Scope 2 GHG emissions from 2019-2022, tracking toward our 2029 goal to reduce absolute Scope 1 and 2 GHG emissions 50% from 2019 levels.
- **Revenue Alignment with United Nations Sustainable Development Goals:** More than 60% of Fortive's 2022 revenue was generated from products and services that enable sustainability-related outcomes for and through our customers.
- **Inaugural Water Reduction Goal:** Fortive is targeting to reduce water use by 10% across major operations by 2029, from 2022 levels.
- **Sustainability Ratings Increases:** Achieved a "B" rating from CDP for the 2022 Climate Change disclosure and an ESG rating of "AA" (leader) from Morgan Stanley Capital International (MSCI).
- **Steady Gains Toward Inclusion, Diversity, and Equity Goals:** Increased our inclusion and belonging score to 82%. Additionally, our workforce<sup>1</sup> is 38% women and 36% Black, Indigenous, and People of Color (BIPOC), reflecting continued improvement towards our aspirational goal to increase representation by 2025 (to 50% and 37% respectively).
- **Committed to Working and Sourcing Responsibly:** Scored 100% on the Human Rights Campaign Corporate Equality index (CEI) for the sixth consecutive year and established a partnership with the National Minority Supplier Development Council (NMSDC) to foster connections with minority business enterprises (MBEs) to support our commitment to supplier diversity, including our goal to achieve \$100M spend with diverse suppliers by year-end 2025.

- **Increased Charitable Giving:** The Fortive Foundation contributions have increased 3 times since the first year of operation (2020), supporting organizations focused on STEM education, social justice, community resiliency, and environmental stewardship.

As part of Fortive's ongoing pledge to advance transparency and accountability, the report is prepared in alignment with the Global Reporting Initiative (GRI) core standards, the Sustainability Accounting Standard Board (SASB) standard for the Electrical & Electronic Equipment sub-industry, the Task Force on Climate-Related Financial Disclosure (TCFD) framework, and the United Nations Global Compact (UNGC) and Sustainable Development Goals (UN SDGs).

The full report can be found at [fortive.com/sustainability](https://fortive.com/sustainability), along with more information about the company's ESG programs, performance, and commitments.

<sup>1</sup> Based on year-end 2022 data.

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## ABOUT FORTIVE

Fortive is a provider of essential technologies for connected workflow solutions across a range of attractive end-markets. Fortive's strategic segments - Intelligent Operating Solutions, Precision Technologies, and Advanced Healthcare Solutions - include well-known brands with leading positions in their markets. The company's businesses design, develop, service, manufacture, and market professional and engineered products, software, and services, building upon leading brand names, innovative technologies, and significant market positions. Fortive is headquartered in Everett, Washington and employs a team of more than 18,000 research and development, manufacturing, sales, distribution, service and administrative employees in more than 50 countries around the world. With a culture rooted in continuous improvement, the core of our company's operating model is the Fortive Business System. For more information please visit: [www.fortive.com](https://www.fortive.com).

## FORWARD-LOOKING STATEMENTS

Statements in this release that are not strictly historical, including the impact of our Sustainability efforts, achievement of targeted goals, shareholder value, and any other statements identified by their use of words like "anticipate," "expect," "believe," "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, the condition of the financial markets and the banking systems, the spread of, and the remedial effort related to COVID-19, our ability to adjust purchases, supply chain management, and manufacturing capacity to reflect market conditions and customer demand, reliance on sole sources of supply, changes in relations with China, 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, 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, including our cost of debt, 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, security breaches or other disruptions of our information technology systems, adverse effects of restructuring activities, risk related to tax treatment of the 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, 2022. These forward-looking statements speak only as of the date of this release, 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.

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