

Risk Factors Comparison 2024-02-27 to 2023-02-28 Form: 10-K

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The following is a summary of the material risks and uncertainties we face, which are discussed more fully in “Item 1A. Risk Factors” in this Annual Report: Risk Related to Our Business Operations • Conditions in the global economy, the markets we serve, and the financial markets **and banking systems** may adversely affect our business and financial statements. • If we cannot adjust our manufacturing capacity, supply chain management or the purchases required for our manufacturing activities to reflect changes in market conditions, customer demand and supply chain or transportation disruptions, our profitability may suffer. **In addition, our reliance upon sole or limited sources of supply for certain materials, components, and services could cause production interruptions, delays and inefficiencies.** • Our financial results are subject to fluctuations in the cost and availability of commodities or components that we use in our operations. • ~~The~~ **Any pandemic, including the resurgence in the** spread of ~~and the remedial efforts related to,~~ COVID-19 ~~in certain foreign jurisdictions are continuing to,~~ **and the corresponding constraints on supply chain, labor force, and the operations of our customers, suppliers, and vendors could** have an adverse impact on our business and results of operations. • Our growth could suffer if the markets into which we sell our products and services decline, do not grow as anticipated, or experience cyclicality. • We face intense competition and if we are unable to compete effectively, we may experience decreased demand and decreased market share. Even if we compete effectively, we may be required to reduce prices for our products and services. • Our growth depends in part on the timely development and commercialization and customer acceptance of new and enhanced products and services based on technological innovation. • If we are unable to recruit and retain key employees, our business may be harmed. • **A significant Significant disruption disruptions** in, or ~~breach~~ **breaches** in security of, our information technology systems **have adversely affected, and in the future** could adversely affect, our business. • **We may use artificial intelligence in our business and our products, and challenges with properly managing its use could result in reputational harm, competitive harm, and legal liability, and adversely affect our results of operations.** • Defects and unanticipated use or inadequate disclosure with respect to our products (including software) or services could adversely affect our business, reputation, and financial statements. • Adverse changes in our relationships with, or the financial condition, performance, purchasing patterns, or inventory levels of, key distributors and other channel partners could adversely affect our financial statements. • Our restructuring activities could have long- term adverse effects on our business. • Work stoppages, works council campaigns, and other labor disputes could adversely impact our productivity. **economic conditions,** and results of operations. • If we suffer loss to our facilities, supply chains, distribution systems, or information technology systems due to catastrophe or other events, our operations could be seriously harmed. • If we do not or cannot adequately protect our intellectual property, or if third parties infringe our intellectual property rights, we may suffer competitive injury or expend significant resources enforcing our rights. • Third parties may claim that we are infringing or misappropriating their intellectual property rights and we could suffer significant litigation expenses, losses, or licensing expenses or be prevented from selling products or services. • We are subject to a variety of litigation and other legal and regulatory proceedings in the course of our business that could adversely affect our financial statements. • Climate change, or legal or regulatory ~~measure~~ **measures** to address climate change, may negatively affect us. Risk Related to our International Operations • International economic, political, legal, compliance, and business factors could negatively affect our financial statements. • Trade relations between China and the United States could have a material adverse effect on our business and financial statements. • Foreign currency exchange rates, including the volatility thereof, may adversely affect our financial statements. Risk Related to Our Acquisitions, Investments, and Dispositions • Any inability to consummate acquisitions at our anticipated rate and at appropriate prices could negatively impact our growth rate and stock price. • Our acquisition of businesses, joint ventures, and strategic relationships could negatively impact our financial statements. • The indemnification provisions of acquisition agreements by which we have acquired companies may not fully protect us and as a result we may face unexpected liabilities. • Divestitures or other dispositions could negatively impact our business, and contingent liabilities from businesses that we have sold could adversely affect our financial statements. • Potential indemnification liabilities to Vontier **Corporation (“Vontier”)** pursuant to the separation agreement could materially and adversely affect our businesses, financial condition, results of operations, and cash flows. Risk Related to Regulatory and Compliance Matters • Changes in industry standards and governmental regulations may reduce demand for our products or services or increase our expenses. • Our reputation, ability to do business, and financial statements may be impaired by improper conduct by any of our employees, agents, or business partners. • Our operations, products, and services expose us to the risk of environmental, health, and safety liabilities, costs, and violations that could adversely affect our reputation and financial statements. • Our businesses are subject to extensive regulation, **including healthcare regulations; existing or future** failure to comply with those regulations could adversely affect our financial statements and reputation. Risk Related to Our Tax and Accounting Matters • Changes in our effective tax rates or exposure to additional income tax liabilities or assessments could affect our profitability. In addition, audits by tax authorities could result in additional tax payments for prior periods. • We could incur significant liability if ~~any of~~ our separation from Danaher, our separation of our Automation and Specialty business or our separation of Vontier (collectively, the “Separation Transactions”) ~~is~~ **are** determined to be a taxable transaction. • Changes in U. S. GAAP could adversely affect our reported financial results and may require significant changes to our internal accounting systems and processes. • We may be required to recognize impairment charges for our goodwill and other intangible assets. Risk Related to Our Financing Activities • We have incurred a significant amount of debt, and our debt obligations, including the cost of such debt, will increase further if we incur additional debt and do not retire existing debt, **our credit rating declines,** or if the

applicable interest rates continue to rise. PART I ITEM 1. BUSINESS General Fortive Corporation is a provider of essential technologies for connected workflow solutions across a range of attractive end- markets. Our strategic segments- Intelligent Operating Solutions, Precision Technologies, and Advanced Healthcare Solutions- include well- known brands with leading positions in their markets. Our businesses design, develop, manufacture, and service professional and engineered products, software, and services, building upon leading brand names, innovative technologies, and significant market positions. We are headquartered in Everett, Washington and employ have a team-workforce of more than 18, 000 research and development, manufacturing, sales, distribution, service, and administrative employees-professionals in more than 50 countries around the world. On October 9, 2020, we completed the separation of Vontier Corporation (“ Vontier ”), the entity we created to hold our former Industrial Technologies segment (the “ Separation ”). The accounting requirements for reporting the Vontier business as a discontinued operation were met when the Separation was completed. Accordingly, the consolidated financial statements reflect the results of the Vontier business as a discontinued operation for all periods presented. Fortive Corporation is a Delaware corporation and was incorporated in 2015 in connection with the separation of Fortive from Danaher Corporation (“ Danaher ” or “ Former Parent ”) on July 2, 2016 as an independent, publicly- traded company, listed on the New York Stock Exchange. In this Annual Report, the terms “ Fortive ” or the “ Company ” refer to either Fortive Corporation or to Fortive Corporation and its consolidated subsidiaries, as the context requires. Unless otherwise indicated, all amounts in this Annual Report refer to continuing operations. Fortive Business System Our teams across our operating companies are united by our culture of continuous improvement – characterized by the high expectations, inclusion, humility, and transparency bias for action that is embodied in the Fortive Business System (“ FBS ”). Through This cultural foundation is reinforced by the rigorous – rigor application of the proprietary our disciplined operating cadence. FBS enables us to operate our businesses with a focus on relentless execution, powered by our mindset and a set of growth, lean, and leadership tools and processes that comprise FBS, we continuously improve best practices consistently applied across our portfolio. We are committed to delivering on our financial commitments and engaging our leaders and teams to accelerate and sustain progress in every aspect of the business performance in the critical areas of innovation, including new product development and commercialization, finance global supply chain, sales and marketing, corporate development, human capital management, and sustainability efforts, and leadership development. Our commitment to We are continually evolving FBS has to meet the changing needs of our portfolio and incorporating new technology enabled-enablers us, like artificial intelligence and machine learning, to drive faster customer satisfaction and profitability, and generate significant improvements in innovation, growth, and core more productivity operating margins. Additionally, FBS has helped us and greater impact. The execute execution a of our disciplined acquisition strategy is strengthened by the and expand our portfolio into new and attractive markets while creating long- term shareholder value FBS creates and is a critical component of how we achieve sustained results over time. Purpose and Values We are guided by our shared purpose to deliver essential technology for the people who accelerate progress. We Driven by our shared purpose, we strive to accelerate transformation in high- impact fields, such as workplace safety, engineering, and healthcare, delivering high- tech solutions and high impact for engineers, scientists, frontline workers, and patients around the world. Our With our shared purpose defining what we do, the following core values guide how we deliver every day for our stakeholders: We build extraordinary teams for extraordinary results. We believe we are more together, and we all have something unique to offer as we come together to solve problems no one could solve alone, committed to a strong and inclusive culture. Customer success inspires our innovation. We believe our most important breakthroughs are the ones that help our customers succeed, and we strive to break down barriers and forge new paths to world- changing innovations to move our customers forward. Kaizen is our way of life. We know we believe the next time can always do and be better. Our – and our commitment to continuous improvement, grounded in our FBS inspires us to keep approach our work with curiosity. We are always growing and learning. We compete for our shareholders. We believe in prioritizing trust, sustainability, and positive impact to create long- term value for all of our stakeholders, including our shareholders, our employees, our customers and our communities. Reportable Segments We operate and report our results in three segments, Intelligent Operating Solutions, Precision Technologies, and Advanced Healthcare Solutions, each of which is further described below. Our Intelligent Operating Solutions segment provides advanced instrumentation, software and services to tens of thousands of customers enabling their mission- critical workflows. These offerings include electrical test & measurement, facility and asset lifecycle software applications, connected worker safety and compliance solutions across a range of vertical end markets, including manufacturing, process industries, healthcare, utilities and power, communications and electronics, among others. Typical users of these safety, productivity and sustainability solutions include electrical engineers, electricians, electronic technicians, EHS professionals, network technicians, facility managers, first- responders, and maintenance professionals. Products and services within our Intelligent Operating Solutions segment are marketed under a variety of leading brands, including ACCRUENT, FLUKE, GORDIAN, INDUSTRIAL SCIENTIFIC, INTELEX, PRUFTECHNIK, and SERVICECHANNEL. Our Precision Technologies segment helps solve tough technical challenges to speed breakthroughs in a wide range of applications, from food and beverage production and manufacturing to next- generation electric vehicles and clean energy, as our customers seek new test solutions to enable the electrification and connectivity of everything. Our expertise in materials, methods and measurements are reflected in our electrical test & measurement, sensing and material technologies offered to a broad set of customers and vertical end markets, including industrial, power and energy, automotive, medical equipment, food and beverage, aerospace and defense, semiconductor, and other general industries. Customers for these products and services include design engineers for advanced electronic devices and equipment, process and quality engineers focused on improved process capability and productivity, facility maintenance managers driving increased uptime, and other customers for whom precise measurement, reliability, and compliance are critical in their applications. Products and services in our Precision Technologies segment are marketed under a variety of brands, including ANDERSON- NEGELE, GEMS, SETRA, HENGSTLER- DYNAPAR, QUALITROL, PACIFIC SCIENTIFIC, KEITHLEY and TEKTRONIX. Our Advanced

Healthcare Solutions segment supplies critical workflow solutions enabling healthcare providers to deliver exceptional patient care more efficiently. Our offerings include instrument sterilization solutions, instrument tracking, cell therapy equipment design and manufacturing, biomedical test tools, radiation detection and safety monitoring, and end-to-end clinical productivity software and solutions. Our healthcare offerings help ensure critical safety standards are met, instruments and operating rooms are working at peak performance, and complex procedures are followed accurately in these mission-critical healthcare environments. Products and services in our Advanced Healthcare Solutions segment are marketed under a variety of brands, including ASP, CENSIS, CENSITRAC, EVOTECH, FLUKE BIOMEDICAL, INVETECH, LANDAUER, PROVATION, RAYSAFE, and STERRAD. * * * * * The following discussion includes information common to all of our segments.

