UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 FOR THE QUARTERLY PERIOD ENDED** OCTOBER 31, 2019 **OR**

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 FOR THE TRANSITION PERIOD FROM _____ TO _____.**

Commission File Number **1-7891**

DONALDSON COMPANY, INC.

(Exact name of registrant as specified in its charter)

Delaware	**41-0222640**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

1400 West 94th Street
Minneapolis, Minnesota 55431
(Address of principal executive offices, including zip code)

Registrant's telephone number, including area code: **(952) 887-3131**

Not Applicable
(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $5.00 par value	DCI	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ☒ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). ☒ Yes ☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
Emerging growth company	☐		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
☐ Yes ☒ No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: common stock, $5 par value - 126,560,779 shares as of November 30, 2019.

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

DONALDSON COMPANY, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS
(In millions, except per share amounts)
(Unaudited)

	Three Months Ended October 31,	
	2019	**2018**
Net sales	$ 672.7	$ 701.4
Cost of sales	441.4	463.0
Gross profit	231.3	238.4
Operating expenses	142.6	139.7
Operating income	88.7	98.7
Interest expense	4.7	4.2
Other income, net	(2.6)	(1.9)
Earnings before income taxes	86.6	96.4
Income taxes	21.6	22.6
Net earnings	$ 65.0	$ 73.8
Weighted average shares – basic	126.9	128.8
Weighted average shares – diluted	128.6	131.0
Net earnings per share – basic	$ 0.51	$ 0.57
Net earnings per share – diluted	$ 0.51	$ 0.56

See Notes to Condensed Consolidated Financial Statements.

DONALDSON COMPANY, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In millions)
(Unaudited)

	Three Months Ended October 31,	
	2019	**2018**
Net earnings	$ 65.0	$ 73.8
Other comprehensive income (loss):		
Foreign currency translation income (loss)	8.1	(24.2)
Pension liability adjustment, net of deferred taxes of $0.1 and $(0.4), respectively	0.8	1.6
Derivatives:		
Gain on hedging derivatives, net of deferred taxes of $0.2 and $(0.2), respectively	0.3	0.5
Reclassifications of losses on hedging derivatives to net income, net of taxes of $(0.7) and $0, respectively	1.2	—
Total derivatives	1.5	0.5
Net other comprehensive income (loss)	10.4	(22.1)
Comprehensive income	$ 75.4	$ 51.7

See Notes to Condensed Consolidated Financial Statements.

DONALDSON COMPANY, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(In millions, except share amounts)
(Unaudited)

	October 31, 2019	July 31, 2019
Assets		
Current assets:		
Cash and cash equivalents	$ 210.0	$ 177.8
Accounts receivable, less allowance of $4.9 and $4.8, respectively	501.5	529.5
Inventories, net	361.5	332.8
Prepaid expenses and other current assets	86.1	82.5
Total current assets	1,159.1	1,122.6
Property, plant and equipment, net	606.2	588.9
Right-of-use lease assets	79.3	—
Goodwill	307.9	303.1
Intangible assets, net	71.2	70.9
Deferred income taxes	14.0	14.2
Other long-term assets	45.6	42.9
Total assets	$ 2,283.3	$ 2,142.6
Liabilities and shareholders' equity		
Current liabilities:		
Short-term borrowings	$ 60.9	$ 2.1
Current maturities of long-term debt	50.0	50.2
Trade accounts payable	229.1	237.5
Current lease liabilities	24.8	—
Other current liabilities	166.3	193.1
Total current liabilities	531.1	482.9
Long-term debt	596.8	584.4
Non-current income taxes payable	111.4	110.9
Deferred income taxes	17.0	13.2
Long-term lease liabilities	54.4	—
Other long-term liabilities	44.9	48.5
Total liabilities	1,355.6	1,239.9
Commitments and contingencies (Note 15)		
Redeemable non-controlling interest	10.7	10.0
Shareholders' equity:		
Preferred stock, $1.00 par value, 1,000,000 shares authorized, none issued	—	—
Common stock, $5.00 par value, 240,000,000 shares authorized, 151,643,194 shares issued	758.2	758.2
Retained earnings	1,346.0	1,281.5
Non-controlling interest	5.4	5.4
Stock-compensation plans	15.1	21.7
Accumulated other comprehensive loss	(182.5)	(192.9)
Treasury stock, 25,166,367 and 24,324,483 shares, respectively, at cost	(1,025.2)	(981.2)
Total shareholders' equity	917.0	892.7
Total liabilities and shareholders' equity	$ 2,283.3	$ 2,142.6

See Notes to Condensed Consolidated Financial Statements.

DONALDSON COMPANY, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In millions)
(Unaudited)

	Three Months Ended October 31,	
	2019	**2018**
Operating Activities		
Net earnings	$ 65.0	$ 73.8
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation and amortization	21.2	19.3
Deferred income taxes	3.1	(0.4)
Stock-based compensation expense	6.6	6.9
Other, net	7.1	(1.0)
Changes in operating assets and liabilities, excluding effect of acquired business	(16.9)	(35.3)
Net cash provided by operating activities	86.1	63.3
Investing Activities		
Net expenditures on property, plant and equipment	(37.1)	(28.2)
Acquisitions, net of cash acquired	—	(96.0)
Net cash used in investing activities	(37.1)	(124.2)
Financing Activities		
Proceeds from long-term debt	122.9	135.0
Repayments of long-term debt	(111.1)	(14.5)
Change in short-term borrowings	58.2	32.1
Purchase of treasury stock	(65.0)	(80.9)
Dividends paid	(26.6)	(24.4)
Tax withholding payments for stock compensation transactions	(4.1)	(2.2)
Exercise of stock options	11.0	16.2
Net cash (used in) provided by financing activities	(14.7)	61.3
Effect of exchange rate changes on cash	(2.1)	(5.2)
Increase (decrease) in cash and cash equivalents	32.2	(4.8)
Cash and cash equivalents, beginning of period	177.8	204.7
Cash and cash equivalents, end of period	$ 210.0	$ 199.9
Supplemental Cash Flow Information		
Cash paid during the year for:		
Income taxes	$ 11.4	$ 12.3
Interest	$ 5.6	$ 4.1
Supplemental disclosure of non-cash investing transactions		
Accrued property, plant and equipment additions	$ 16.6	$ 11.4

See Notes to Condensed Consolidated Financial Statements.

