

Retail Solutions Teach-In

November 19, 2021

Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of the federal securities laws. These statements include, but are not limited to statements regarding Vontier Corporation's (the "Company's") business and acquisition opportunities, anticipated revenue growth, anticipated operating margin expansion, anticipated cash flow, and anticipated earnings growth, and any other statements identified by their use of words like "anticipate," "expect," "believe," "outlook," "guidance," or "will" or other words of similar meaning. There are a number of important risks and uncertainties that could cause actual results, developments and business decisions to differ materially from those suggested or indicated by such forward-looking statements and you should not place undue reliance on any such forward-looking statements. These risks and uncertainties include, among other things, the duration and impact of the COVID-19 pandemic, deterioration of or instability in the economy, the markets we serve, international trade policies and the financial markets, contractions or lower growth rates and cyclicality of markets we serve, competition, changes in industry standards and governmental regulations that may adversely impact demand for our products or our costs, our ability to successfully identify, consummate, integrate and realize the anticipated value of appropriate acquisitions and successfully complete divestitures and other dispositions, our ability to develop and successfully market new products, software, and services and expand into new markets, the potential for improper conduct by our employees, agents or business partners, impact of divestitures, contingent liabilities relating to acquisitions and divestitures, impact of changes to tax laws, our compliance with applicable laws and regulations and changes in applicable laws and regulations, risks relating to international economic, political, legal, compliance and business factors, risks relating to potential impairment of goodwill and other intangible assets, currency exchange rates, tax audits and changes in our tax rate and income tax liabilities, the impact of our debt obligations on our operations, litigation and other contingent liabilities including intellectual property and environmental, health and safety matters, our ability to adequately protect our intellectual property rights, risks relating to product, service or software defects, product liability and recalls, risks relating to product manufacturing, our relationships with and the performance of our channel partners, commodity costs and surcharges, our ability to adjust purchases and manufacturing capacity to reflect market conditions, reliance on sole sources of supply, security breaches or other disruptions of our information technology systems, adverse effects of restructuring activities, impact of changes to U.S. GAAP, labor matters, and disruptions relating to man-made and natural disasters. Additional information regarding the factors that may cause actual results to differ materially from these forward-looking statements is available in our SEC filings, including our 2020 Annual Report on Form 10-K. These forward-looking statements represent Vontier's beliefs and assumptions only as of the date of this presentation and Vontier does not assume any obligation to update or revise any forward-looking statement, whether as a result of new information, future events and developments or otherwise.

Non-GAAP Financial Measures

This presentation may contain references to “core revenue growth,” “free cash flow,” "free cash flow conversion," “adjusted free cash flow,” “adjusted free cash flow conversion,” “adjusted operating profit,” “adjusted operating profit margin,” “adjusted core operating margin expansion,” “adjusted net earnings,” “adjusted diluted net earnings per share,” “adjusted EBITDA,” and “net leverage ratio” financial measures which are, in each case, not presented in accordance with generally accepted accounting principles (“GAAP”).

- Core revenue growth refers to the change of total sales calculated according to GAAP but excluding (1) sales from acquired and divested businesses; (2) the impact of currency translation; and (3) certain other items. References to sales attributable to acquisitions or acquired businesses refers to GAAP sales from acquired businesses recorded prior to the first anniversary of the acquisition less the amount of sales attributable to certain divested businesses or product lines not considered discontinued operations. The portion of sales attributable to the impact of currency translation is calculated as the difference between (a) the period-to-period change in sales (excluding sales from acquired businesses) and (b) the period-to-period change in sales, including foreign operations (excluding sales from acquired businesses) after applying the current period foreign exchange rates to the prior year period. The portion of sales attributable to other items is calculated as the impact of those items which are not directly correlated to sales from existing businesses which do not have an impact on the current or comparable period.
- Free cash flow refers to cash flow from operations calculated according to GAAP but excluding capital expenditures. Free cash flow conversion refers to free cash flow divided by net earnings calculated according to GAAP.
  - Adjusted free cash flow refers to free cash flow adjusted for pro-forma interest expense on debt, net of interest income, and standalone and other one-time public company costs. Adjusted free cash flow conversion refers to adjusted free cash flow divided by adjusted net earnings.
- Adjusted operating profit refers to operating profit calculated in accordance with GAAP, but excluding amortization of acquisition-related intangible assets, restructuring costs and other termination costs and severance benefits ("restructuring costs"), transaction- and deal-related costs, amortization of acquisition-related inventory fair value step-up, other charges which represent charges incurred that are not part of our core operating results ("other charges") and asset impairments and is adjusted for standalone and other one-time public company costs. Adjusted operating profit margin refers to adjusted operating profit divided by GAAP sales. Adjusted core operating margin expansion refers to the change in adjusted operating profit margin but excluding (1) the impact on operating profit from acquired and divested businesses and (2) the impact of currency translation. References to the impact of acquisitions and divestitures refer to operating profit from acquired businesses recorded prior to the first anniversary of the acquisition less the amount of operating profit attributable to certain divested businesses or product lines not considered discontinued operations. The portion of operating profit attributable to the impact of currency translation is calculated as the difference between (a) the period-to-period change in operating profit (excluding operating profit from acquired businesses) and (b) the period-to-period change in operating profit, including foreign operations (excluding operating profit from acquired businesses) after applying the current period foreign exchange rates to the prior year period.
- Adjusted net earnings refers to net earnings calculated in accordance with GAAP, but excluding amortization of acquisition-related intangible assets, restructuring costs, transaction- and deal-related costs, amortization of acquisition-related inventory fair value step-up, gains and losses on sales and settlements of property and investments, asset impairments, earnings attributable to noncontrolling interests, other charges and non-cash write-off of deferred financing costs and is adjusted for pro-forma interest expense on debt, net of interest income, standalone and other one-time public company costs, and certain other tax adjustments and applying the Company's overall estimated effective tax rate to the pretax amount of the adjustment, unless the nature of the adjustment and/or the tax jurisdiction in which the adjustment has been recorded requires application of a specific tax rate or tax treatment, in which case the tax effect of such adjustment is estimated by applying such specific tax rate or tax treatment. Adjusted diluted net earnings per share refers to adjusted net earnings divided by the weighted average diluted shares outstanding.
- EBITDA refers to net earnings calculated in accordance with GAAP, excluding, interest, taxes, depreciation, and amortization of acquisition-related intangible assets.
  - Adjusted EBITDA refers to EBITDA excluding restructuring costs, asset impairments, transaction- and deal-related costs, amortization of acquisition-related inventory fair value step-up, gains and losses on sales and settlements of property and investments, one-time costs related to separation, earnings attributable to non controlling interest, other charges and non-cash write-off of deferred financing costs.