Materials Our manufacturing operations employ a wide variety of raw materials, including electronic components, steel, plastics and other petroleum-based products, aluminum, and copper. Prices of oil and gas affect our costs for freight and utilities. We purchase raw materials from a large number of independent sources around the world. Tariffs affect our costs for impacted materials or components we import into the United States. Based on allocation of annual spend among our various suppliers, no single supplier is material. However, some components that require particular specifications or qualifications are dependent on a single supplier or a limited number of suppliers that can readily provide such components. We utilize a number of techniques to address potential disruption in and other risks relating to our supply chain, including in certain cases the use of safety stock, alternative materials that meet the quality and regulatory requirements, and qualification of multiple supply sources. While the remediation efforts taken by certain jurisdictions in response to the COVID-19 pandemic and the disruptions from the Ukraine / Russia conflict have raised material and shipping costs, our supply chain was responsive to these dynamics, and we implemented solutions, including through FBS and working collaboratively with our suppliers, to effectively support our operations, and help countermeasure production material shortages and distribution limitations. For a further discussion of risks related to the materials and components required for our operations, please refer to “Item 1A. Risk Factors.”

Intellectual Property We own numerous patents, trademarks, copyrights, and trade secrets and hold licenses to use intellectual property owned by others. Although in aggregate our intellectual property is important to our operations, we do not consider any single patent, trademark, copyright, trade secret, or license to be of material importance to any segment or to the business as a whole. From time to time, we engage in litigation to protect our intellectual property rights. For a discussion of risks related to our intellectual property, please refer to “Item 1A. Risk Factors.”

All capitalized brands and product names throughout this document are trademarks owned by, or licensed to, Fortive. Competition We believe that we are a leader in many of our served markets. Although our businesses generally operate in highly competitive markets, our competitive position cannot be determined accurately in the aggregate or by segment, since none of our competitors offer all of the same product and service lines or serve all of the same markets as we do. Because of the range of the products and services we sell and the variety of markets we serve, we encounter a wide variety of competitors, including larger companies or divisions of larger companies with substantial sales, marketing, research, and financial capabilities, as well as well-established regional competitors who are more specialized than we are in particular markets. We face increased competition in a number of our served markets as a result of the entry of competitors based in low-cost manufacturing locations, and increasing consolidation in particular markets. The number of competitors varies by product and service line. Our management believes that we have a market leadership position in most of the markets we serve. Key competitive factors vary among our businesses and product and service lines, but include the specific factors noted above with respect to each particular business and typically also include price, quality, performance, delivery speed, applications expertise, distribution channel access, service and support, technology and innovation, breadth of product, service and software offerings, and brand name recognition. For a discussion of risks related to competition, please refer to “Item 1A. Risk Factors.”

Seasonal Nature of Business General economic conditions impact our business and financial results, and certain of our businesses experience seasonal and other trends related to the industries and end markets that they serve. For example, sales of capital equipment and sterilization consumables are often stronger in the fourth calendar quarter and sales to OEMs are often stronger immediately preceding and following the launch of new products. However, as a whole, we are not subject to material seasonality.

People Strategy (Human Capital Management) Fortive is a global team, ~~approximately over~~ **approximately over** 18,000 strong, energized by a ~~shared powerful~~ **shared powerful** purpose. Our ~~People people~~ **People people** strategy centers on empowering ~~strong,~~ **strong,** inclusive teams working together to solve problems no one could solve alone. We intentionally seek out different skills, backgrounds, and voices to deliver results for our customers and fulfill our employee promise – For you. For us. For growth. Our ~~People people~~ **People people** strategy is defined by our inclusive growth culture, ~~and is~~ **and is** advanced through FBS, ~~and~~ **and** our ~~talent career development~~ **talent career development** and reward systems. ~~We continually measure, review, and refine our strategy through~~ **We continually measure, review, and refine our strategy through** measured by our employee experience processes. These key elements enable us to accelerate progress for our customers, our teams, and the world ~~around us.~~ **around us.** Inclusive Growth Culture We ~~believe we~~ **believe we** are more together. Our culture sets the tone for Fortive’s ~~People people~~ **People people** strategy and drives Fortive’s success. ~~Along with FBS,~~ **Along with FBS,** Inclusion, Diversity, and Equity (“IDE”) are core ~~pillars enablers~~ **pillars enablers** of our strategy and culture. ~~We know~~ **We know** — ~~Inclusion— Develop our teams to build a Fortive where you can be yourself and do your best work.~~ **Inclusion— Develop our teams to build a Fortive where you can be yourself and do your best work.** — ~~Diversity— Build a diverse Fortive through hiring, developing, and retaining a strong and diverse team.~~ **Diversity— Build a diverse Fortive through hiring, developing, and retaining a strong and diverse team.** — ~~Equity— Build a culture of equity that enables greater innovation and performance for customers and for the world. We accelerated the impact of IDE in 2022 by introducing our new inclusive leader experience to our senior leaders across the organization. This development experience provides the tools and support to build an inclusive, culture and prepares leaders to lead diverse high,~~ **Equity— Build a culture of equity that enables greater innovation and performance for customers and for the world. We accelerated the impact of IDE in 2022 by introducing our new inclusive leader experience to our senior leaders across the organization. This development experience provides the tools and support to build an inclusive, culture and prepares leaders to lead diverse high, and equitable workforce creates extraordinary long - performing teams term value for our employees and shareholders.** We ~~also continued are committed~~ **also continued are committed** to expand the impact ~~IDE in all its forms. We are focused on recruiting from a wide variety of diverse candidate~~ **IDE in all its forms. We are focused on recruiting from a wide variety of diverse candidate** our Employee Friends and Resources— ~~sources~~ **sources** Groups (“EFRG”), ~~cultivating an inclusive environment where everyone can succeed, providing training on inclusion and unconscious bias, and monitoring policies and practices to ensure that no group is inadvertently disadvantaged. Another part of Fortive’s~~ **cultivating an inclusive environment where everyone can succeed, providing training on inclusion and unconscious bias, and monitoring policies and practices to ensure that no group is inadvertently disadvantaged. Another part of Fortive’s** ~~commitment to IDE is our adherence to EEO (equal employment opportunity)~~ **commitment to IDE is our adherence to EEO (equal employment opportunity)** to increase inclusion

and belonging within and **principles. All people are evaluated through a neutral merit-based process. We do not consider race, ethnicity, gender, or any other protected trait in our hiring, promotional, or underrepresented communities other processes.** To drive FBS, continuous improvement, and IDE accountability at all levels of our organization, our VP, Inclusion, Diversity, and Equity works closely with our senior management, our IDE Council, and our IDE practitioners across ~~We also cascade annual IDE goals into executive and senior leader performance measures. Additionally, our~~ **businesses. Our** Board of Directors and our **, along with the** Compensation Committee, oversee our IDE efforts as part of our **People-people** strategy and measurement actions. We are committed to continued transparency by publicly sharing our workforce representation and inclusion results and aspirational goals through our Proxy **Statement**, EEO-1 report, website, and annual Sustainability Report. Business, **Talent-Career Development**, and Reward Systems Our culture of continuous improvement inspires us to keep experimenting, growing, and learning. Our FBS and robust **talent-career development** and reward systems advance our people **strategies strategy** by attracting, growing, and retaining the **talent-exceptional people** we need now and in the future. **Together, these These** business and **talent-career development** systems strengthen our employee value proposition and **, build our employer brand while delivering new experiences to, drive professional growth for** our employees and results for our customers. Our Performance and Development for Growth processes drive results and career growth for our global teams. Performance for Growth rigorously deploys our strategies into cascaded goals throughout the organization, while Development for Growth translates our beliefs and values into desired leader competencies **, at all levels of the organization**. Together, these processes provide a roadmap for the way we work, deliver results, and build high ~~-~~ performing teams. Additionally, we design our Total Rewards programs to attract and retain talented, curious people with a growth mindset and a passion for innovation, collaboration, and continuous improvement. We offer leading programs that inspire and reward superior performance, are equitable, **align compensation structure with delivering long-term shareholder value**, and foster an inclusive, diverse, and healthy global workforce. We also invest in our people at every level through our growth and development experiences. These experiences range from leadership learning and FBS immersion ~~to hands-on skill building in~~ each of our three FBS pillars ~~—~~ growth, lean, and leadership. Collectively, these experiences build skills, strengthen performance, and prepare our employees for challenging opportunities **. With our strong and evolving portfolio, employees have the opportunity to accelerate their career across multiple industries, meaningfully contributing to customer success and impact in the world**. Employee Experience and Communication Our promise to employees is ~~–~~ For you. For us. For growth. To achieve this promise, our leaders at all levels of the organization actively seek feedback from our employees and other stakeholders to strengthen our culture. Our employee experience surveys are one of the many ways we actively solicit input. Our employee experience survey approach continues to mature through quarterly touchpoints and leader accountability. In ~~the fourth quarter of our last comprehensive census survey in 2022-2023~~, over 80 % of our global team **responded completed our biannual, full census survey**, delivering steady gains in both overall engagement and in inclusion and belonging that resulted in historically high ratings of 78 % and 82 %, respectively. **Our Consistent with prior years, our** results continue to inform both management and our Board of Directors on appropriate actions to enhance our employee experience. Government Contracts Although the substantial majority of our revenue in **2022-2023** was from customers other than governmental entities, each of our segments has agreements relating to the sale of products to government entities. As a result, we are subject to various statutes and regulations that apply to companies doing business with governments and government-owned entities. For a discussion of risks related to government contracting requirements, please refer to “Item 1A. Risk Factors.” Regulatory Matters We face extensive government regulation both within and outside the United States relating to the development, manufacture, marketing, sale, and distribution of our products, software, and services. The following sections describe certain significant regulations that we are subject to. These are not the only regulations that our businesses must comply with. For a description of the risks related to the regulations that our businesses are subject to, please refer to “Item 1A. Risk Factors.” Medical Device Regulations Many of our products in the Advanced Healthcare Solutions segment are classified as medical devices and are subject to restrictions under domestic and foreign laws, rules, regulations, self-regulatory codes, circulars, and orders, including, but not limited to, the U. S. Food, Drug, and Cosmetic Act (the “FDCA”). The FDCA requires these products, when sold in the United States, to be safe and effective for their intended uses and to comply with the regulations administered by the U. S. Food and Drug Administration (“FDA”). The FDA regulates the design, development, research, preclinical and clinical testing, introduction, manufacture, advertising, labeling, packaging, marketing, distribution, import and export, and record keeping for such products. Medical devices can be marketed only for the indications for which they are cleared or approved. After a device has received 510 (k) clearance for a specific intended use, any change or modification that significantly affects its safety or effectiveness, such as a significant change in the design, materials, method of manufacture, or intended use, may require a new 510 (k) clearance and payment of an FDA user fee. Market access, sales, and marketing of medical devices in non-U. S. countries are subject to foreign regulatory requirements that vary widely from country to country. For example in the European Economic Area (“EEA”), a medical device must meet the Medical Devices Directive’s (“MDD”) Essential Requirements or, for new devices placed on the market after May 26, 2021, the Medical Devices Regulation’s (“MDR”) General Safety and Performance Requirements as well as other requirements set out in the MDD / MDR, depending on the device’s risk class. Before placing a medical device on the EEA market, the manufacturer must prepare a declaration of conformity, certifying that the device complies with the MDD / MDR, and must then affix the CE mark. The notified body typically audits and examines the device’s technical documentation, and the quality system for the manufacture, design, and final inspection of the relevant device before issuing a CE certificate. Following the issuance of this CE certificate, manufacturers may prepare the declaration of conformity and affix the CE mark to the devices covered by this CE certificate. Similar requirements apply in the UK. For access to the UK market, manufacturers must obtain a UKCA Certificate and affix a UKCA mark to their medical devices. **However, the EEA’s CE mark will be accepted in the UK until July 1, 2023.** Any medical devices we manufacture and distribute are subject to pervasive and continuing regulation by the FDA and certain state