DONALDSON COMPANY, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(In millions, except per share amounts)
(Unaudited)

	Common Stock	Additional Paid-in Capital	Retained Earnings	Non-Controlling Interest	Stock Compensation Plans	Accumulated Other Comprehensive Loss	Treasury Stock	Total
Balance July 31, 2019	$ 758.2	$ —	$ 1,281.5	$ 5.4	$ 21.7	$ (192.9)	$ (981.2)	$ 892.7
Net earnings			65.0					65.0
Other comprehensive income						10.4		10.4
Treasury stock acquired							(65.0)	(65.0)
Dividends declared			0.2					0.2
Stock compensation and other activity			(0.7)		(6.6)		21.0	13.7
Balance October 31, 2019	$ 758.2	$ —	$ 1,346.0	$ 5.4	$ 15.1	$ (182.5)	$ (1,025.2)	$ 917.0
Balance July 31, 2018	$ 758.2	$ —	$ 1,122.1	$ 4.8	$ 21.3	$ (149.8)	$ (898.8)	$ 857.8
Net earnings			73.8					73.8
Other comprehensive loss						(22.1)		(22.1)
Treasury stock acquired							(80.9)	(80.9)
Dividends declared			0.2					0.2
Stock compensation and other activity			(3.5)		(0.1)		29.2	25.6
Balance October 31, 2018	$ 758.2	$ —	$ 1,192.6	$ 4.8	$ 21.2	$ (171.9)	$ (950.5)	$ 854.4

See Notes to Condensed Consolidated Financial Statements.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)

Note 1. Summary of Significant Accounting Policies

Basis of Presentation The accompanying unaudited Condensed Consolidated Financial Statements of Donaldson Company, Inc. and its subsidiaries (the Company) have been prepared in accordance with generally accepted accounting principles in the United States (GAAP) and the instructions to Form 10-Q and Rule 10-01 of Regulation S-X. Accordingly, they do not include all of the information and notes required for complete financial statements. In the opinion of management, all adjustments considered necessary for a fair statement of earnings, comprehensive income, financial position, cash flows and shareholders' equity have been included and are of a normal recurring nature. Operating results for the three month period ended October 31, 2019 are not necessarily indicative of the results that may be expected for future periods. The year-end Condensed Consolidated Balance Sheet information was derived from the Company's Audited Financial Statements but does not include all disclosures required by GAAP. For further information, refer to the Audited Consolidated Financial Statements and Notes thereto included in the Company's Annual Report on Form 10-K for the year ended July 31, 2019.

New Accounting Standards Recently Adopted In February 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-02, *Leases (Topic 842)* (ASU 2016-02), which requires lessees to recognize right-of-use assets and lease liabilities for substantially all leases. This accounting guidance was effective for the Company in the beginning of the first quarter of fiscal 2020 on a modified retrospective basis. In December 2018, the FASB issued ASU 2018-20, *Leases (Topic 842) Narrow-Scope Improvements for Lessors* (ASU 2018-20), which amends ASU 2016-02, to provide additional guidance on accounting for certain expenses such as property taxes and insurance paid on behalf of the lessor by the lessee. The Company adopted ASU 2016-02 in the first quarter of fiscal 2020, and increased assets and liabilities by $71.5 million, as of August 1, 2019. Refer to Note 17 for further discussion.

In February 2018, the FASB issued ASU 2018-02, *Income Statement - Reporting Comprehensive Income (Topic 220): Reclassification of Certain Tax Effects from Accumulated Other Comprehensive Income* (ASU 2018-02). The guidance allows a company to elect to reclassify from accumulated other comprehensive income (AOCI) to retained earnings the stranded tax effects from the adoption of the new federal corporate tax rate that became effective January 1, 2018 as a result of the U.S. Tax Cuts and Jobs Act (TCJA). The amount of the reclassification is calculated as the difference between the amount initially charged to other comprehensive income (OCI) at the previously enacted tax rate that remains in AOCI and the amount that would have been charged using the newly enacted tax rate, excluding any valuation allowance prior to tax reform. The Company adopted ASU 2018-02 in the first quarter of fiscal 2020 and elected to not reclassify tax effects stranded in accumulated other comprehensive loss. As such, there is no impact on the Company's Condensed Consolidated Financial Statements.

New Accounting Standards Not Yet Adopted In June 2016, the FASB issued ASU 2016-13, *Measurement of Credit Losses on Financial Instruments* (ASU 2016-13). In November 2018, the FASB issued update ASU 2018-19 that clarifies the scope of the standard in the amendments in ASU 2016-13. This guidance introduces a new model for recognizing credit losses on financial instruments based on an estimate of current expected credit losses. Financial instruments impacted include accounts receivable, trade receivables, other financial assets measured at amortized cost and other off-balance sheet credit exposures. The new guidance is effective for the Company beginning in the first quarter of fiscal 2021, with early adoption permitted. The Company is evaluating the impact of the adoption of ASU 2016-13 on its Consolidated Financial Statements.

In April 2019, the FASB issued ASU 2019-04, *Codification Improvements to Topic 326, Financial Instruments - Credit Losses, Topic 815 Derivatives and Hedging* and *Topic 825, Financial Instruments* (ASU 2019-04). This guidance clarifies the recently issued standards on credit losses (Topic 326), derivatives and hedging (Topic 815), and recognition and measurement of financial instruments (Topic 825). The new guidance is effective for the Company beginning in the first quarter of fiscal 2021. The Company is evaluating the impact of the adoption of ASU 2019-04 on its Consolidated Financial Statements.

Note 2. Acquisitions

In the first quarter of fiscal 2019, the Company acquired 88% of the shares of BOFA International LTD (BOFA), headquartered in the United Kingdom, for cash consideration of $98.2 million less cash acquired of $2.2 million. In the fourth quarter of 2019, the Company acquired an additional 3% of the shares, increasing its ownership to 91%. BOFA designs, develops and manufactures fume extraction systems across a wide range of industrial air filtration applications. The acquisition allowed the Company to accelerate its global growth in the fume collection business and add additional filtration technology to the Company's existing product lines.