The Company has not reconciled the forward-looking statements regarding core revenue growth, adjusted core operating margin expansion and adjusted free cash flow conversion because both the corresponding GAAP measures and the reconciliation thereto would require the Company to make estimates or assumptions about unknown currency impact, unidentified acquisitions and similar adjustments during the relevant period that could not be determined without unreasonable effort. The historical non-GAAP financial measures should not be considered in isolation or as a substitute for the GAAP financial measures but should instead be read in conjunction with the corresponding GAAP financial measures. Further information with respect to and reconciliations of such non-GAAP financial measures to the nearest GAAP financial measure can be found attached to this presentation.

We report our financial results in accordance with GAAP. However, we present certain non-GAAP measures, as described above, which are not recognized financial measures under GAAP, because we believe they assist investors and analysts in comparing our operating performance across reporting periods on a consistent basis by excluding items that we do not believe are indicative of our core operating performance. Management believes these measure are helpful in highlighting trends in our operating results, while other measures can differ significantly depending on long-term strategic decisions regarding capital structure and allocation, the tax jurisdictions in which companies operate and capital investments and acquisitions.

What You Will Hear Today

- **Retail Solutions is a ~$500M high quality portfolio of scale with a long runway of attractive expansion opportunities and secular growth drivers**
  - $3.6B TAM, growing +MSD
  - Moving up the technology stack
  - Consumer experience and customer productivity workflow solutions
- **Well-positioned for unprecedented market evolution and growth**
  - Market leading technologies and brands
  - Deeply embedded data analytics capability
  - Compelling HGM (High Growth Market) runway
  - Multiple vectors to drive accelerated profitable growth
- **We are evolving the Vontier portfolio**
  - Accelerating profitable growth
  - Increasing recurring revenue
  - Reducing ICE exposure


Gilbarco Veeder-Root

Gilbarco Veeder-Root Overview

Overview

- #1 global supplier of solutions for mobility infrastructure
- Customers include the world's leading convenience stores and commercial fleet brands
- Products include fuel dispensers, point-of-sale software, payment systems, cloud services, tank monitoring systems, aftermarket services, and EV chargers
- Approximately 5,500 employees worldwide, with manufacturing facilities in 9 countries
- Headquartered in Greensboro, NC

Strategic Advantages

- Leader in technology for regulatory and infrastructure build-out cycles
- Diverse mix of customers spanning multiple geographies
- Broad range of software solutions enabling the ability to drive additional recurring sales and bigger share-of-wallet
- Growing solution stack for e-mobility infrastructure

Key Growth Initiatives



Capture Regulatory Driven Growth

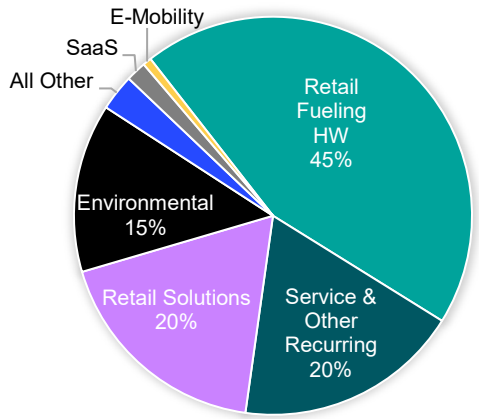
Grow Retail Workflow Solutions

Expand in High-Growth Markets

Grow E-Mobility Offerings

Portfolio At A Glance

Sales by Solution[1,3]



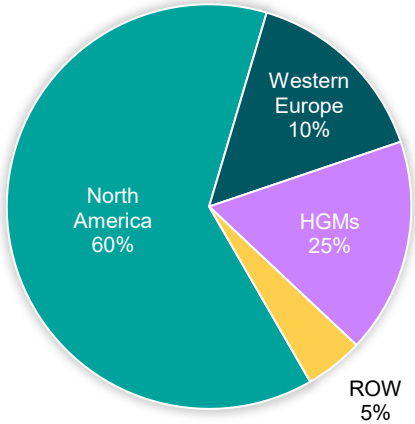
~$2B
Revenue[1]

~$12B
TAM[2]

MSD
Market Growth Rate[2]

Mid-20%
Recurring Revenue[1]

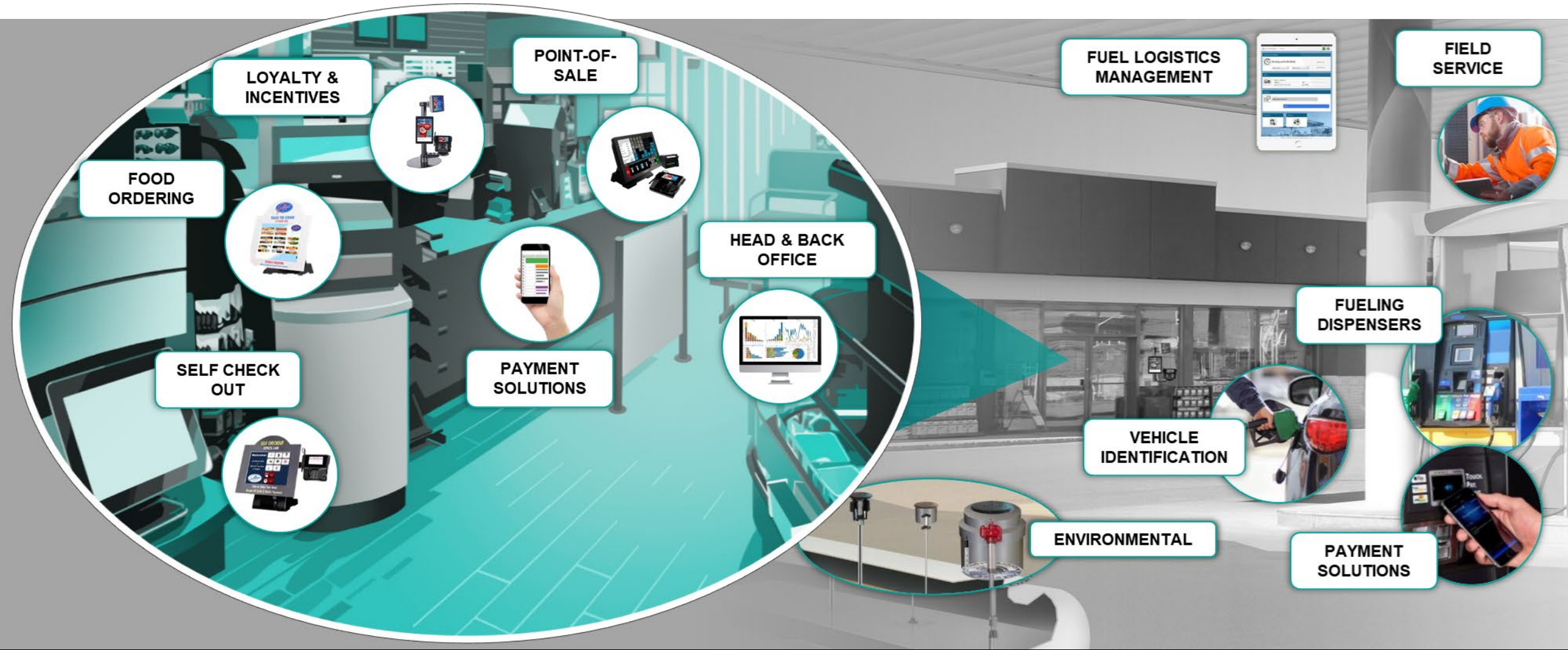
Sales by Geography[1]