and certain other comparable foreign authorities. As a medical device manufacturer, our manufacturing facilities are subject to inspection on a routine basis by the FDA and other comparable foreign authorities as well as audits by our notified body. We are required to adhere to the Current Good Manufacturing Practices requirements, as set forth in the Quality Systems Regulation, as well as other applicable standards which require manufacturers, including third- party manufacturers, to follow stringent design, testing, control, documentation, and other quality assurance procedures during all phases of the design and manufacturing process. We must also comply with global post- market surveillance regulations, including adverse event reporting requirements, which require that we review and report to the FDA and other comparable foreign authorities any incident in which our products may have caused or contributed to a death or serious injury. We must also report any incident in which our product has malfunctioned if that malfunction would likely cause or contribute to a death or serious injury if it were to recur. Labeling and promotional activities are subject to scrutiny by the FDA and other comparable foreign authorities and, in certain circumstances, by the Federal Trade Commission and other comparable foreign regulators. Medical devices approved or cleared by the FDA, foreign regulators, or our notified body may not be promoted for undocumented, unapproved, or uncleared uses, otherwise known as “ off- label ” promotion. The FDA, other U. S. agencies, and other comparable foreign authorities actively enforce the laws and regulations prohibiting the promotion of off- label uses. Other Healthcare Laws We are subject to various healthcare related laws regulating fraud and abuse, research and development, pricing and sales and marketing practices, and the privacy and security of health information. In particular, the U. S. Federal Anti- Kickback Statute prohibits persons from knowingly and willfully soliciting, offering, receiving, or providing remuneration (including any kickback or bribe), directly or indirectly, in exchange for or to induce either the referral of an individual, or the furnishing or arranging for a good or service, for which payment may be made in whole or in part under a federal healthcare program, such as Medicare or Medicaid. A person or entity does not need to have actual knowledge of the statute or specific intent to violate it in order to have committed a violation. Similar laws and regulations apply in many foreign countries. The Health Insurance Portability and Accountability Act of 1996 (“ HIPAA ”) prohibits knowingly and willfully (1) executing, or attempting to execute, a scheme to defraud any healthcare benefit program, including private payors, or (2) falsifying, concealing, or covering up a material fact or making any materially false, fictitious, or fraudulent statement in connection with the delivery of or payment for healthcare benefits, items, or services. In addition, HIPAA, as amended by the Health Information Technology for Economic and Clinical Health Act of 2009, also restricts the use and disclosure of patient identifiable health information, mandates the adoption of standards relating to the privacy and security of patient identifiable health information, and requires the reporting of certain security breaches with respect to such information. Similar to the U. S. Federal Anti- Kickback Statute, a person or entity does not need to have actual knowledge of the healthcare fraud statute implemented under HIPAA or specific intent to violate it in order to have committed a violation. Similar laws and regulations apply in many foreign countries. The False Claims Act imposes liability on any person or entity that, among other things, knowingly presents, or causes to be presented, a false or fraudulent claim for payment by a federal healthcare program, knowingly makes, uses, or causes to be made or used, a false record or statement material to a false or fraudulent claim, or knowingly makes a false statement to avoid, decrease, or conceal an obligation to pay money to the U. S. federal government. The qui tam provisions of the False Claims Act allow a private individual to bring actions on behalf of the federal government alleging that the defendant has submitted a false claim to the federal government, and to share in any monetary recovery. In addition, the government may assert that a claim including items and services resulting from a violation of the U. S. Federal Anti- Kickback Statute constitutes a false or fraudulent claim for purposes of the civil False Claims Act. Similar laws and regulations apply in many foreign countries. Federal consumer protection and unfair competition laws broadly regulate marketplace activities and activities that potentially harm consumers. Analogous U. S. state laws and regulations, such as state anti- kickback and false claims laws, also may apply to our business practices, including but not limited to, research, distribution, sales and marketing arrangements, and claims involving healthcare items or services reimbursed by any third- party payor, including private insurers. Further, there are state laws that require medical device manufacturers to comply with the voluntary compliance guidelines and the relevant compliance guidance promulgated by the U. S. federal government, or otherwise restrict payments that may be made to healthcare providers and other potential referral sources; state laws and regulations that require manufacturers to file reports relating to pricing and marketing information, which requires tracking gifts and other remuneration and items of value provided to healthcare professionals and entities; state and local laws requiring the registration of sales representatives; and state laws governing the privacy and security of health information in certain circumstances, many of which differ from each other in significant ways and often are not preempted by HIPAA. Similar laws and regulations apply in many non- U. S. countries. Anti- Bribery and Anti- Corruption Laws Given the international scope of operation, we are subject to various U. S. and non- U. S. laws outlawing bribes, kickbacks, payoffs, and other improper payments. In particular, the U. S. Foreign Corrupt Practices Act (“ FCPA ”), the UK Bribery Act, and other similar laws in other jurisdictions prohibit companies, their officers and employees, and their intermediaries from making improper payments to public officials to influence those officials or secure an improper advantage in order to obtain or retain business. In the past several years, there has been a substantial increase in the enforcement of these global anti- bribery and anti- corruption laws. Our operations throughout the world, including in developing countries with heightened risks of corruption, and interactions with individuals who are considered public officials under these laws, such as healthcare professionals in countries with state- run healthcare systems, expose us to the risk of violating these laws. Violations of these laws or even allegations of violations of these laws could pose reputational risks, subject us to investigations and related litigation, cause disruptions to our business, and result in monetary fines and damages and other sanctions. Data Privacy and Security Laws As a global organization, we are subject to data privacy and security laws, regulations, and customer- imposed controls in numerous jurisdictions as a result of having access to and processing confidential, personal, and / or sensitive data in the course of our business. Data privacy and security laws are rapidly evolving. In particular, a broad privacy law in California, the California Consumer Privacy Act (“ CCPA ”), came into effect in January 2020. The CCPA has some of the same features as the GDPR (discussed below), and has

already prompted several other states to consider similar legislation. The CCPA has already been amended several times, including through a November 2020 ballot initiative (called the California Privacy Rights Act) (“CPRA”), which became effective in January 2023. Across the European Union, the General Data Protection Regulation (“GDPR”) imposes strict requirements in how we collect, transmit, process, and retain personal data, including, among other things, in certain circumstances a requirement for prompt notification of data breaches to supervisory authorities and / or to data subjects, with the risk of significant fines for non-compliance. Additionally, after a July 2020 decision from the Court of Justice of the European Union, European regulators are requiring additional safeguards to facilitate the transfer of personal information from the European Union to the United States and other certain jurisdictions. Several other countries, such as China, Russia, and Brazil, have passed, and other countries are considering passing, laws that meaningfully expand the compliance requirements around confidential, personal, and / or sensitive data that we may have access to or process in the course of our business. In China and Russia, privacy and security laws may require a copy of personal data relating to citizens to be maintained on local servers and impose additional data transfer restrictions. Brazil’s Lei Geral de Proteção de Dados (“LGPD”) increases compliance requirements related to privacy, data protection, and information security for businesses that are located or do business within Brazil. Although the LGPD shares similarities with the GDPR, it also contains a number of unique features, including specific legal bases not found in the GDPR that allow an organization to process personal data and requirements for the role of a data protection officer. In these countries and elsewhere, the laws applicable to data privacy and security may require changes to business practices or additional investment for compliance purposes.

Environmental Laws and Regulations Our operations and properties are subject to laws and regulations relating to environmental protection, including those governing air emissions, water discharges and waste management, and workplace health and safety. For a discussion of the environmental laws and regulations that our operations, products, and services are subject to and other environmental contingencies, please refer to Note 16-14 to the consolidated financial statements included in this Annual Report. For a discussion of risks related to compliance with environmental and health and safety laws and risks related to past or future releases of, or exposures to, hazardous substances, please refer to “Item 1A. Risk Factors.”

Export / Import Compliance We are required to comply with various U. S. export / import control and economic sanctions laws, such as:

- the International Traffic in Arms Regulations administered by the U. S. Department of State, Directorate of Defense Trade Controls, which, among other things, impose license requirements on the export from the United States of defense articles and defense services listed on the United States Munitions List;
- the Export Administration Regulations administered by the U. S. Department of Commerce, Bureau of Industry and Security, which, among other things, impose licensing requirements on the export, in- country transfer, and re- export of certain dual- use goods, technology, and software (which are items that have both commercial and military or proliferation applications);
- the regulations administered by the U. S. Department of Treasury, Office of Foreign Assets Control, which implement economic sanctions imposed against designated countries, governments, and persons based on United States foreign policy and national security considerations; and
- the import regulations administered by U. S. Customs and Border Protection.