Note 3. Supplemental Balance Sheet Information

The components of net inventories are as follows (in millions):

	October 31, 2019	July 31, 2019
Raw materials	$ 116.0	$ 114.7
Work in process	36.3	33.0
Finished products	209.2	185.1
Inventories, net	$ 361.5	$ 332.8

The components of net property, plant and equipment are as follows (in millions):

	October 31, 2019	July 31, 2019
Land	$ 24.3	$ 24.2
Buildings	328.3	325.3
Machinery and equipment	824.9	813.5
Computer software	143.4	142.8
Construction in progress	133.2	114.3
Less: accumulated depreciation	(847.9)	(831.2)
Property, plant and equipment, net	$ 606.2	$ 588.9

Note 4. Earnings Per Share

The Company's basic net earnings per share is computed by dividing net earnings by the weighted average number of outstanding common shares. The Company's diluted net earnings per share is computed by dividing net earnings by the weighted average number of outstanding common shares and common share equivalents relating to stock options and stock incentive plans. Certain outstanding options were excluded from the diluted net earnings per share calculations because their exercise prices are greater than the average market price of the Company's common stock during those periods. Options excluded from the diluted net earnings per share calculations were 1.7 million and 0.8 million for the three months ended October 31, 2019 and 2018, respectively.

The following table presents the information necessary to calculate basic and diluted net earnings per share (in millions, except per share amounts):

	Three Months Ended October 31,	
	2019	2018
Net earnings for basic and diluted earnings per share computation	$ 65.0	$ 73.8
Weighted average common shares outstanding:		
Weighted average common shares – basic	126.9	128.8
Dilutive impact of share-based awards	1.7	2.2
Weighted average common shares – diluted	128.6	131.0
Net earnings per share – basic	$ 0.51	$ 0.57
Net earnings per share – diluted	$ 0.51	$ 0.56

Note 5. Goodwill and Other Intangible Assets

Goodwill is assessed for impairment annually, or more frequently if events or changes in circumstances indicate that the asset may be impaired. The Company performed its annual impairment assessment during the third quarter of fiscal 2019 and did not record any impairment as a result of this assessment.

The following is a reconciliation of goodwill by reportable segment for the three months ended October 31, 2019 (in millions):

	Engine Products	Industrial Products	Total Goodwill
Balance as of July 31, 2019	$ 84.5	$ 218.6	$ 303.1
Goodwill acquired	—	—	—
Currency translation	(0.1)	4.9	4.8
Balance as of October 31, 2019	$ 84.4	$ 223.5	$ 307.9

The following table summarizes the net intangible asset classes as of October 31, 2019 (in millions):

	Gross Carrying Amount	Accumulated Amortization
Customer relationships	$ 103.6	$ (45.1)
Patents, trademarks and technology	22.8	(10.1)
Total other intangible assets, net	$ 126.4	$ (55.2)

The following table summarizes the net intangible asset classes as of July 31, 2019 (in millions):

	Gross Carrying Amount	Accumulated Amortization
Customer relationships	$ 101.5	$ (43.3)
Patents, trademarks and technology	22.3	(9.6)
Total other intangible assets, net	$ 123.8	$ (52.9)

Note 6. Revenue

The Company recognizes revenue on a wide range of filtration solutions sold to customers in many industries around the globe. Most of the Company's performance obligations within customer sales contracts are for manufactured filtration systems and replacement parts. The Company does perform limited services and installation. Customer contracts may include multiple performance obligations and the transaction price is allocated to each distinct performance obligation based on its relative standalone selling price.

Revenue Disaggregation

Net sales disaggregated by geography based on the location where the customer's order was placed are as follows (in millions):

	Three Months Ended October 31,	
	2019	2018
United States	$ 286.9	$ 305.1
Europe, Middle East and Africa	194.8	196.3
Asia Pacific	133.5	147.3
Latin America	57.5	52.7
Total net sales	$ 672.7	$ 701.4

See Note 16 for net sales disaggregated by segment.

Contract Assets and Liabilities

The satisfaction of performance obligations and the resulting recognition of revenue typically corresponds with billing the customer. In limited circumstances, the customer may be billed at a time later than when revenue is recognized, resulting in contract assets, which are reported in prepaid expenses and other current assets on the Condensed Consolidated Balance Sheets. Contract assets were $11.8 million and $12.4 million as of October 31, 2019 and July 31, 2019, respectively. In other limited circumstances, the Company will require a down payment from the customer prior to the satisfaction of performance obligations. This results in contract liabilities, or deferred revenue, which is reported in other current liabilities on the Condensed Consolidated Balance Sheets, depending on when revenue is expected to be recognized. Contract liabilities were $13.6 million and $10.4 million as of October 31, 2019 and July 31, 2019, respectively.

The Company will recognize revenue in future periods related to remaining performance obligations for certain open contracts. Generally, these contracts have terms of one year or less. The amount of revenue related to unsatisfied performance obligations in which the original duration of the contract is greater than one year is not significant.

Note 7. Warranty

The Company estimates warranty expense on certain products at the time of sale. The following is a reconciliation of warranty reserves for the three months ended October 31, 2019 and 2018 (in millions):

	Three Months Ended October 31,	
	2019	**2018**
Balance at beginning of period	$ 11.2	$ 18.9
Accruals for warranties issued during the reporting period	0.4	0.3
Accruals related to pre-existing warranties (including changes in estimates)	(0.3)	(0.4)
Less: settlements made during the period	(1.0)	(1.7)
Balance at end of period	$ 10.3	$ 17.1

There were no material specific warranty matters accrued for or significant settlements made in the three months ended October 31, 2019 or 2018.

Note 8. Stock-Based Compensation

On November 22, 2019, at the Company's 2019 Annual Meeting of Stockholders, the Company's stockholders approved the adoption of the 2019 Master Stock Incentive Plan (2019 Plan). As of November 22, 2019, the 2019 Plan replaced the 2010 Master Stock Incentive Plan (2010 Plan).

The 2010 Plan allowed, and the 2019 plan currently allows, for granting of nonqualified stock options, incentive stock options, restricted stock, restricted stock units, stock appreciation rights, dividend equivalents, and other stock-based awards.

Stock Options

Options are granted to key employees whereby the option exercise price is equivalent to the market price of the Company's common stock at the date of grant. Options are generally exercisable for up to 10 years from the date of grant and vest in equal increments over three years.