[1] Based on 2021F sales
[2] Management estimates of total addressable market and market growth rate
[3] Sales by solution may not add to 100% due to rounding

GILBARCO VEEDER-ROOT

GVR is the Leading Global Provider of Technology Solutions for Convenience Retail



Key Market Dynamics Underpinning Long-Term Growth for GVR

Continued Growth in the Global Car Parc

- The global car parc of ~1.2bn vehicles is expected to grow
- ICE[1] vehicles are expected to remain ~90% of the global car parc through 2030[2]
- EVs represent ~1% of the global car parc today[2]



Retailer Sophistication

- Strategic change in mindset from “gas station” to “retailer”
- Expanding offerings beyond fuel to increase sales and profits
- Increased reliance on software and analytics to improve productivity and consumer experience



HGM Infrastructure Build-Out

- Growing car parc increasing vehicle density in both urban and rural areas
- Fuel retailing networks needing integrated hardware and software solutions to drive productivity



Security & Environmental Regulations

- Air and ground water quality regulations drive adoption of new technologies for petro-fuel sites
- Security requirements for payment systems continues upgrade cycles
- Auto emission regs and growing social awareness leading to adoption of EVs



[1]ICE = Internal combustion engine, [2]Bloomberg NEF’s 2021 Electric Vehicle Outlook

Industry Leading Platform of Technology Solutions for the Convenience Retail Market

Grow Retail Workflow Solutions

GVR's Retail Solutions Portfolio

$2.7B TAM[1] | MSD Growth Rate[1]

Core Offerings



Payment Solutions

#1 Globally



Point-of-Sale Software

#2 In North America



Site Automation Solutions

#1 In HGMs

Expansion of Workflow Solutions



- Mobile Payment Enablement
- Payment Security
- Screen Content



- Self Check Out
- Food Ordering
- Loyalty & Incentives



- Remote Site Management
- Head and Back Office SW
- Vehicle Identification

Key M&A

odyssii

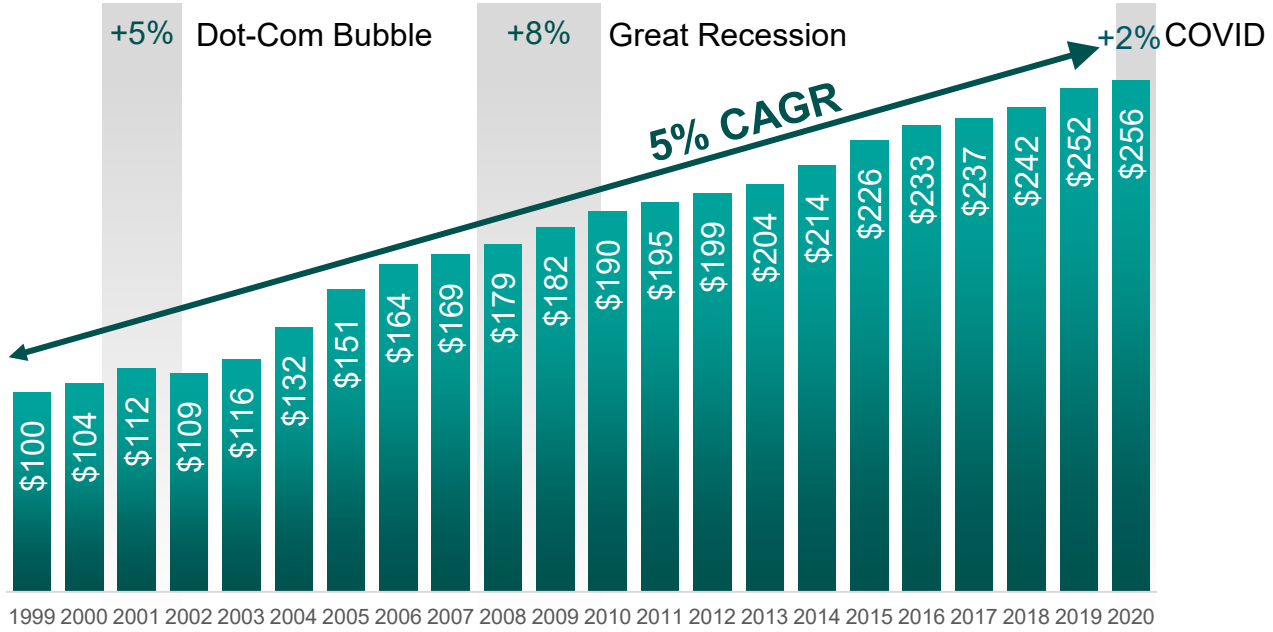
ORPAK

[1] Management estimates of total addressable market and market growth rate

In-Store Sales Have Consistently Grown for ~20 Years, Generating the Majority of Profit for C-Stores

Grow Retail Workflow Solutions

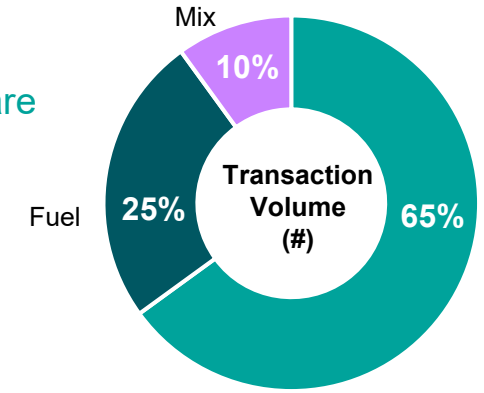
USA C-Store Inside Store Sales Market[1] ($B)