Other nations’ governments have implemented similar export / import control and economic sanction regulations, which may affect our operations or transactions subject to their jurisdictions. For a discussion of risks related to export / import control and economic sanctions laws, please refer to “Item 1A. Risk Factors.”

Competition Laws Our global operations are subject to complex and changing antitrust and competition laws and regulations, including conflicting laws and regulations in different jurisdictions that have increased the cost of conducting our global operations. We have implemented policies and procedures designed to ensure compliance with applicable global laws and regulations, but there can be no assurance of complete and consistent compliance with all laws and regulations given the complex and evolving policies implemented by governments around the world. If we are found to have violated laws and regulations, it could materially adversely affect our business, reputation, results of operations and financial condition.

Whistleblower Laws We operate in jurisdictions, such as the U. S. and Europe, with significant legal whistleblower protection compliance reports for potential violations internally and to government authorities. In the European Union, the Whistleblower Directive has been implemented that affords significant protections to internal and external whistleblowers. Non-compliance with the Whistleblower Directive can result in fines and other penalties against entities. In the U. S., the Securities and Exchange Commission can provide monetary awards to whistleblowers that report securities law violations to the Commission. U. S. laws, such as the False Claims Act, also include strong financial incentives for whistleblowers to bring lawsuits against companies with healthcare products and services such as Fortive. In addition, the False Claims Act permits whistleblowers to bring a lawsuit on behalf of the government and share in any monetary recovery, even if the government decides not to intervene in the case.

Our products and services are available in markets worldwide, and our principal markets outside the United States are in Europe and Asia. We also have operations around the world, and this geographic diversity allows us to draw on the skills of a worldwide workforce, provides greater stability to our operations, allows us to drive economies of scale, provides revenue streams that may help offset economic trends that are specific to individual economies, and offers us an opportunity to access new markets for products. In addition, we believe that our future growth depends in part on our ability to continue developing products and sales models that successfully target high- growth markets. The manner in which our products and services are sold outside the United States differs by business and by region. Most of our sales in non- U. S. markets are made by our subsidiaries located outside the United States, though we also sell directly from the United States into non- U. S. markets through various representatives and distributors and, in some cases, directly. In countries with low sales volumes, we generally sell through representatives and distributors.

Available Information We maintain an internet website at www.fortive.com where we make available free of charge our annual reports on Form 10-K, quarterly reports on Form 10-Q, and current reports on Form 8-K and amendments to those reports, filed or furnished pursuant to Section 13 (a) or 15 (d) of the Exchange Act, as soon as reasonably practicable after filing such material with, or furnishing such material to, the SEC. Our internet website and the information contained in, or linked from, that website are not

incorporated by reference into this Form 10-K. ITEM 1A. RISK FACTORS You should carefully consider the risks and uncertainties described below, together with the information included elsewhere in this Annual Report on Form 10-K and other documents we file with the SEC. The risks and uncertainties described below are those that we have identified as material, but are not the only risks and uncertainties facing us. Our business is also subject to general risks and uncertainties that affect many other companies, such as market conditions, economic conditions, geopolitical events, changes in laws, regulations, or accounting rules, fluctuations in interest rates, terrorism, wars or conflicts, major health concerns, natural disasters, or other disruptions of expected business conditions. Additional risks and uncertainties not currently known to us or that we currently believe are immaterial also may impair our business, including our results of operations, liquidity, and financial condition. Conditions in the global economy, the markets we serve and the financial markets may adversely affect our business and financial statements. Our business is impacted by general economic conditions, and adverse economic conditions arising from any slower global economic growth, reduced demand or consumer confidence, energy, manufacturing or component supply constraints arising from the **international conflicts, including Russian invasion of Ukraine and the Israel/Russia conflict or COVID-19 infection rates and remediation efforts**, high inflation rates and the corresponding interest rate policies, volatility in currency and credit markets, actual or anticipated default on sovereign debt, changes in global trade policies, unemployment and underemployment rates, reduced levels of capital expenditures, changes in government fiscal and monetary policies, government deficit reduction and budget negotiation dynamics, sequestration, other austerity measures, political and social instability, other geopolitical conflict, sanctions, natural disasters, terrorist attacks, and other challenges affect us and our distributors, customers, and suppliers, including having the effect of: • reducing demand for our products, software, and services, limiting the financing available to our customers and suppliers, increasing order cancellations, and resulting in longer sales cycles and slower adoption of new technologies; • increasing the difficulty in collecting accounts receivable and the risk of excess and obsolete inventories; • increasing price competition in our served markets; • supply interruptions, which could disrupt our ability to produce our products; • increasing the risk of impairment of goodwill and other long-lived assets, and the risk that we may not be able to fully recover the value of other assets such as real estate and tax assets; • increasing the impact of currency translation; and • increasing the risk that counterparties to our contractual arrangements will become insolvent or otherwise unable to fulfill their contractual obligations which, in addition to increasing the risks identified above, could result in preference actions against us. In addition, adverse general economic conditions may lead to instability in U. S. and global capital and credit markets, including market disruptions, limited liquidity, and interest rate volatility. If we are unable to access capital and credit markets on terms that are acceptable to us or our lenders are unable to provide financing in accordance with their contractual obligations, we may not be able to make certain investments or acquisitions or fully execute our business plans and strategies. Furthermore, our suppliers and customers are also dependent upon the capital and credit markets. Limitations on the ability of customers, suppliers, or financial counterparties to access credit at interest rates and on terms that are acceptable to them could lead to insolvencies of key suppliers and customers, limit or prevent customers from obtaining credit to finance purchases of our products and services, and cause delays in the delivery of key products from suppliers. If growth in the global economy or in any of the markets we serve slows for a significant period, if there is significant deterioration in the global economy or such markets, if there is instability in global capital and credit markets, or if improvements in the global economy do not benefit the markets we serve, our business and financial statements would be adversely affected. If we cannot adjust our manufacturing capacity, supply chain management or the purchases required for our manufacturing activities to reflect changes in market conditions, customer demand and supply chain disruptions, our profitability may suffer. In addition, our reliance upon sole or limited sources of supply for certain materials, components, and services could cause production interruptions, delays, and inefficiencies. We purchase materials, components, and equipment from third parties for use in our manufacturing operations. Our income could be adversely impacted if we are unable to adjust our purchases and supply chain management to reflect any supply chain or transportation disruptions or changes in customer demand and market fluctuations, **including those caused by the COVID-19 pandemic, geopolitical disruptions, including the Ukraine/Russia conflict**, severe weather events, increases in demand outpacing supply capabilities, labor shortages, seasonality or cyclicity. During a market upturn or general supply chain disruptions, suppliers have extended lead times, limited supplies, or increased prices. If we cannot purchase sufficient products at competitive prices and quality and on a timely enough basis to meet demand for our products, we may not be able to satisfy market demand, product shipments may be delayed, our costs may increase, or we may breach our contractual commitments and incur liabilities. Conversely, in order to secure supplies for the production of products, we sometimes enter into noncancelable purchase commitments with vendors, which could impact our ability to adjust our inventory to reflect declining market demands. If demand for our products is less than we expect, we may experience additional excess and obsolete inventories and be forced to incur additional charges and our profitability may suffer. In addition, some of our businesses purchase certain requirements from sole or limited source suppliers for reasons of quality assurance, cost effectiveness, availability, contractual obligations or uniqueness of design. If these or other suppliers encounter financial, operating, quality, or other difficulties or if our relationship with them changes, including as a result of contractual disputes, we might not be able to quickly establish or qualify replacement sources of supply. The supply chains for our businesses could also be disrupted by supplier capacity constraints, operational or quality issues, bankruptcy or exiting of the business for other reasons, decreased availability of key raw materials or commodities, and external events such as natural disasters, severe weather events that are occurring more frequently or with more intense effects as a result of global climate change, pandemic health issues, war, terrorist actions, governmental actions, and legislative or regulatory changes, among others. Any of these factors could result in production interruptions, delays, extended lead times, and inefficiencies. Because we cannot always immediately adapt our production capacity and related cost structures to changing market conditions, our manufacturing capacity may at times exceed or fall short of our production requirements. Any or all of these problems could result in the loss of customers, provide an opportunity for competing products to gain market acceptance, and otherwise

adversely affect our profitability. As discussed in the section entitled “ Business- Materials, ” our manufacturing and other operations employ a wide variety of components, raw materials, and other commodities. Prices for and availability of these components, raw materials, and other commodities have fluctuated significantly in the past. In particular, the widespread supply chain challenges due to labor, raw material, and component shortages, as well as widespread logistics issues, affected multiple industries, raised material and shipping costs, limited the quantities available, and extended the lead time required for supplies and deliveries. Any sustained interruption in the supply of these items, including as a result of general supply chain constraints, increasing demand outpacing supplies, or contractual disputes with suppliers or vendors, could adversely affect our business. In addition, due to the highly competitive nature of the industries that we serve, the cost- containment efforts of our customers, and the terms of certain contracts we are party to, if commodity or component prices rise we may be unable to pass along cost increases through higher prices. If we are unable to fully recover higher commodity or component costs through price increases or offset these increases through cost reductions, or if there is a time delay between the increase in costs and our ability to recover or offset these costs, we could experience lower margins and profitability and our financial statements could be adversely affected.