The following table summarizes expense associated with stock options during the three months ended October 31, 2019 and 2018 (in millions):

	Three Months Ended October 31,	
	2019	**2018**
Pretax compensation expense associated with stock options	$ 5.3	$ 4.9
Tax benefits associated with stock options	$ 1.1	$ 1.1

Stock-based employee compensation expense is recognized using the fair-value method. The Company determines the fair value of stock option awards using the Black-Scholes option pricing model.

The following table summarizes stock option activity during the three months ended October 31, 2019:

	Options Outstanding	Weighted Average Exercise Price
Outstanding as of July 31, 2019	6,531,250	$ 39.66
Granted	879,541	51.61
Exercised	(389,551)	28.71
Canceled	(17,996)	49.98
Outstanding as of October 31, 2019	7,003,244	$ 41.74

The total intrinsic value of options exercised during the three months ended October 31, 2019 was $8.9 million. The weighted average fair value for options granted during the three months ended October 31, 2019 and 2018 was $10.85 and $12.43 per share, respectively.

As of October 31, 2019, the aggregate intrinsic value of options outstanding and exercisable was $82.2 million and $75.8 million, respectively.

As of October 31, 2019, there was $12.0 million of total unrecognized compensation expense related to non-vested stock options granted. This unvested expense is expected to be recognized over the remaining vesting period.

Performance-based awards

The 2010 Plan allowed, and the 2019 plan currently allows, for the granting of performance-based awards to a limited number of key executives. As administered by the Human Resources Committee of the Company's Board of Directors, these performance-based awards are payable in common stock and are based on a formula that measures performance of the Company over a three-year period. These awards are settled or forfeited after three years with payouts ranging from zero to 200% of the target award value depending on achievement.

The following table summarizes expense associated with performance-based awards during the three months ended October 31, 2019 and 2018 (in millions):

	Three Months Ended October 31,	
	2019	2018
Pretax compensation expense associated with performance-based awards	$ 0.9	$ 1.7

The following table summarizes performance-based award activity during the three months ended October 31, 2019:

	Performance Shares Outstanding	Weighted Average Grant Date Fair Value
Non-vested at July 31, 2019	174,100	$ 52.87
Granted	100,500	51.61
Vested	—	—
Canceled/forfeited	—	—
Non-vested at October 31, 2019	274,600	$ 52.41

The weighted average fair value for performance-based awards granted during the three months ended October 31, 2019 was $5.2 million.

As of October 31, 2019, there was $6.0 million of total unrecognized compensation expense related to non-vested performance-based awards granted. This unvested expense is expected to be recognized over the remaining vesting period.

Note 9. Employee Benefit Plans

The Company and certain of its international subsidiaries have defined benefit pension plans for many of their hourly and salaried employees. There are two types of U.S. plans. The first type of U.S. plan (Hourly Pension Plan) is a traditional defined benefit pension plan primarily for union production employees. The second plan (Salaried Pension Plan) is for some salaried and non-union production employees that provides defined benefits pursuant to a cash balance feature whereby a participant accumulates a benefit comprised of a percentage of current salary that varies with years of service, interest credits and transition credits. The Company no longer allows entrants into the U.S. Salaried Pension Plan and the employees no longer accrue Company contribution credits under the plan. Instead, eligible employees receive a 3% annual Company retirement contribution to their 401(k) in addition to the Company's normal 401(k) match. The non-U.S. plans generally provide pension benefits based on years of service and compensation level. Components of net periodic benefit cost other than the service cost component are included in other income, net in the Condensed Consolidated Statements of Earnings.

Net periodic benefit costs for the Company's pension plans include the following components (in millions):

	Three Months Ended October 31,	
	2019	**2018**
Net periodic benefit costs:		
Service cost	$ 1.6	$ 1.5
Interest cost	3.4	4.1
Expected return on assets	(6.5)	(6.6)
Prior service cost amortization	0.2	0.1
Actuarial loss amortization	1.6	1.1
Net periodic benefit costs	$ 0.3	$ 0.2

The Company's general funding policy is to make at least the minimum required contributions as required by applicable regulations, plus any additional amounts that it determines to be appropriate. For the three months ended October 31, 2019, the Company made required contributions of $1.1 million to its non-qualified U.S. pension plans and $0.3 million to its non-U.S. pension plans.

The estimated minimum funding requirement for the Company's qualified U.S. plans for the plan year ending July 31, 2020 is $4.4 million. In accordance with the Pension Protection Act of 2006, this contribution obligation may be met with existing credit balances that resulted from payments above the minimum obligation in prior years. The Company has sufficient credit balances to meet the minimum obligation for the plan year ending July 31, 2020. In November 2019, the Company utilized existing credits as contributions to the U.S. pension plans of $1.1 million. The Company estimates it will contribute an additional $0.8 million to its non-U.S. pension plans during the remainder of fiscal 2020 based upon the local government prescribed funding requirements. Future estimates of the Company's required pension plan contributions may change significantly depending on the actual rate of return on plan assets, discount rates and regulatory requirements.

Note 10. Income Taxes

The Company files income tax returns in the U.S. federal jurisdiction and various state and foreign jurisdictions. With few exceptions, the Company is no longer subject to state and foreign income tax examinations by tax authorities for years before 2010. The United States Internal Revenue Service (IRS) has completed examinations of the Company's U.S. federal income tax returns through 2016.

As of October 31, 2019, gross unrecognized tax benefits were $15.8 million and accrued interest and penalties on these unrecognized tax benefits were $1.8 million. The Company recognizes accrued interest and penalties related to unrecognized tax benefits in income tax expense. With an average statute of limitations of approximately five years, up to $1.8 million of the unrecognized tax benefits could potentially expire in the next 12 months, unless extended by an audit.

The Company believes that it is remote that any adjustment necessary to the reserve for income taxes over the next 12 months will be material. However, it is possible the ultimate resolution of audits or disputes may result in a material change to the Company's reserve for income taxes, although the quantification of such potential adjustments cannot be made at this time.

Note 11. Fair Value Measurements

Fair value measurements of financial instruments are reported in one of three levels based on the lowest level of significant input used as follows:

Level 1	Inputs to the fair value measurement are quoted prices in active markets for identical assets or liabilities.
Level 2	Inputs to the fair value measurement include quoted prices in active markets for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active and inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly.
Level 3	Inputs to the fair value measurement are unobservable inputs or valuation techniques.