- Resilient growth through multiple economic cycles
- +18% growth in basket size during COVID as consumers purchased more at C-Stores vs. big box retail

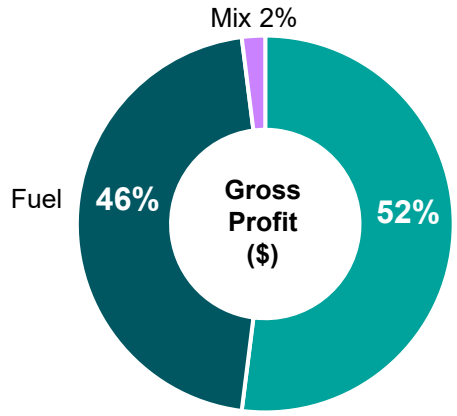
Customer Example[2]: Circle K

Majority of **transactions** are for **In-Store retail…**



In-Store, convenience

Majority of **profits** are from **In-Store retail…**



In-Store, convenience

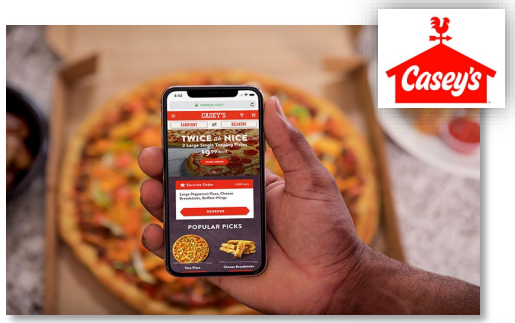
Complexity of integrating fueling operations with diverse mix of In-Store offerings plays to GVR's strengths

[1] NACS Data
[2] Alimentation Couche-Tard Investor Presentation (March 2021)

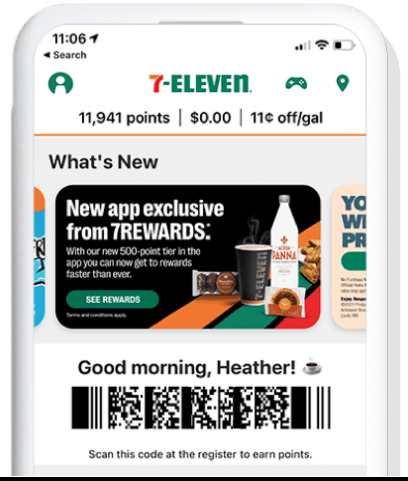
C-Stores Becoming a Destination for Convenience Retail

Grow Retail Workflow Solutions











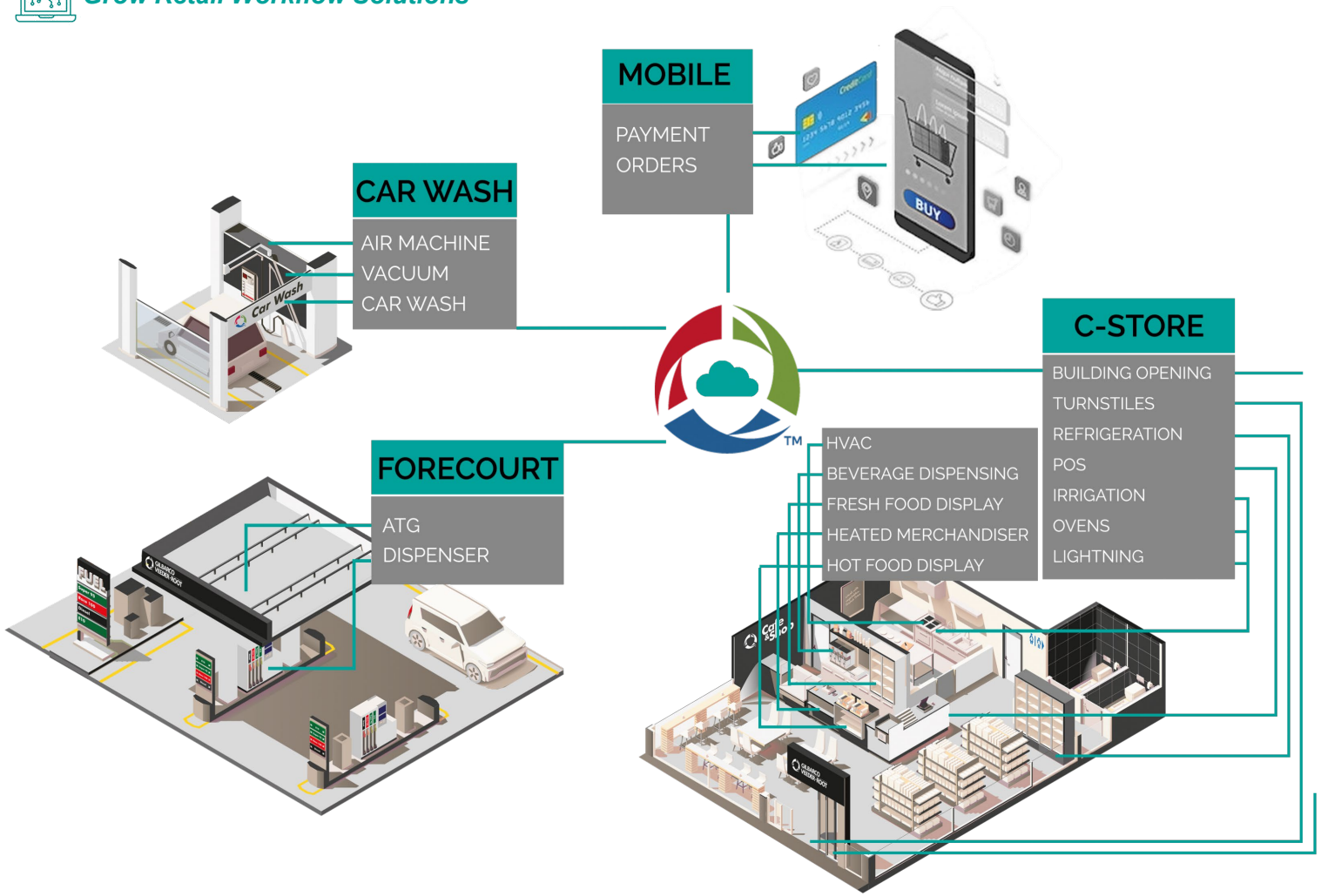
Evolution in Consumer Behavior Driving Convenience as a Concept