~~The spread of, and the remediation efforts related to, COVID-19 in certain key jurisdictions on supply chain, labor force, and the operations of our customers, suppliers, and vendors are continuing to have an adverse impact on our business and results of operations. Continued spread of, and efforts to mitigate COVID-19 in certain key countries, including China, have caused us, our suppliers, and customers to alter commercial activities and utilization of facilities and manufacturing sites, adversely impacting our ability to manufacture, sell, transport and service our products from the impacted countries. In addition, residual impact to global supply chain and transportation from the prior remediation efforts continue to impact the sourcing of raw materials, components and transportation for our products. While the remediation efforts in response to the COVID-19 pandemic have subsided in most countries, including the United States, we continue to experience adverse impacts to our business as a result of residual supply chain disruptions, inflation, and reduced in-person collaboration efforts.~~

Our growth depends in part on the growth of the markets which we serve, and visibility into our markets is limited (particularly for markets into which we sell through distribution). Our quarterly sales and profits depend substantially on the volume and timing of orders received during the fiscal quarter, which are difficult to forecast. Any decline or lower than expected growth in our served markets could diminish demand for our products and services, which could adversely affect our financial statements. Certain of our businesses operate in industries that may experience periodic, cyclical downturns. In addition, in certain of our businesses, demand depends on customers’ capital spending budgets, and product and economic cycles can affect the spending decisions of these entities. Demand for our products and services is also sensitive to changes in customer order patterns, which may be affected by announced price changes, changes in incentive programs, new product introductions, and customer inventory levels. Any of these factors could adversely affect our growth and results of operations in any given period. Many of our businesses operate in industries that are intensely competitive and have been subject to consolidation. Because of the range of the products and services we sell and the variety of markets we serve, we encounter a wide variety of competitors; please see the section entitled “ Business- Competition ” for additional details. In order to compete effectively, we must retain longstanding relationships with major customers and continue to grow our business by establishing relationships with new customers, continually developing new or enhanced products and services to maintain and expand our brand recognition and leadership position in various product and service categories, and penetrating new markets, including high- growth markets. Our failure to compete effectively and / or pricing pressures resulting from competition may adversely impact our financial statements, and our expansion into new markets may result in greater- than- expected risks, liabilities and expenses. We generally sell our products and services in industries that are characterized by rapid technological changes, frequent new product introductions and changing industry standards. If we do not develop innovative new and enhanced products and services on a timely basis, our offerings will become obsolete over time and our competitive position and financial statements will suffer. Our success will depend on several factors, including our ability to:

- accurately identify customer needs and preferences and predict future needs and preferences;
- allocate our research and development funding to products and services with higher growth prospects;
- anticipate and respond to our competitors’ development of new products and services and technological innovations;
- differentiate our offerings from our competitors’ offerings and avoid commoditization;
- innovate and develop new technologies and applications, and acquire or obtain rights to third- party technologies that may have valuable applications in our served markets;
- obtain adequate intellectual property rights with respect to key technologies before our competitors do;
- successfully commercialize new technologies in a timely manner, price them competitively, and cost- effectively manufacture and deliver sufficient volumes of new products of appropriate quality on time; and
- stimulate customer demand for and convince customers to adopt new technologies.

In addition, if we fail to accurately predict future customer needs and preferences or fail to produce viable technologies, we may invest heavily in research and development of products and services that do not lead to significant revenue, which would adversely affect our profitability. Even if we successfully innovate and develop new and enhanced products and services, we may incur substantial costs in doing so, and our profitability may suffer. Much of our future success and our ability to realize the benefit of our acquisitions and execute our portfolio strategy depends on our ability to attract and retain key employees, including our senior management. In particular, the markets for highly skilled employees and leaders in the technology and healthcare industries **remain** are extremely competitive .~~Furthermore, the workforce shortage in the United States and in other jurisdictions has increased the overall competitiveness and cost of retaining and attracting qualified employees.~~ Our brand, our culture, our ability to provide competitive compensation, our locations of operations, and our reputation are important to our ability to recruit and retain key employees in these competitive markets ~~and during periods of workforce shortages.~~ If we are not competitive or successful in our recruiting efforts, if we cannot attract or retain key employees, or if we do not adequately ensure effective succession planning or transfer of knowledge for our key employees, our ability to deliver and execute on our operational, development, or portfolio strategies would be adversely affected. We rely on information technology systems, some of which are managed by third parties and some of which are managed on a

decentralized, independent basis by our operating companies, to process, transmit, and store electronic information (including sensitive data such as confidential business information and personally identifiable data relating to employees, customers, and other business partners), and to manage or support a variety of critical business processes and activities. These systems may be damaged, disrupted, accessed, or shut down due to attacks by computer hackers, nation states, cyber- criminals, computer viruses, error or malfeasance by employee or former employees, power outages, hardware failures, telecommunication or utility failures, catastrophes, or other similar events, and in any such circumstances our system redundancy and other disaster recovery planning may be ineffective or inadequate. In addition, security breaches of our systems or lack of sufficient control in our systems (or the systems of our customers, suppliers or other business partners) could result in the misappropriation, ~~changes-~~ **change**, destruction, **exfiltration** or unauthorized disclosure of confidential information or personal data belonging to us or to our employees, partners, customers, or suppliers. Like many multinational corporations, our information technology systems have been subject to computer viruses, malicious codes, ~~unauthorized access,~~ and other cyber- attacks ~~that and, although, as of December 31, 2022, such attacks have resulted in disruption of not had a material impact on our operations or financial results~~, **unauthorized access to confidential information and increased the cost of operations through containment, investigation and remediation efforts, including cybersecurity incidents in the fourth quarter of 2023. Furthermore**, we expect to be subject to similar incidents in the future as such attacks become more sophisticated and frequent, any of which may have a material adverse impact on our business continuity, operations or financial results. **Increasing use of artificial intelligence may increase these risks.** Any of the attacks, breaches, or other disruptions or damage described above, as well as corresponding remediation efforts, can ~~interrupt~~ **disrupt** our operations, delay production and shipments, result in theft of our and our customers' intellectual property and trade secrets, damage customer and business partner relationships and our reputation, or result in defective products or services, legal claims and proceedings, liability and penalties under privacy laws, and increased costs for security and remediation, each of which could adversely affect our business and financial statements. **We may use artificial intelligence in our business and in our products, and challenges with properly managing its use could result in reputational harm, competitive harm, and legal liability, and adversely affect our results of operations. We may incorporate artificial intelligence (" AI ") solutions into our products, services and features, and we may leverage AI, including generative AI, in our product development, our operations, and our software programming. Our competitors or other third parties may incorporate AI into their products or operational processes more quickly or more successfully than us, which could impair our ability to compete effectively and adversely affect our results of operations. In addition, there are significant risks involved in developing and deploying AI and there can be no assurance that the usage of AI will enhance our products or services or be beneficial to our business, including our efficiency or profitability. For example, our AI- related efforts, particularly those related to generative AI, subject us to risks related to accuracy, intellectual property infringement or misappropriation, data privacy, and cybersecurity, among others. It is also uncertain how various laws related to online services, intermediary liability, and other issues will apply to content generated by AI. AI also presents emerging ethical issues, and if our use of AI becomes controversial, we may experience brand or reputational harm, competitive harm, or legal liability. The rapid evolution of AI, including the regulation of AI by government or other regulatory agencies, will require significant resources to develop, test and maintain our platforms, offerings, services, and features to implement AI ethically and minimize any unintended harmful impacts.** Manufacturing or design defects impacting safety, cybersecurity, or quality issues (or the perception of such issues) for our products and services can lead to personal injury, death, property damage, data loss, or other damages. These events could lead to recalls or safety or other public alerts, result in product or service downtime or the temporary or permanent removal of a product or service from the market and result in product liability or similar claims being brought against us. Recalls, downtime, removals, and product liability and similar claims (regardless of their validity or ultimate outcome) can result in significant costs, as well as negative publicity and damage to our reputation that could reduce demand for our products and services. Certain of our businesses sell a significant amount of their products to key distributors and other channel partners that have valuable relationships with customers and end- users. Some of these distributors and other partners also sell our competitors' products or compete with us directly, and if they favor competing products for any reason they may fail to market our products effectively. Adverse changes in our relationships with these distributors and other partners, or adverse developments in their financial condition, performance, or purchasing patterns, could adversely affect our financial statements. The levels of inventory maintained by our distributors and other channel partners, and changes in those levels, can also significantly impact our results of operations in any given period. In addition, the consolidation of distributors and customers in certain of the industries in which we operate could adversely impact our profitability. We have implemented, and may continue to implement significant restructuring activities across our businesses to adjust our cost structure. These significant restructuring activities as well as our regular ongoing cost reduction activities (including in connection with the integration of acquired businesses) reduce our available talent, assets, and other resources and could slow improvements in our products and services, adversely affect our ability to respond to customers and limit our ability to increase production quickly if demand for our products increases. In addition, delays in implementing planned restructuring activities or other productivity improvements, unexpected costs, or failure to meet targeted improvements may diminish the operational or financial benefits we realize from such actions. Any of the circumstances described above could adversely impact our business and financial statements. **Work stoppages, works council campaigns, and other labor disputes could adversely impact our productivity and results of operations.** We have various non- U. S. collective labor arrangements. We are subject to potential work stoppages, works council campaigns, and other labor disputes, any of which could adversely impact our productivity, results of operations, and reputation. Our facilities, supply chains, distribution systems, and information technology systems are subject to catastrophic loss due to fire, flood, earthquake, hurricane, public health crisis, war, terrorism, or other natural or man- made disasters, including those caused by climate change and other climate- related causes. If any of these facilities, supply chains, or systems were to experience a