As of October 31, 2019, the carrying values of cash and cash equivalents, accounts receivables, short-term borrowings and trade accounts payable approximate fair value because of the short-term nature of these instruments.

As of October 31, 2019, the estimated fair value of long-term debt with fixed interest rates was $287.3 million compared to its carrying value of $275.0 million. The carrying values of long-term debt with variable interest rates of $373.8 million as of October 31, 2019 approximate fair value. The fair value is estimated by discounting the projected cash flows using the rate at which similar amounts of debt could currently be borrowed. Long-term debt is classified as Level 2 in the fair value hierarchy.

The fair values of the Company's financial assets and liabilities listed below reflect the amounts that would be received to sell the assets or paid to transfer the liabilities in an orderly transaction between market participants at the measurement date (exit price). The fair values are based on inputs other than quoted prices that are observable for the asset or liability. These inputs include foreign currency exchange rates and interest rates. The financial assets and liabilities are primarily valued using standard calculations and models that use as their basis readily observable market parameters. Industry standard data providers are the primary source for forward and spot rate information for both interest rates and currency rates.

Derivative Fair Value Measurements The Company enters into derivative instruments, including forward foreign currency exchange contracts and net investment hedges, to manage risk in connection with changes in foreign currency. The Company only enters into derivative instruments with counterparties who have highly rated credit. The Company does not enter into derivative contracts for trading or speculative purposes.

Forward Foreign Currency Exchange Contracts The Company uses forward currency exchange contracts to manage exposure to fluctuations in foreign currency. The Company enters into certain purchase commitments with foreign suppliers based on the value of its purchasing subsidiaries' local currency relative to the currency requirement of the supplier on the date of the commitment. The Company also sells into foreign countries based on the value of purchaser's local currency. The Company mitigates risk through using forward currency contracts that generally mature in 12 months or less, which is consistent with the related purchases and sales. Contracts that qualify for hedge accounting are designated as cash flow hedges.

Net Investment Hedges The Company uses fixed-to-fixed cross-currency swap agreements to hedge its exposure to adverse foreign currency exchange rate movements for its operations in Europe. The Company has elected the spot method of designating these contracts.

The Company determines the fair values of its derivatives based on valuation models which project future cash flows and discount the future amounts to a present value using market based observable inputs including foreign currency rates, interest rate curves, futures and basis spreads, as applicable.

The following table details the fair value of the Company's derivative contracts, which are recorded on a gross basis in the Company's Condensed Consolidated Balance Sheets as of October 31, 2019 and July 31, 2019 (in millions):

			Fair Values Significant Other Observable Inputs (Level 2)			
	Notional Amounts		Assets [1]		Liabilities [2]	
	October 31, 2019	July 31, 2019	October 31, 2019	July 31, 2019	October 31, 2019	July 31, 2019
Forward foreign currency exchange contracts	$ 27.2	$ 28.2	$ 1.6	$ 1.6	$ 1.3	$ (1.8)
Net investment hedges	55.8	55.8	1.1	1.1	—	(1.9)
Total	$ 83.0	$ 84.0	$ 2.7	$ 2.7	$ 1.3	$ (3.7)

(1) Recorded within prepaid expenses and other current assets in the Company's Condensed Consolidated Balance Sheets.

(2) Recorded within other long-term liabilities in the Company's Condensed Consolidated Balance Sheets.

Changes in the fair value of the Company's forward foreign currency exchange contracts are recorded in equity as a component of accumulated other comprehensive income (loss), and are reclassified from accumulated other comprehensive income (loss) into earnings when the items underlying the hedged transactions are recognized into earnings, as a component of cost of sales within the Company's Condensed Consolidated Statements of Earnings and Condensed Consolidated Statements of Comprehensive Income. The net gain or loss on net investment hedges are reported within foreign currency translation gains and losses as a component of accumulated other comprehensive income (loss) on the Company's Condensed Consolidated Balance Sheets. The interest earned is reclassified out of accumulated other comprehensive income (loss) and into other income, net.

Credit Risk Related Contingent Features Contract provisions may require the posting of collateral or settlement of the contracts for various reasons, including if the Company's credit ratings are downgraded below its investment grade credit rating by any of the major credit agencies or for cross default contractual provisions if there was a failure under other financing arrangements related to payment terms or covenants. As of October 31, 2019, and July 31, 2019, no collateral has been posted.

Counterparty Credit Risk There is risk that counterparties to derivative contracts will fail to meet their contractual obligations. In order to mitigate counterparty credit risk, the Company only enters into contracts with carefully selected financial institutions based upon their credit ratings and certain other financial factors.

The following table summarizes the pre-tax impact of the gains and losses on the Company's designated forward foreign currency exchange contracts and net investment hedges (in millions):

	Pre-tax Gains (Losses) Recognized in Accumulated Other Comprehensive Income (Loss)	
	Three Months Ended October 31,	
	2019	2018
Forward foreign currency exchange contracts	$ (0.7)	$ 1.0
Net investment hedges	$ 0.8	$ —

	Pre-tax (Gains) Losses Reclassified from Accumulated Other Comprehensive Income (Loss)	
	Three Months Ended October 31,	
	2019	2018
Forward foreign currency exchange contracts	$ 1.9	$ (0.3)
Net investment hedges	$ —	$ —

The Company expects that substantially all of the amounts recorded in accumulated other comprehensive income (loss) for its forward foreign currency exchange contracts will be reclassified into earnings during the next 12 months, based upon the timing of inventory purchases and turnover as well as sales. See also Note 13.

The Company holds equity method investments, which are classified in other long-term assets in the accompanying Condensed Consolidated Balance Sheets. The aggregate carrying amount of these investments was $23.1 million and $23.0 million as of October 31, 2019 and July 31, 2019, respectively. These equity method investments are measured at fair value on a nonrecurring basis. The fair value of the Company's equity method investments has not been estimated as there have been no identified events or changes in circumstance that would have had an adverse impact on the value of these investments. In the event that these investments were required to be measured, these investments would fall within Level 3 of the fair value hierarchy, due to the use of significant unobservable inputs to determine fair value, as the investments are in privately-held entities.