- Wawa named “America’s Favorite Sandwich Chain”[1]
- Casey’s is the 5th largest pizza chain in the United States[2]
- 7Eleven has ~25 million members in its loyalty program, growing ~2X in the past decade[3]
- ~56% of millennials say the presence of “scan and go” frictionless checkout influences where they shop vs. 20% for baby boomers[4]
- 60% of millennials will drive to a specific C-Store based on product selection[4]

[1] Market Force Information, Inc. Study (2019)
[2] Barron’s (2021)
[3] CStore Decisions (2019)
[4] Deloitte Fuel Retail Survey (2020)

Complexity of C-Store Ecosystem Increasing as Offerings Expand

Grow Retail Workflow Solutions



Focused on Solving High-Value Customer Needs

- **Operational Efficiency** via data analytics focused on:
  - Increasing device uptime
  - Reducing employee training
  - Lower inventory costs
- **Consumer Experience:** redefining convenience for the omnichannel user:
  - Frictionless check-out
  - Digital payment
  - Loyalty and incentive programs

Case Study: Expanding Share-of-Wallet, Enabled By GVR's Leading Point-of-Sale Position

Grow Retail Workflow Solutions

The Challenge

- Customer needed new point-of-sale solution that allowed for ***frictionless check out and future feature expansion***
- ***Converting the customer from competitor's offering***

MAPLEFIELDS



The Solution

- ***Upgraded*** point-of-sale software
- ***Added*** self-checkout solutions
- ***Identified future roadmap of solutions***



Passport Point-of-Sale



Passport Express Lane

The Impact

Additional Sales at ~2X ORIGINAL PURCHASE

RECURRING SALES from Software & Maintenance

Multiple Avenues for CROSS-SELL & UP-SELL

Case Study: HGMs Driven by Infrastructure Modernization

Grow Retail Workflow Solutions

Expand in High-Growth Markets

The Challenge

- ***Customer needed to modernize point-of-sale software***
- Converting from legacy system with lack of functionally for ***growing In-Store retail*** presence

Sonol



The Solution

- ***Utilized VBS toolkit*** for VOC and software product development
- ***Chose Passport X*** software platform that provides functionality to manage fuel and In-Store retail
- ***Increased efficiency & automation***, eliminating paper-based processes and manual overhead



Passport X

The Impact

Beachhead in HGMs
First Large-Scale Deployment

RECURRING SALES
from Software & Maintenance

Multiple Avenues for CROSS-SELL & UP-SELL

GILBARCO VEEDER-ROOT

Case Study: Improving Operational Efficiency With Remote Site Connectivity

Grow Retail Workflow Solutions

The Challenge

- Upgrades and troubleshooting for on-premise software required service technician on-site
- Increased costs for service calls and delays in upgrades for new functionally and security features



The Solution

- Expansion of Passport service offerings with ***remote site connectivity***
- ***Avoiding "truck rolls" and improving uptime by offering:***
  - Quick deployment of new features
  - Upgrades of security enhancements
  - Remote diagnostics



The Impact

~35,000
Sites Contracted

~85%
Remote Fixes, Increasing Site Uptime

Increased Speed to Market for ADDED FEATURES

Continued Evolution from Fueling to Mobility Solutions Provider

Grow Retail Workflow Solutions ***Grow E-Mobility Offerings***

Expand in High-Growth Markets ***Capture Regulatory Driven Growth***

1920 – 1980

Neighborhood Gas Station

Car repair

Limited retail



1980 – 2020

Rise of The C-Store

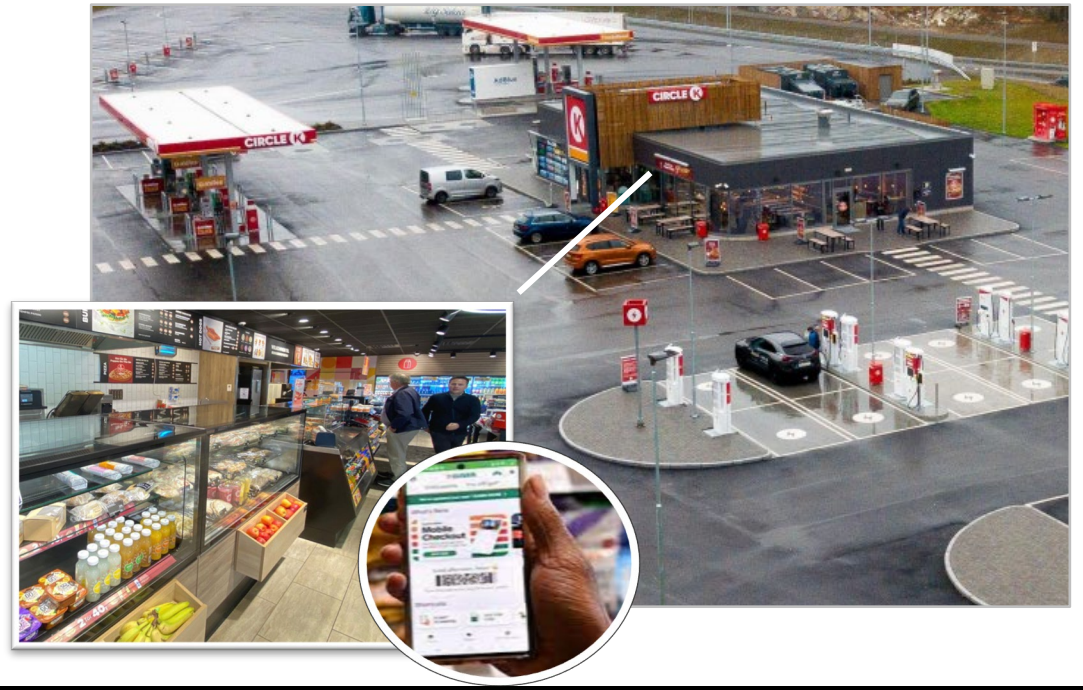
Expansion of C-Store format

Pay at pump



2020 →

Omnichannel Convenience Retail



Summary of GVR

- ***#1 global provider of technology solutions for mobility infrastructure***
- ***Track record of organic growth, disciplined M&A, and margin expansion***
- ***Continued tailwinds from regulatory drivers and build-out of EV charging networks***
- ***Large runway of growth opportunities from HGMs driven by infrastructure upgrades***
- ***Continued growth with expansion of C-Store offerings focused on workflow solutions to improve consumer experience and operational efficiency***