catastrophic loss, it could disrupt our operations, delay production and shipments, result in defective products or services, damage customer relationships and our reputation, and result in legal exposure and large repair or replacement expenses. The third-party insurance coverage that we maintain will vary from time to time in both type and amount depending on cost, availability, and our decisions regarding risk retention, and may be unavailable or insufficient to protect us against losses. We own numerous patents, trademarks, copyrights, trade secrets, and other intellectual property and licenses to intellectual property owned by others, which in aggregate are important to our business. The intellectual property rights that we obtain, however, may not be sufficiently broad or otherwise may not provide us a significant competitive advantage, and patents may not be issued for pending or future patent applications owned by or licensed to us. In addition, the steps that we and our licensors have taken to maintain and protect our intellectual property may not prevent it from being challenged, invalidated, circumvented, designed-around, or becoming subject to compulsory licensing, particularly in countries where intellectual property rights are not highly developed or protected. In some circumstances, enforcement may not be available to us because an infringer has a dominant intellectual property position or for other business reasons, or countries may require compulsory licensing of our intellectual property. We also rely on nondisclosure and noncompetition agreements with employees, consultants, and other parties to protect, in part, trade secrets and other proprietary rights. There can be no assurance that these agreements will adequately protect our trade secrets and other proprietary rights and will not be breached, that we will have adequate remedies for any breach, that others will not independently develop substantially equivalent proprietary information, or that third parties will not otherwise gain access to our trade secrets or other proprietary rights. Our failure to obtain or maintain intellectual property rights that convey competitive advantage, adequately protect our intellectual property or detect or prevent circumvention or unauthorized use of such property, and the cost of enforcing our intellectual property rights could adversely impact our competitive position and financial statements. From time to time, we receive notices from third parties alleging intellectual property infringement or misappropriation. Any dispute or litigation regarding intellectual property could be costly and time-consuming due to the complexity of many of our technologies and the uncertainty of intellectual property litigation. Our intellectual property portfolio may not be useful in asserting a counterclaim, or negotiating a license, in response to a claim of infringement or misappropriation. In addition, as a result of such claims of infringement or misappropriation, we could lose our rights to critical technology, be unable to license critical technology or sell critical products and services, be required to pay substantial damages or license fees with respect to the infringed rights, or be required to redesign our products at substantial cost, any of which could adversely impact our competitive position and financial statements. Even if we successfully defend against claims of infringement or misappropriation, we may incur significant costs and diversion of management attention and resources, which could adversely affect our financial statements. We are subject to a variety of litigation and other legal and regulatory proceedings incidental to our business (or the business operations of previously owned entities), including claims for damages arising out of the use of products or services and claims relating to intellectual property matters, employment matters, tax matters, commercial disputes, disputes with our supplier or vendors, competition and sales and trading practices, environmental matters, personal injury, insurance coverage, and acquisition or divestiture-related matters, as well as regulatory investigations or enforcement. We may also become subject to lawsuits as a result of past or future acquisitions or as a result of liabilities retained from, or representations, warranties, or indemnities provided in connection with, divested businesses. These lawsuits may include claims for compensatory damages, punitive and consequential damages, and / or injunctive relief. The defense of these lawsuits may divert our management's attention, we may incur significant expenses in defending these lawsuits, we may experience disruption in supply or sales, and we may be required to pay damage awards or settlements or become subject to equitable remedies that could adversely affect our operations and financial statements. Moreover, any insurance or indemnification rights that we may have may be insufficient or unavailable to protect us against such losses. In addition, developments in proceedings in any given period may require us to adjust the loss contingency estimates that we have recorded in our financial statements, record estimates for liabilities or assets that we were previously unable to estimate, or pay cash settlements or judgments. Any of these developments could adversely affect our financial statements in any particular period. We cannot assure you that our liabilities in connection with litigation and other legal and regulatory proceedings will not exceed our estimates or adversely affect our financial statements and reputation. In 2022-2023, approximately 46 % of our sales were derived from customers outside the United States. Our principal markets outside the United States are in Europe and Asia. In addition, many of our manufacturing operations, suppliers, and employees are located outside the United States. Since our growth strategy depends in part on our ability to further penetrate markets outside the United States and increase the localization of our products and services, we expect to continue to increase our sales and presence outside the United States, particularly in high-growth markets, such as Eastern Europe, the Middle East, Africa, Latin America, and Asia. Our international business, including our business in high-growth markets outside the United States, is subject to risks that are customarily encountered in non-U. S. operations, as well as increased risks due to significant uncertainties related to political and economic changes, including: • interruption in the transportation of materials to us and finished goods to our customers; • impact of geopolitical conflict, including the **Russian invasion of Ukraine / Russia conflict and the Israel- Hamas war**; • differences in terms of sale, including payment terms; • local product preferences and product requirements; • changes in a country's or region's political or economic conditions, including changes in relationship with the United States, particularly with respect to China; • trade protection measures, sanctions, increased trade barriers, imposition of significant tariffs on imports or exports, embargoes, and import or export restrictions and requirements; • new conditions to, and possible restrictions of, existing free trade agreements; • epidemics, such as the coronavirus outbreak, that adversely impact travel, production, or demand; • unexpected changes in laws or regulatory requirements, including negative changes in tax laws in the U. S. and in the countries in which we manufacture or sell our products; • **the impact of the U. K.'s exit from the E. U. (Brexit) on the Company's business operations in the U. K. and Europe, including the effects of the Trade and Cooperation Agreement between the European Union, the European Atomic Energy Community, and the United Kingdom signed on December 30, 2020**; • limitations on ownership

and on repatriation of earnings and cash; • the potential for nationalization of enterprises; • limitations on legal rights and our ability to enforce such rights; • difficulty in staffing and managing widespread operations; • differing labor regulations; • difficulties in implementing restructuring actions on a timely or comprehensive basis; and • differing protection of intellectual property. Any of these risks could negatively affect our financial statements and growth. We have experienced growth in various end markets in China. During 2022-2023, sales in China accounted for approximately 12-11% of our total sales for the year. In addition, we have numerous facilities in China, many of which serve multiple Fortive operating companies in manufacturing, distribution, product design, and selling, general and administrative functions. There continues to be significant uncertainty about the future relationship between the United States and China, including with respect to trade policies, treaties, government regulations, and tariffs. In particular, there continues to be uncertainty about U. S. foreign trade policy with respect to China, including any changes to the trade policies that may be adopted by the Biden administration. Any increased trade barriers or restrictions on global trade, especially trade with China, could adversely impact our business and financial statements. Foreign currency exchange rates may adversely affect our financial statements. Sales and purchases in currencies other than the U. S. dollar expose us to fluctuations in foreign currencies relative to the U. S. dollar and may adversely affect our financial statements. Overall strengthening of the U. S. dollar during most of fiscal year 2022-2023 has increased the effective price of our products sold in U. S. dollars into other countries, which may require us to lower our prices or adversely affect sales to the extent we do not increase local currency prices. Decreased strength of the U. S. dollar could adversely affect the cost of materials, products and services we purchase overseas. Sales and expenses of our non- U. S. businesses are also translated into U. S. dollars for reporting purposes and the strengthening or weakening of the U. S. dollar could result in unfavorable translation effects. In addition, certain of our businesses transact in a currency other than the business' functional currency, and movements in the transaction currency relative to the functional currency could also result in unfavorable exchange rate effects. We also face exchange rate risk from our investments in subsidiaries owned and operated in foreign countries and borrowings denominated in foreign currencies. Our ability to grow revenues, earnings, and cash flow at or above our anticipated rates depends in part upon our ability to identify and successfully acquire and integrate businesses at appropriate prices and realize anticipated synergies. We may not be able to consummate acquisitions at rates anticipated, which could adversely impact our growth rate and our stock price. Acquisitions that align with our portfolio strategy may be difficult to identify and execute for a number of reasons, including high valuations, competition among prospective buyers, the availability of affordable funding in the capital markets and the need to satisfy applicable closing conditions and obtain antitrust and other regulatory approvals on acceptable terms. In addition, competition for acquisitions may result in higher purchase prices. Changes in accounting or regulatory requirements or instability in the credit markets could also adversely impact our ability to consummate acquisitions. As part of our business strategy we acquire businesses and enter other strategic relationships in the ordinary course, some of which may be material; please see " Management' s Discussion and Analysis of Financial Condition and Results of Operations " (" MD & A ") for additional details. These acquisitions and strategic relationships involve a number of financial, accounting, managerial, operational, legal, compliance, and other risks and challenges, including the following, any of which could adversely affect our financial statements: • any acquired business, technology, service, or product could under- perform relative to our expectations and the price that we paid for it, or not perform in accordance with our anticipated timetable; • we may incur or assume significant debt in connection with our acquisitions or strategic relationships; • acquisitions or strategic relationships could cause our financial results to differ from our own or the investment community' s expectations in any given period, or over the long- term; • pre- closing and post- closing earnings charges could adversely impact operating results in any given period, and the impact may be substantially different from period to period; • acquisitions or strategic relationships could create demands on our management, operational resources, and financial and internal control systems that we are unable to effectively address; • we could experience difficulty in integrating personnel, operations, and financial and other controls and systems and retaining key employees and customers; • we may be unable to achieve cost savings or other synergies anticipated in connection with an acquisition or strategic relationship; • we may assume by acquisition or strategic relationship unknown liabilities, known contingent liabilities that become realized, known liabilities that prove greater than anticipated, internal control deficiencies, or exposure to regulatory sanctions resulting from the acquired company' s activities and the realization of any of these liabilities or deficiencies may increase our expenses, adversely affect our financial position, or cause us to fail to meet our public financial reporting obligations; • in connection with acquisitions, we may enter into post- closing financial arrangements such as purchase price adjustments, earn- out obligations, and indemnification obligations, which may have unpredictable financial results; • in connection with acquisitions, we have recorded significant goodwill and other intangible assets on our balance sheet and if we are not able to realize the value of these assets, we may be required to incur charges relating to the impairment of these assets; and • we may have interests that diverge from those of strategic partners and we may not be able to direct the management and operations of the strategic relationship in the manner we believe is most appropriate, exposing us to additional risk. Certain of the acquisition agreements by which we have acquired companies require the former owners to indemnify us against certain liabilities related to the operation of the company before we acquired it. In most of these agreements, however, the liability of the former owners is limited and certain former owners may be unable to meet their indemnification responsibilities. We cannot assure you that these indemnification provisions will protect us fully or at all, and as a result we may face unexpected liabilities that adversely affect our financial statements. We continually assess the strategic fit of our existing businesses and may divest or otherwise dispose of businesses that are deemed not to fit with our strategic plan or are not achieving the desired return on investment. For example, in 2018, we split- off most of our automation and specialty platform in a Reverse Morris Trust transaction with Altra Industrial Motion Corp. and, in 2020, we spun- off our former Industrial Technologies segment. These transactions pose risks and challenges that could negatively impact our business. For example, when we decide to sell or otherwise dispose of a business or assets, we may be unable to do so on satisfactory terms within our anticipated timeframe or at all, and even after reaching a definitive agreement to sell or dispose a business the sale is typically subject to satisfaction of pre-