Note 12. Shareholders' Equity

The Company's Board of Directors authorized the repurchase of up to 13.0 million shares of common stock under the Company's stock repurchase plan. This repurchase authorization is effective until terminated by the Board of Directors. During the three months ended October 31, 2019, the Company repurchased 1.4 million shares for $65.0 million. As of October 31, 2019, the Company had remaining authorization to repurchase 11.4 million shares under this plan.

Dividends paid per share were 21.0 cents and 19.0 cents, respectively, for the three months ended October 31, 2019 and 2018.

On November 22, 2019, the Company's Board of Directors declared a cash dividend in the amount of 21.0 cents per common share, payable December 27, 2019, to shareholders of record as of December 10, 2019.

Note 13. Accumulated Other Comprehensive Loss

Changes in accumulated other comprehensive loss by component for the three months ended October 31, 2019 and 2018 are as follows (in millions):

	Foreign Currency Translation Adjustment	Pension Benefits	Derivative Financial Instruments	Total
Balance as of July 31, 2019, net of tax	$ (92.7)	$ (99.0)	$ (1.2)	$ (192.9)
Other comprehensive income before reclassifications and tax	8.1	—	0.1	8.2
Tax benefit	—	—	0.2	0.2
Other comprehensive income before reclassifications, net of tax	8.1	—	0.3	8.4
Reclassifications, before tax	—	0.7	1.9	2.6
Tax benefit (expense)	—	0.1	(0.7)	(0.6)
Reclassifications, net of tax	—	0.8 (1)	1.2 (2)	2.0
Other comprehensive income (loss), net of tax	8.1	0.8	1.5	10.4
Balance as of October 31, 2019, net of tax	$ (84.6)	$ (98.2)	$ 0.3	$ (182.5)
Balance as of July 31, 2018, net of tax	$ (66.1)	$ (82.9)	$ (0.8)	$ (149.8)
Other comprehensive (loss) income before reclassifications and tax	(24.2)	—	1.0	(23.2)
Tax expense	—	—	(0.3)	(0.3)
Other comprehensive (loss) income before reclassifications, net of tax	(24.2)	—	0.7	(23.5)
Reclassifications, before tax	—	2.0	(0.3)	1.7
Tax (expense) benefit	—	(0.4)	0.1	(0.3)
Reclassifications, net of tax	—	1.6 (1)	(0.2) (2)	1.4
Other comprehensive (loss) income, net of tax	(24.2)	1.6	0.5	(22.1)
Balance as of October 31, 2018, net of tax	$ (90.3)	$ (81.3)	$ (0.3)	$ (171.9)

(1) Primarily includes net amortization of prior service costs and actuarial losses included in net periodic benefit cost (see Note 9) that were reclassified from accumulated other comprehensive loss to operating expenses or cost of sales.

(2) Relates to foreign currency cash flow hedges that were reclassified from accumulated other comprehensive loss to other income, net.

Note 14. Guarantees

The Company and Caterpillar Inc. equally own the shares of Advanced Filtration Systems Inc. (AFSI), an unconsolidated joint venture, and guarantee certain debt of the joint venture. The Company accounts for this investment as an equity method investment. In the following table, the Outstanding debt relates to the joint venture and the Contingent liability for stand by letters of credit relate to the Company (in millions):

	October 31, 2019	July 31, 2019
Outstanding debt (the Company guarantees half)	$ 40.0	$ 38.8
Contingent liability for standby letters of credit [1]	10.7	11.0
Amounts drawn for letters of credit	$ —	$ —

[1] The letters of credit guarantee payment to third parties in the event the Company is in breach of contract terms as detailed in each letter of credit.

The following items relate to the Company's joint venture (in millions):

	Three Months Ended October 31,	
	2019	2018
Investment earnings (loss) [1]	$ 0.1	$ (0.3)
Royalty income [1]	$ 1.9	$ 1.7

[1] Recorded in other income, net.

Note 15. Commitments and Contingencies

The Company records provisions with respect to identified claims or lawsuits when it is probable that a liability has been incurred and the amount of the loss can be reasonably estimated. Claims and lawsuits are reviewed quarterly, and provisions are taken or adjusted to reflect the status of a particular matter. The Company believes the recorded estimated liability in its Condensed Consolidated Financial Statements is adequate in light of the probable and estimable outcomes. The recorded liabilities were not material to the Company's results of operations, liquidity or financial position and the Company believes it is remote that the settlement of any of the currently identified claims or litigation will be materially in excess of what is accrued.

Note 16. Segment Reporting

The Company has identified two reportable segments: Engine Products and Industrial Products. Segment determination is based on the internal organization structure, management of operations and performance evaluation by management and the Company's Board of Directors. Corporate and Unallocated includes corporate expenses determined to be non-allocable to the segments, such as interest expense.

The Company is an integrated enterprise, characterized by substantial intersegment cooperation, cost allocations and sharing of assets. Therefore, the Company does not represent that these segments, if operated independently, would report the earnings before income taxes and other financial information shown below.

Segment detail is summarized as follows (in millions):

	Three Months Ended October 31,	
	2019	2018
Net sales		
Engine Products segment	$ 459.2	$ 480.9
Industrial Products segment	213.5	220.5
Total	$ 672.7	$ 701.4
Earnings before income taxes		
Engine Products segment	$ 62.4	$ 63.9
Industrial Products segment	29.5	36.6
Corporate and Unallocated	(5.3)	(4.1)
Total	$ 86.6	$ 96.4

Net sales by product group within the Engine Products segment and Industrial Products segment is summarized as follows (in millions):

	Three Months Ended October 31,	
	2019	2018
Engine Products segment		
Off-Road	$ 68.6	$ 76.2
On-Road	40.7	45.9
Aftermarket	319.4	331.2
Aerospace and Defense	30.5	27.6
Engine Products segment net sales	459.2	480.9
Industrial Products segment		
Industrial Filtration Solutions	149.0	149.4
Gas Turbine Systems	20.7	25.5
Special Applications	43.8	45.6
Industrial Products segment net sales	213.5	220.5
Total net sales	$ 672.7	$ 701.4

There were no customers that accounted for over 10% of net sales for the three months ended October 31, 2019 or 2018, or gross accounts receivable as of October 31, 2019 and July 31, 2019.