DRB

DRB Overview

Overview

- Market leading integrated technology provider of point-of-sale, workflow software, and control solutions to the attractive car wash industry
- Customers include 19 of the top 20 express car wash platforms; #1 player in tunnel and in-bay. Leading distributor network for in-bay automatic wash market.
- The company's portfolio of trusted brands includes DRB Tunnel Solutions, DRB In-Bay Solutions, Suds™, eGenuity®, Washify®, InvoMax™, Auto Data™ and Sage Microsystems™.
- Approximately 500 employees across North America
- 100% of revenue generated in North America
- Headquartered in Akron, OH

Key Growth Initiatives

Technology Leadership

Recurring Revenue Subscription Model

Data Analytics & Digital Marketing

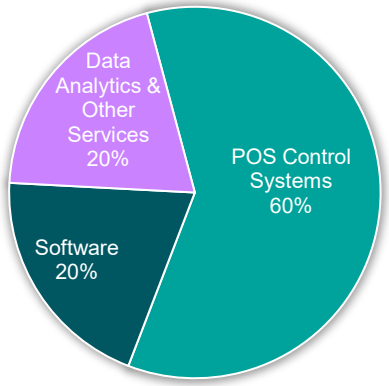
Payment Facilitation

Strategic Advantages

- Industry leader with best-in-class technology platform, support and scale
- Broadest range of fully integrated solutions including digital marketing and data analytics drives high customer ROI
- Deeply embedded in customer workflow
- Compelling value proposition drives 98% site retention and 110%+ net dollar retention
- Seamless tech-stack integration leveraging deep technology roots

Portfolio At A Glance

Sales by Solution[1]



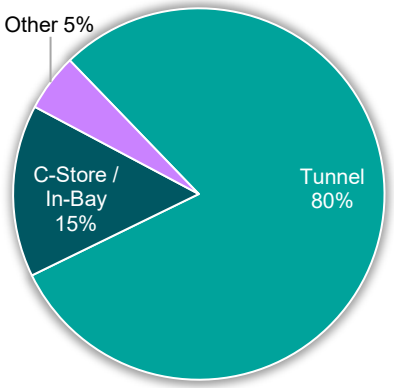
~$170M
Revenue[1]

$900M
TAM[2]

MSD
Market Growth Rate[2]

~40%
Recurring Revenue[1]

Installed Base[1]



[1]Based on 2021F sales
[2]Management estimates of total addressable market and market growth rate

End-to-End Integrated Suite of Industry Leading Solutions

#1 Software

- **A** — **POS Technology** — Software & Hardware
- **B** — **Control Systems** — Software & Hardware

#1 Workflow

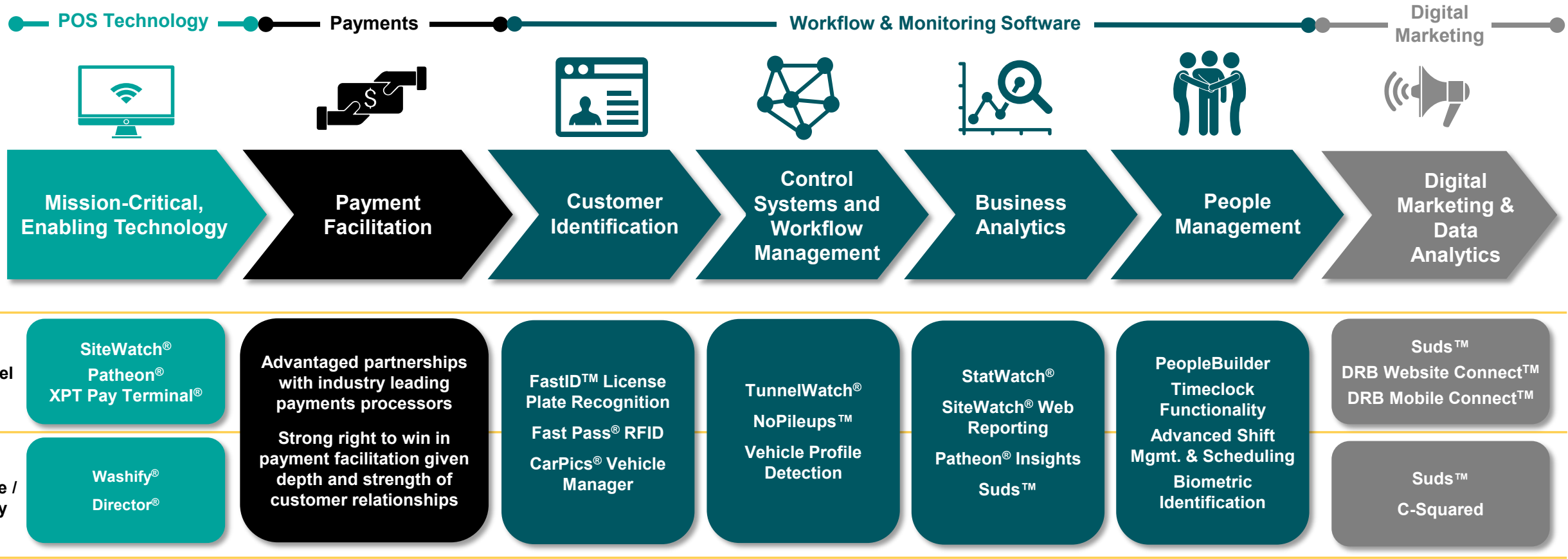
- **C** — **Customer ID** — Workflow & Monitoring
- **D** — **Tech Enablement** — Workflow, Monitoring & Payment Facilitation

#1 Insights

- **E** — **Consumer Digital** — Digital Marketing & Mobile
- **F** — **Operator Analytics** — Business & Data Analytics
- **G** — **Workforce Mgmt.** — Scheduling, Timeclock & Training



DRB Offerings are Deeply Embedded in Daily Workflows



Secular Tailwinds Driving MSD Market Growth

Industry Consolidation

- Strong inflow of PE money in car washes resulting in top players growing aggressively through acquisitions and greenfield expansions
- Research shows ample room from growth in sites in all regions



Shift from Full Service to Express

- 85%+ of new builds are express wash driven by higher throughput and lower fixed opex
- Consumer preference for faster, convenient experience; price conscious
- Increased importance of employee health & safety