closing conditions which may not become satisfied. In addition, divestitures or other dispositions may dilute our earnings per share, have other adverse financial and accounting impacts and distract management, and disputes may arise with buyers. In addition, we have retained responsibility for and / or have agreed to indemnify buyers against some known and unknown contingent liabilities related to a number of businesses we have sold or disposed. The resolution of these contingencies has not had a material effect on our financial statements but we cannot be certain that this favorable pattern will continue. **Potential indemnification liabilities to Vontier pursuant to the separation agreement could materially and adversely affect our businesses, financial condition, results of operations, and cash flows.** We entered into a separation and distribution agreement and related agreements with Vontier to govern the separation and distribution of Vontier and the relationship between the two companies going forward. These agreements provide for specific indemnity and liability obligations of each party and could lead to disputes between us. If we are required to indemnify Vontier under the circumstances set forth in these agreements, we may be subject to substantial liabilities. In addition, with respect to the liabilities for which Vontier has agreed to indemnify us under these agreements, there can be no assurance that the indemnity rights we have against Vontier will be sufficient to protect us against the full amount of the liabilities, or that Vontier will be able to fully satisfy its indemnification obligations. Each of these risks could negatively affect our businesses, financial condition, results of operations, and cash flows. We compete in markets in which we and our customers must comply with supranational, federal, state, local, and other jurisdictional regulations, such as regulations governing health and safety, the environment, and electronic communications, and market standardizations. We develop, configure, and market our products and services to meet customer needs created by these regulations and standards. These regulations and standards are complex, change frequently, have tended to become more stringent over time, and may be inconsistent across jurisdictions. Any significant change or delay in implementation in any of these regulations or standards (or in the interpretation, application, or enforcement thereof) could reduce or delay demand for our products and services, increase our costs of producing or delay the introduction of new or modified products and services, or could restrict our existing activities, products, and services. In addition, in certain of our markets our growth depends in part upon the introduction of new regulations or implementation of industry standards on the timeline we expect. In these markets, the delay or failure of governmental and other entities to adopt or enforce new regulations or industry standards, or the adoption of new regulations or industry standards which our products and services are not positioned to address, could adversely affect demand. In addition, regulatory deadlines or industry standard implementation timelines may result in substantially different levels of demand for our products and services from period to period. We cannot provide assurance that our internal controls and compliance systems will always protect us from acts committed by employees, agents, or business partners of ours (or of businesses we acquire or partner with) that would violate U. S. and / or non- U. S. laws, including the laws governing payments to government officials, bribery, fraud, kickbacks, and false claims, sales and marketing practices, conflicts of interest, competition, export and import compliance, money laundering, and data privacy. In particular, the U. S. Foreign Corrupt Practices Act, the U. K. Bribery Act, and similar anti- bribery laws in other jurisdictions generally prohibit companies and their intermediaries from making improper payments to government officials for the purpose of obtaining or retaining business, and we operate in many parts of the world that have experienced governmental corruption to some degree. Any such improper actions or allegations of such acts could damage our reputation and subject us to civil or criminal investigations in the United States and in other jurisdictions and related shareholder lawsuits, could lead to substantial civil and criminal, monetary and non-monetary penalties and could cause us to incur significant legal and investigatory fees. In addition, though we rely on our suppliers to adhere to our supplier standards of conduct, material violations of such standards of conduct could occur that could have a material effect on our financial statements. Our operations, products and services are subject to environmental laws and regulations, which impose limitations on the discharge of pollutants into the environment and establish standards for the use, generation, treatment, storage, and disposal of hazardous and non- hazardous wastes. We must also comply with various health and safety regulations in the United States and abroad in connection with our operations. In addition, some of our operations require the controlled use of hazardous or energetic materials in the development, manufacturing, or servicing of our products. We cannot assure you that our environmental, health, and safety compliance program has been or will at all times be effective. Failure to comply with any of these laws could result in civil and criminal, monetary and non- monetary penalties and damage to our reputation. In addition, we cannot provide assurance that our costs of complying with current or future environmental protection and health and safety laws will not exceed our estimates or adversely affect our financial statements. Moreover, any accident that results in significant personal injury or property damage, whether occurring during development, manufacturing, servicing, use, or storage of our products, may result in significant production interruption, delays, or claims for substantial damages caused by personal injuries or property damage, harm to our reputation, and reduction in morale among our employees, any of which may adversely and materially affect our results of operations. In addition, we may incur costs related to remedial efforts or alleged environmental damage associated with past or current waste disposal practices or other hazardous materials handling practices. We are also from time to time party to personal injury or other claims brought by private parties alleging injury due to the presence of or exposure to hazardous substances. We may also become subject to additional remedial, compliance or personal injury costs due to future events such as changes in existing laws or regulations, changes in agency direction or enforcement policies, developments in remediation technologies, changes in the conduct of our operations and changes in accounting rules. For additional information regarding these risks, please refer to Note 16-14 to the consolidated financial statements. We cannot assure you that our liabilities arising from past or future releases of, or exposures to, hazardous substances will not exceed our estimates or adversely affect our reputation and financial statements or that we will not be subject to additional claims for personal injury or remediation in the future based on our past, present or future business activities. **Our businesses are subject to extensive regulation; failure to comply with those regulations could adversely affect our financial statements and reputation.** In addition to the environmental, health, safety, anti- corruption, and other regulations noted above, our businesses are subject to extensive regulation by U. S. and non- U. S. governmental and self- regulatory

entities at the supranational, federal, state, local, and other jurisdictional levels, including the following:

- we are required to comply with various import laws and export control and economic sanctions laws, which may affect our transactions with certain customers, business partners, and other persons and dealings between our employees and subsidiaries. In certain circumstances, export control and economic sanctions regulations may prohibit the export of certain products, services, and technologies. In other circumstances, we may be required to obtain an export license before exporting the controlled item. Compliance with the various import laws that apply to our businesses can restrict our access to, and increase the cost of obtaining, certain products and at times can interrupt our supply of imported inventory;
- we also have agreements to sell products and services to government entities and are subject to various statutes and regulations that apply to companies doing business with government entities. The laws governing government contracts differ from the laws governing private contracts. For example, many government contracts contain pricing and other terms and conditions that are not applicable to private contracts. Our agreements with government entities may be subject to termination, reduction, or modification at the convenience of the government or in the event of changes in government requirements, reductions in federal spending and other factors, and we may underestimate our costs of performing under the contract. Government contracts that have been awarded to us following a bid process could become the subject of a bid protest by a losing bidder, which could result in loss of the contract. We are also subject to investigation and audit for compliance with the requirements governing government contracts;
- we are also required to comply with increasingly complex and changing data privacy regulations in multiple jurisdictions that regulate the collection, use, protection, and transfer of personal data, including the transfer of personal data between or among countries. In particular, the General Data Protection Regulation became effective in the European Union in May 2018 and the California Consumer Privacy Act became effective in January 2020. We may also face audits or investigations by one or more domestic or foreign government agencies relating to our compliance with these regulations. An adverse outcome under any such investigation or audit could subject us to fines or other penalties. That or other circumstances related to our collection, use, and transfer of personal data could cause a loss of reputation in the market and / or adversely affect our business and financial position;
- certain of our products are medical devices that are subject to regulation by the U. S. FDA, by other federal and state governmental agencies, by comparable agencies of other countries and regions, and by certain accrediting bodies. To varying degrees, these regulators require us to comply with laws and regulations governing the development, testing, manufacturing, labeling, marketing, distribution, and post- marketing surveillance of our products. Government authorities may conclude that our business practices do not comply with current or future statutes, regulations, agency guidance or case law. Failure to obtain required regulatory clearances or approvals before marketing our products (or before implementing modifications to or promoting additional indications or uses of our products), other violations of laws or regulations, failure to remediate inspectional observations to the satisfaction of these regulatory authorities, and real or perceived efficacy or safety concerns or trends of adverse events with respect to our products (even after obtaining clearance for distribution) can lead to warning letters, notices to customers, declining sales, loss of customers, loss of market share, remediation and increased compliance costs, recalls, seizures, fines, expenses, injunctions, civil penalties, criminal penalties, consent decrees, administrative detentions, refusals to permit importations, partial or total shutdown of production facilities or the implementation of operating restrictions, narrowing of permitted uses for a product, refusal of the government to grant clearance, and suspension or withdrawal of approvals. Further, defending against any such actions can be costly and time- consuming and may require significant personnel resources. Therefore, even if we are successful in defending against any such actions brought against us, our business may be impaired;
- we are also subject to the federal False Claims Act (the “ FCA ”), which imposes civil and criminal liability on individuals or entities that knowingly submit false or fraudulent claims for payment to the government or knowingly make, or cause to be made, a false statement in order to have a false claim paid, including qui tam or whistleblower suits. There are many potential bases for liability under the FCA. In addition, we could be held liable under the FCA if we are deemed to “ cause ” the submission of false or fraudulent claims ;
- and • we are also required to comply with ever changing labor and employment laws and regulations in multiple jurisdictions. These changes could negatively impact our business or financial position .

For example, we recently discovered that Gems Sensors, Inc., an entity that has been merged into Setra Systems, Inc. and now operates as Gems Setra, made certain incorrect representations regarding its status as a small business concern as defined by the Small Business Act for certain contracts that it was awarded by the Defense Logistics Agency (“ DLA”). As a result, on January 26, 2024, we voluntarily notified the Department of Defense Office of Inspector General (“ OIG ”) and the DLA of this matter. While we are continuing to investigate, we currently do not expect this matter to have a material adverse effect on our financial condition or results of operations. However, resolution of this matter could subject us to fines or penalties, and we cannot assure you of the timing or outcome of such resolution . These are not the only regulations that our businesses must comply with. The regulations we are subject to have tended to become more stringent over time and may be inconsistent across jurisdictions. We, our representatives, and the industries in which we operate may at times be under review and / or investigation by regulatory authorities. Failure to comply (or any alleged or perceived failure to comply) with the regulations referenced above or any other regulations could result in civil and criminal, monetary and non- monetary penalties, and any such failure or alleged failure (or becoming subject to a regulatory enforcement investigation) could also damage our reputation, disrupt our business, limit our ability to manufacture, import, export, and sell products and services, result in loss of customers and disbarment from selling to certain federal agencies and cause us to incur significant legal and investigatory fees. Compliance with these and other regulations may also affect our returns on investment, require us to incur significant expenses, or modify our business model or impair our flexibility in modifying product, marketing, pricing, or other strategies for growing our business. Our products and operations are also often subject to the rules of industrial standards bodies such as the International Standards Organization, and failure to comply with these rules could result in withdrawal of certifications needed to sell our products and services and otherwise adversely impact our financial statements. For additional information regarding these risks, please refer to the section entitled “ Business-