Note 17. Leases

The Company leases certain real estate properties, information technology equipment, manufacturing and warehouse equipment, vehicles and other equipment through operating lease arrangements. Upon lease inception, the Company determines whether an arrangement that provides control over the use of an asset to the Company is a lease. The Company recognizes a lease liability and corresponding right-of-use asset based on the present value of future lease payments. Leases with an initial term of 12 months or less are not recorded on the balance sheet, but rather the Company recognizes lease expense for these leases on a straight-line basis over the lease term.

The Company has elected to separate payments for lease components from non-lease components for all asset classes. Lease agreements may include extension, termination, or purchase options, all of which will be included within the lease liability and right-of-use assets when it is reasonably certain the Company will exercise the option. Most lease agreements do not explicitly state the discount rate implicit in the lease, therefore, the Company's incremental borrowing rate on the commencement date is used to calculate the present value of future payments.

The Company has elected to exercise the package of practical expedients and has not elected to exercise hindsight in determining lease term and in assessing impairment of the Company's right-of-use assets. The Company's finance leases are not significant and therefore, are not included in the following disclosures. Information for the Company's operating lease costs is as follows (in millions):

	October 31, 2019
Operating lease cost	$ 7.5
Short-term lease cost	0.6
Total lease costs	$ 8.1

Supplemental balance sheet information for the Company is as follows (in millions):

	October 31, 2019	August 1, 2019
Right-of-use lease assets	$ 79.3	$ 71.5
Current lease liabilities	24.8	26.0
Long-term lease liabilities	$ 54.4	$ 45.5

Additional information related to operating leases is as follows:

	October 31, 2019	August 1, 2019
Weighted average remaining lease term (years)	4.1	3.7
Weighted average discount rates	3.74%	3.76%

Maturities of operating lease liabilities at October 31, 2019 were as follows (in millions):

Amounts Due in Year Ending	October 31, 2019
2020	$ 20.8
2021	20.3
2022	13.1
2023	7.9
2024	5.6
Thereafter	23.6
Total future minimum lease payments	91.3
Less imputed interest	12.1
Present value of future lease payments	$ 79.2

Minimum payments for operating leases having initial terms of more than one year at July 31, 2019 were as follows (in millions):

Amounts Due in Year Ending	July 31, 2019
2020	$ 24.0
2021	17.5
2022	11.3
2023	6.4
2024	4.6
Thereafter	19.0
Total future minimum lease payments	82.8
Less imputed interest	11.3
Present value of future lease payments	$ 71.5

Right-of-use lease assets obtained in exchange for new lease liabilities were $13.0 million for the three months ended October 31, 2019.

Note 18. Borrowings

In October 2019, the Company entered into a term loan agreement of €80.0 million, or $89.2 million, based on the exchange rate in effect on October 28, 2019. The loan is unsecured and matures in October 2024. As of October 31, 2019, the Company had borrowed the full capacity of the term loan. The term loan includes customary representations and warranties and covenants for a transaction of this type. The loan has a floating rate based on margin plus EURIBOR. The margin will vary according to a leverage-based pricing grid. The rate as of October 31, 2019 was 0.7%.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Overview

The Company is a worldwide manufacturer of filtration systems and replacement parts. The Company's core strengths are leading filtration technology, strong customer relationships and its global presence. Products are manufactured around the world and through three joint ventures.

The Company has two operating segments: Engine Products and Industrial Products. Products in the Engine Products segment consist of replacement filters for both air and liquid filtration applications, air filtration systems, liquid filtration systems for fuel, lube and hydraulic applications, and exhaust and emissions systems and sensors, indicators and monitoring systems. The Engine Products segment sells to original equipment manufacturers (OEMs) in the construction, mining, agriculture, aerospace, defense and truck end markets and to independent distributors, OEM dealer networks, private label accounts and large equipment fleets. Products in the Industrial Products segment consist of dust, fume and mist collectors, compressed air purification systems, gas and liquid filtration for food, beverage and industrial processes, air filtration systems for gas turbines, polytetrafluoroethylene (PTFE) membrane-based products and specialized air and gas filtration systems for applications including hard disk drives and semi-conductor manufacturing and sensors, indicators and monitoring systems. The Industrial Products segment sells to various dealers, distributors and OEMs for specific markets and replacement filters.

The following Management's Discussion and Analysis of Financial Condition and Results of Operations should be read in conjunction with the Company's Condensed Consolidated Financial Statements and Notes included in Item 1 of this report.

Consolidated Results of Operations

Operating results for the three months ended October 31, 2019 and 2018 are as follows (in millions):

	Three Months Ended October 31,			
	2019	**% of sales**	**2018**	**% of sales**
Net sales	$ 672.7		$ 701.4	
Cost of sales	441.4	65.6 %	463.0	66.0 %
Gross profit	231.3	34.4 %	238.4	34.0 %
Operating expenses	142.6	21.2 %	139.7	19.9 %
Operating income	88.7	13.2 %	98.7	14.1 %
Interest expense	4.7	0.7 %	4.2	0.6 %
Other income, net	(2.6)	(0.4)%	(1.9)	(0.3)%
Earnings before income taxes	86.6	12.9 %	96.4	13.8 %
Income taxes	21.6	3.2 %	22.6	3.2 %
Net earnings	$ 65.0	9.7 %	$ 73.8	10.5 %

Net sales for the three months ended October 31, 2019 were $672.7 million, compared with $701.4 million for the three months ended October 31, 2018, a decrease of $28.7 million, or 4.1%. Net sales decreased $21.7 million, or 4.5%, in the Engine Products segment and decreased $7.0 million, or 3.2%, in the Industrial Products segment compared with the same period in the prior fiscal year. Refer to the Segment Results of Operations section for further discussion on the Engine Products and Industrial Products segments. Net sales for the three months ended October 31, 2019 were negatively impacted by foreign currency translation, which decreased net sales by $9.6 million, or 1.4% compared with the same period in the prior fiscal year.

Cost of sales for the three months ended October 31, 2019 was $441.4 million, compared with $463.0 million for the three months ended October 31, 2018, a decrease of $21.6 million, or 4.7%. Gross margin for the current year quarter was 34.4%, compared with 34.0% during the same period in the prior fiscal year. The gross margin increase reflects lower raw materials costs, combined with benefits from the Company's efforts related to pricing initiatives and optimizing its supply chain, partially offset by loss of leverage on lower sales.