Robust New Build Growth and Upgrades

- Expect tunnel car wash market to realize ~10K upgrades and new builds over the next 5 years; Estimated annual new builds ~500-600
- Large white space for penetration to automated sites



Retailer Sophistication

- Shift towards predictable subscription model
- Higher digital marketing spend
- New technology solutions emerging for better workflow management
- Shorter technology upgrade cycles



Source:: Estimates based on Carwash.com, Carwash.org, IbisWorld, Expert Interviews

Best-in-Class Control System Defined the Industry Standard

Technology Leadership

SiteWatch® Mission-Critical Car Wash Technology

Differentiated POS and Workflow Software…

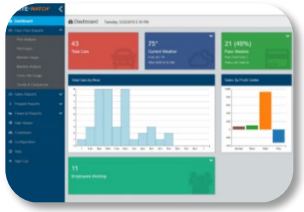
- Monitor real-time operating metrics and make data-based decisions
- Seamless credit card clearing, inventory management and labor scheduling
- Custom, site-level reports and data visualization
- Numerous modules supported, providing the ability to tailor offerings to meet individual customer needs



Xpress Pay Terminals®



Tablet POS

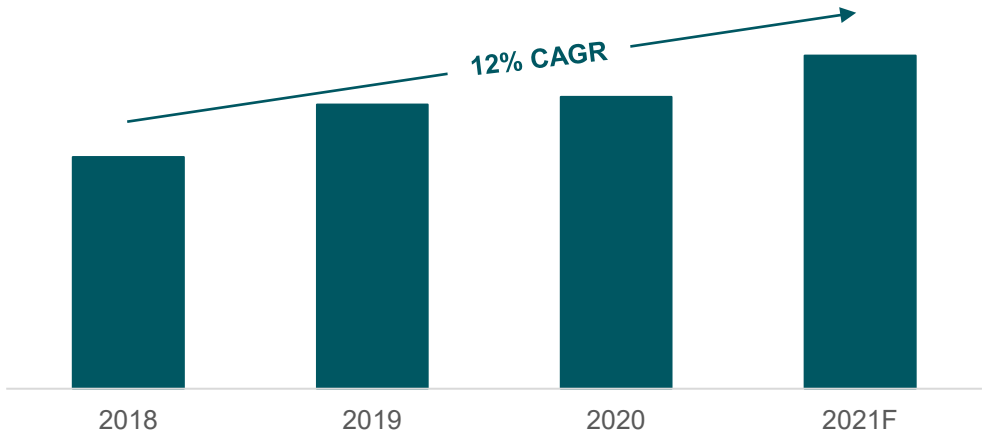


Cloud-Based Operator Reporting

…with a Clear Market Leadership Position

- Active site base of ~3,400 systems, the largest in the tunnel car wash industry
- Partner of choice for 19 of the top 20 largest retail car wash tunnel operators

Number of Active Sites(1)



(1) Reflects Core DRB Maintenance.

Clear Path to Accelerate Shift to Recurring Revenue

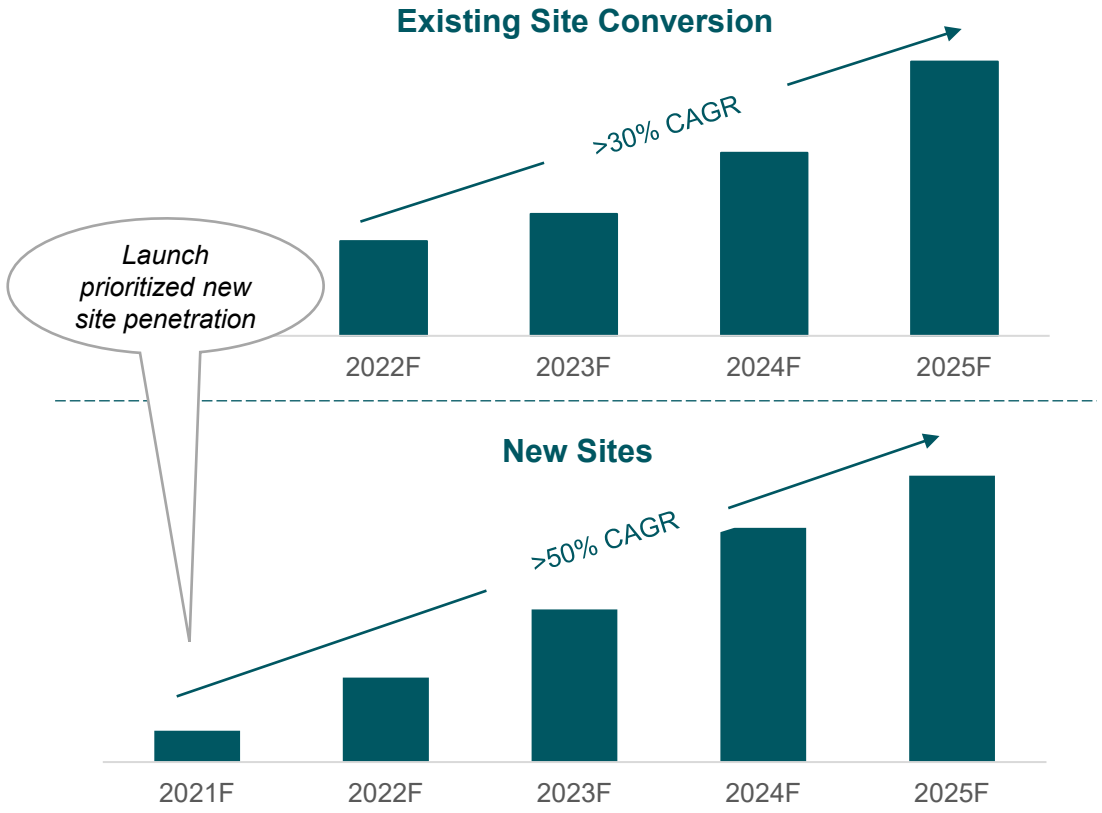
Recurring Revenue Subscription Model

Patheon® – The New Gold Standard in Workflow Software…

- Best-of-breed cloud-based technology software platform
- Flexible, scalable enterprise system with a modern architecture and data structure that transforms the car wash POS experience

	Key Features	Key Benefits
Infrastructure	Centralized Management	Infinite Scale, Reduced Management Overhead
Data	Powerful Business Intelligence Tool Integration	Advanced Analytics, Reporting and Future Machine Learning Opportunities
Application	Modern Responsive Web Solution	Rapid Introduction of New Features and Integrations