Regulatory Matters.” ~~Climate change, or legal or regulatory measures to address climate change, may negatively affect us.~~ Climate change resulting from increased concentrations of carbon dioxide and other greenhouse gases in the atmosphere could present risks to our operations. Physical risk resulting from acute changes (such as hurricane, tornado, wildfire or flooding) or chronic changes (such as droughts, heat waves or sea level changes) in climate patterns can adversely impact our facilities and operations and disrupt our supply chains and distribution systems. Concern over climate change can also result in new or additional legal or regulatory requirements designed to reduce greenhouse gas emissions and / or mitigate the effects of climate change on the environment (such as taxation of, or caps on the use of, carbon-based energy). Any such new or additional legal or regulatory requirements, **including extensive disclosure requirements in various jurisdictions, including in the E. U. and domestically,** may increase the costs associated with, or disrupt, sourcing, manufacturing and distribution of our products, which may adversely affect our business and financial statements. In addition, any failure to adequately address stakeholder expectations with respect to environmental, social and governance matters may result in the loss of business, adverse reputational impacts, diluted market valuations and challenges in attracting and retaining customers and talented employees. We are subject to income and transaction taxes in the United States and in multiple foreign jurisdictions. As such, changes to applicable tax laws or policies, including interpretations or retroactive applications thereof, could result in a material change in our tax provision, cash taxes paid, and effective tax rate. Furthermore, certain tax laws are inherently ambiguous requiring subjective interpretation on the application thereof. Our interpretation and the corresponding amount of income taxes we pay is, and may in the future continue to be, subject to audits by U. S. federal, state, and local tax authorities and by non- U. S. tax authorities. If these audits result in payments or assessments different from our reserves, our future results may include unfavorable adjustments to our tax liabilities and our financial statements could be adversely affected. Foreign remittance taxes have not been provided for on undistributed earnings of certain of our non- U. S. subsidiaries to the extent such earnings are considered to be indefinitely reinvested in the operations of those subsidiaries. If our intentions regarding reinvestment of such earnings change, or we determine to repatriate earnings from foreign jurisdictions that had previously been considered permanently reinvested under existing accounting standards, then our income tax provision, cash taxes paid, and effective tax rate could increase. In addition, changes by the U. S. in relation to international tax reform could increase uncertainty and may adversely affect our income tax provision, cash taxes paid, and effective tax rate. Comprehensive tax reform was enacted through the Tax Cuts and Jobs Act of 2017 (the “ TCJA ”) which includes numerous provisions that impact U. S. corporate tax rates, business- related exclusions, deductions, and credits. The taxing authorities continue to issue regulations and guidance, some with retrospective application, to the provisions of the TCJA, and we expect this to continue for the foreseeable future. Any future adjustments resulting from retrospective regulations and guidance issued will be considered a discrete income tax expense or benefit in the period guidance is issued. For example, the TCJA eliminated the deduction of certain domestic and foreign research and development expenditures beginning on January 1, 2022 and requires capitalization and amortization of such expenditures over a specified a-period; any revision, regulation, or new guidance to this rule may impact our future income tax provision, cash taxes paid, and effective tax rate. Furthermore, changes in multilateral agreements and the tax laws of foreign jurisdictions could arise as a result of the base erosion and profit shifting project undertaken by the Organisation for Economic Co- operation and Development (the “ OECD ”) and could significantly increase our tax provision, cash taxes paid, and effective tax rate. The OECD has issued significant global tax policy changes that include both expanded reporting as well as technical global tax policy changes and many countries in which we operate have implemented tax law and administrative changes to align with new OECD policies. For example, in October 2021, OECD announced an agreed framework for an expansion of the taxing rights of market countries and to establish a global minimum corporate tax rate. In December 2021, OECD published detailed model rules for a global minimum corporate tax rate of fifteen percent which will require multilateral agreement (s) and / or country- specific legislative action to be effective. A global minimum corporate tax rate and any other implemented changes could significantly increase tax uncertainty due to differing interpretations and increased audit scrutiny. We **could incur significant liability if any of our separation from Danaher, our separation of our Automation and Specialty business or our separation of Vontier (collectively, the “ Separation Transactions ”) is determined to be a taxable transaction.** We have received an opinion from outside tax counsel to the effect that each of the Separation Transactions qualifies as a transaction that is described in Sections 355 (a) and 368 (a) (1) (D) of the Internal Revenue Code. The opinion relies on certain facts, assumptions, representations, and undertakings from the applicable parties regarding the past and future conduct of the companies’ respective businesses and other matters. If any of these facts, assumptions, representations, or undertakings are incorrect or not satisfied, our stockholders and we may not be able to rely on the applicable opinion of tax counsel and could be subject to significant tax liabilities. Notwithstanding the opinion of tax counsel we have received, the IRS could determine on audit that any of the Separation Transactions is taxable if it determines that any of the corresponding facts, assumptions, representations, or undertakings are not correct or have been violated or if it disagrees with the conclusions in any of the applicable opinions. If any of the Separation Transactions is determined to be taxable for U. S. federal income tax purposes, we, as well as our stockholders that are subject to U. S. federal income tax, would incur significant U. S. federal income tax liabilities. We prepare our consolidated financial statements in conformity with generally accepted accounting principles in the United States of America (“ GAAP ”). These principles are subject to interpretation by the Financial Accounting Standards Board (“ FASB ”), the SEC, and various bodies formed to interpret and create appropriate accounting principles and guidance. Any new or amended standards may result in different accounting principles, which may significantly impact our reported results or could result in volatility of our financial results. As of December 31, ~~2022~~ **2023**, the net carrying value of our goodwill and other intangible assets totaled approximately \$ 12. ~~5~~ **3** billion. In accordance with GAAP, we periodically assess these assets to determine if they are impaired. Significant negative industry or economic trends, disruptions to our business, inability to effectively integrate acquired businesses, unexpected significant changes or planned changes in use of our assets, changes in the structure of our business, divestitures, market capitalization declines, or increases in associated

discount rates may impair our goodwill and other intangible assets. Any charges relating to such impairments would adversely affect our results of operations in the periods recognized. Refer to Note 2 and Note 7-6 to the consolidated financial statements for a description of our policies relating to goodwill and acquired intangibles. We have incurred a significant amount of debt, and our debt will increase further if we incur additional debt and do not retire existing debt. As of December 31, 2022-2023, we had approximately \$ 3. 3-7 billion of long- term debt, including the current portion of long- term debt, on a consolidated basis. We may also obtain additional long- term debt and lines of credit to meet future financing needs. Our debt level and related debt service obligations could have negative consequences, including: • requiring us to dedicate significant cash flow from operations to the payment of principal and interest on our debt, which would reduce the funds we have available for other purposes, such as acquisitions; • making it more difficult for us to satisfy our obligations with respect to our debt; • placing us at a competitive disadvantage compared to our competitors that are not as highly leveraged; • limiting our ability to borrow additional funds; • reducing our flexibility in planning for or reacting to changes in our business and market conditions; • exposing us to interest rate risk since a portion of our debt obligations are at variable rates; and • resulting in an event of default if we fail to satisfy our obligations under our debt or fail to comply with the financial or restrictive covenants contained in our debt instruments, which event of default could result in all of our debt becoming immediately due and payable and could permit certain of our lenders to foreclose on our assets securing such debt. Our ability to satisfy our obligations depends on our future operating performance and on economic, financial, competitive, and other factors beyond our control. Our business may not generate sufficient cash flow to meet these obligations. If we are unable to service our debt or obtain additional financing, we may be forced to delay strategic acquisitions, capital expenditures, or research and development expenditures. We may not be able to obtain additional financing on terms acceptable to us or at all. Additionally, the agreements governing our debt require that we maintain certain financial ratios, and contain affirmative and negative covenants that restrict our activities by, among other limitations, limiting our ability to incur additional indebtedness, make investments, create liens, sell assets, and enter into transactions with affiliates. The covenants in our credit agreement include a debt- to- EBITDA ratio. Please refer to Note 11-10 to the consolidated financial statements for additional details. Our ability to comply with these restrictions and covenants may be affected by events beyond our control. Our failure to comply with any of these restrictions or covenants may result in an event of default under the applicable debt instrument, which could permit acceleration of the debt under that instrument and require us to prepay that debt before its scheduled due date. Also, an acceleration of the debt under one of our debt instruments would trigger an event of default under other of our debt instruments. Risk Related to Shareholder Rights Certain provisions in our amended and restated certificate of incorporation and bylaws, and of Delaware law, may prevent or delay an acquisition of our company, which could decrease the trading price of our common stock. Our amended and restated certificate of incorporation (“ Restated Certificate of Incorporation ”) and amended and restated bylaws (“ Amended and Restated Bylaws ”) contain, and Delaware law contains, provisions that are intended to deter coercive takeover practices and inadequate takeover bids and to encourage prospective acquirers to negotiate with the Board of Directors (the “ Board ”) rather than to attempt an unsolicited takeover not approved by the Board. These provisions include, among others: • the inability of our shareholders to act by written consent; • rules regarding how shareholders may present proposals or nominate directors for election at shareholder meetings; • the right of the Board to issue preferred stock without shareholder approval; and • the ability of our directors, and not shareholders, to fill vacancies (including those resulting from an enlargement of the Board) on the Board. In addition, because we have not chosen to be exempt from Section 203 of the Delaware General Corporation Law (the “ DGCL ”), this provision could also delay or prevent a change of control that ~~you~~ **our shareholders** may favor. Section 203 provides that, subject to limited exceptions, persons that acquire, or are affiliated with a person that acquires, more than 15 % of the outstanding voting stock of a Delaware corporation (an “ interested stockholder ”) shall not engage in any business combination with that corporation, including by merger, consolidation, or acquisitions of additional shares, for a three- year period following the date on which the person became an interested stockholder, unless (i) prior to such time, the board of directors of such corporation approved either the business combination or the transaction that resulted in the stockholder becoming an interested stockholder; (ii) upon consummation of the transaction that resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85 % of the voting stock of such corporation at the time the transaction commenced (excluding for purposes of determining the voting stock outstanding (but not the outstanding voting stock owned by the interested stockholder) the voting stock owned by directors who are also officers or held in employee benefit plans in which the employees do not have a confidential right to tender or vote stock held by the plan); or (iii) on or subsequent to such time the business combination is approved by the board of directors of such corporation and authorized at a meeting of shareholders by the affirmative vote of at least two- thirds of the outstanding voting stock of such corporation not owned by the interested stockholder. We believe these provisions will protect our shareholders from coercive or otherwise unfair takeover tactics by requiring potential acquirers to negotiate with the Board and by providing the Board with more time to assess any acquisition proposal. These provisions are not intended to make our company immune from takeovers. However, these provisions will apply even if the offer may be considered beneficial by some shareholders and could delay or prevent an acquisition that the Board determines is not in the best interests of our company and our shareholders. These provisions may also prevent or discourage attempts to remove and replace incumbent directors. Our amended and restated certificate of incorporation designates the state courts in the State of Delaware or, if no state court located within the State of Delaware has jurisdiction, the federal court for the District of Delaware, as the sole and exclusive forum for certain types of actions and proceedings that may be initiated by our shareholders, which could discourage lawsuits against us and our directors and officers. Our amended and restated certificate of incorporation provides that unless the Board otherwise determines, the state courts in the State of Delaware or, if no state court located within the State of Delaware has jurisdiction, the federal court for the District of Delaware, will be the sole and exclusive forum for any derivative action or proceeding brought on behalf of our company, any action asserting a claim of breach of a fiduciary duty owed by any of our directors or officers to our company or our shareholders, any action asserting a claim against our company or any of our directors or officers arising

pursuant to any provision of the DGCL or our amended and restated certificate of incorporation or bylaws, or any action asserting a claim against our company or any of our directors or officers governed by the internal affairs doctrine. This exclusive forum provision may limit the ability of our shareholders to bring a claim in a judicial forum that such shareholders find favorable for disputes with our company or our directors or officers, which may discourage such lawsuits against our company and our directors and officers. This exclusive forum provision would not apply to claims brought to enforce a duty or liability created by the Securities Act, the Exchange Act, or any other claim for which the federal courts have exclusive jurisdiction.