…Drives Recurring Revenue / Subscription Penetration



Retailer Sophistication Driving Adoption of Digital Solutions

Data Analytics & Digital Marketing

Unrivaled Digital Marketing and Consumer Data Analytics Platform Enabling DRB Customers to Maximize ROI ('We Sweat Your Assets')

4x
Higher capture rate when customer visits site at least **2x** in **45 days**

5,000
Subscription members **3x faster** than industry average

20%
Uplift in the average **subscription tickets sold**

2x
Higher Click Thru Rate ("CTR") vs. industry average

Customer Insights

- Behavior-triggered, individualized and automated consumer marketing
- Marketing campaign revenue attribution

Location Analysis

- Scoring system based on over 360 demographic, geographic, and behavioral data points
- Statistical Similarity Assessment allows for site comparison to hundreds of site openings to optimize marketing efforts

Predictive & Prescriptive Analytics

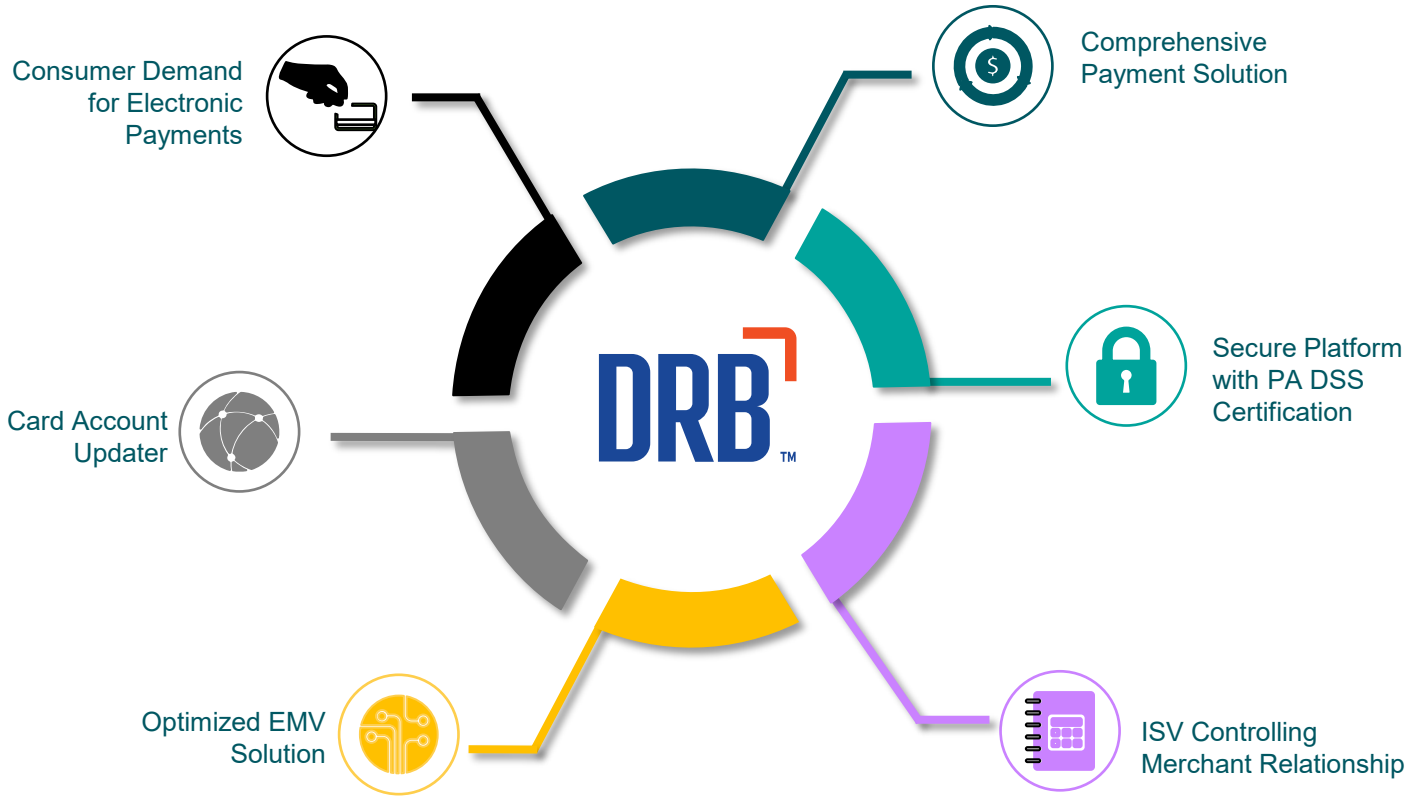
- Pricing evaluations using predictive analytics based on millions of customer transactions
- Prescriptive promotional recommendations

Creative

- Influencing customer purchase decisions using design psychology
- Focus on consumer experiences – on-site, in-tunnel, mobile, and digital

Differentiated Integrated Payments Platform

Payment Facilitation



Integrated, Comprehensive, Secure Payments Solution Enables DRB to Manage Complex, Recurring Payments Volume Across End Markets and Solutions

Key Attributes

- Advantaged by strong processor relationships and gain leverage from a large installed base of POS systems
- Experts in managing recurring payments with agile integration capabilities for new features
- Differentiated provider of card account updater functionality with high merchant ROI amid growing shift to subscription consumers
- 100% fall-through with revenue share model

Summary of DRB

- ***Clear industry leader with best-in-class technology platform and unmatched scale***
- ***Well-positioned for unprecedented car wash market evolution and growth***
- ***Consumer data thought leadership & insights and digital marketing solutions address growing needs of more sophisticated retailer***
- ***Poised to accelerate recurring/subscription revenue growth with next generation workflow software platform***
- ***Multiple vectors to drive accelerated profitable growth***

Committed to Delivering Profitable Growth & Compounding Returns

- **Expect 2022 total revenue growth +MSD**
  - Profitable growth initiatives expected to drive margin expansion and FCF growth
- **Advancing portfolio diversification strategy toward long-term secular growth drivers**
  - Retailer sophistication, economy of convenience, digital transformation, infrastructure build-out, transitioning car parc, and sustainability
- **Strategic platforms with meaningful organic and inorganic expansion opportunities**
  - Anticipate ~$2B of M&A capacity over the next 2 to 3 years; combination of near adjacencies and strategic targets
- **Growing into a more focused, higher quality, industrial technology company**

Retail Solutions Q&A Panel



Mark Morelli
President & CEO



David Naemura
SVP & CFO



Aaron Saak
President GVR



Dan Pittman
President DRB



Lisa Curran
VP Investor Relations

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