Operating expenses for the three months ended October 31, 2019 were $142.6 million, compared with $139.7 million for the three months ended October 31, 2018, an increase of $2.9 million, or 2.1%. As a percentage of net sales, operating expenses for the current year quarter were 21.2%, compared with 19.9% during the same period in the prior fiscal year. The increase reflects loss of leverage on lower sales, combined with higher personnel expense related to investments in support of the Company's strategic growth initiatives.

Interest expense was $4.7 million for the three months ended October 31, 2019, compared with $4.2 million for the three months ended October 31, 2018, an increase of $0.5 million, or 11.9%. The increase is primarily due to a higher average level of debt outstanding in the current year quarter compared with the prior year quarter. Other income, net for the three months ended October 31, 2019 was $2.6 million, compared with $1.9 million for the three months ended October 31, 2018, an increase of $0.7 million. The increase was primarily due to higher joint venture performance in the current quarter compared with the prior year quarter.

The effective tax rate for the three months ended October 31, 2019 was 24.9%, compared with 23.5% for the three months ended October 31, 2018. The effective tax rate for the three months ended October 31, 2018 included a net discrete tax benefit of $0.9 million related to ongoing Tax Cuts and Jobs Act-based global cash optimization initiatives. Excluding this benefit, the effective tax rate for the three months ended October 31, 2018 was 24.3%. The increase in the effective tax rate between periods was primarily due to a decrease in excess tax benefits on stock-based compensation.

Net earnings for the three months ended October 31, 2019 were $65.0 million, compared with net earnings of $73.8 million for the three months ended October 31, 2018, a decrease of $8.8 million.

Segment Results of Operations

Net sales and earnings before income taxes for the Engine Products and Industrial Products segments are summarized as follows (in millions):

	Three Months Ended October 31,	
	2019	**2018**
Net sales:		
Engine Products segment	$ 459.2	$ 480.9
Industrial Products segment	213.5	220.5
Total	$ 672.7	$ 701.4
Earnings before income taxes:		
Engine Products segment	$ 62.4	$ 63.9
Industrial Products segment	29.5	36.6
Corporate and Unallocated [(1)]	(5.3)	(4.1)
Total	$ 86.6	$ 96.4

(1) Corporate and Unallocated includes corporate expenses determined to be non-allocable to the segments, such as interest expense.

Engine Products Segment

The following is a summary of net sales by product group within the Company's Engine Products segment (in millions):

	Three Months Ended October 31,	
	2019	**2018**
Engine Products segment		
Off-Road	$ 68.6	$ 76.2
On-Road	40.7	45.9
Aftermarket	319.4	331.2
Aerospace and Defense	30.5	27.6
Engine Products segment net sales	$ 459.2	$ 480.9
Engine Products segment earnings before income taxes	$ 62.4	$ 63.9

Net sales for the Engine Products segment for the three months ended October 31, 2019 were $459.2 million, compared with $480.9 million for the three months ended October 31, 2018, a decrease of $21.7 million, or 4.5%, or 3.1% excluding the impact from currency translation. The Engine Products segment realized benefits from price increases of approximately 0.8%. The sales increase in Aerospace and Defense was driven by new equipment in both commercial aerospace and ground defense. The declines in Off-Road and On-Road reflect lower levels of equipment production, with continued variability by geography. The Aftermarket decline reflects lower levels of equipment utilization, primarily in off-road markets.

Earnings before income taxes for the Engine Products segment for the three months ended October 31, 2019 were $62.4 million, or 13.6% of Engine Products' sales, an increase from 13.3% for the three months ended October 31, 2018. The increase was driven by price increases, operational gains and slightly lower raw material costs.

Industrial Products Segment

The following is a summary of net sales by product group within the Company's Industrial Products segment (in millions):

	Three Months Ended October 31,	
	2019	**2018**
Industrial Products segment:		
Industrial Filtration Solutions	$ 149.0	$ 149.4
Gas Turbine Systems	20.7	25.5
Special Applications	43.8	45.6
Industrial Products segment net sales	$ 213.5	$ 220.5
Industrial Products segment earnings before income taxes	$ 29.5	$ 36.6

Net sales for the Industrial Products segment for the three months ended October 31, 2019 were $213.5 million, compared with $220.5 million for the three months ended October 31, 2018, a decrease of $7.0 million, or 3.2%, or 2.0% excluding the impact from currency translation. The Industrial Products segment realized benefits of approximately 3.6% from BOFA International LTD (BOFA) and 0.2% from increased pricing. Sales of Industrial Filtration Solutions reflect benefits from BOFA and strong growth in sales of Process Filtration products, partially offset by lower sales of new equipment. The Gas Turbine Systems sales decline was primarily driven by lower sales of new equipment, and the decline in sales of Special Applications was primarily driven by lower sales of Disk Drive filters.

Earnings before income taxes for the Industrial Products segment for the three months ended October 31, 2019 were $29.5 million, or 13.8% of Industrial Products' sales, a decrease from 16.6% for the three months ended October 31, 2018. The earnings before income taxes percentage decrease was driven by the lower net sales as well as continued investment in our strategic growth businesses.

Liquidity and Capital Resources

Cash provided by operating activities for the three months ended October 31, 2019 was $86.1 million, compared with $63.3 million for the three months ended October 31, 2018, an increase of $22.8 million. The increase in cash provided by operating activities was primarily driven by the reduction of days sales outstanding, and lower incentive compensation payments, partially offset by lower earnings.

Cash used in investing activities for the three months ended October 31, 2019 was $37.1 million, compared with $124.2 million for the three months ended October 31, 2018, a decrease of $87.1 million. The decrease resulted primarily from $96.0 million of net cash used for the BOFA acquisition in fiscal 2019, partially offset by an increase in capital expenditures in fiscal 2020 of $8.9 million to expand capacity and invest in technology.

Cash used in financing activities for the three months ended October 31, 2019 was $14.7 million, compared with cash provided by financing activities of $61.3 million for the three months ended October 31, 2018, a change of $76.0 million. In fiscal 2020, proceeds from a new term loan and short-term debt were used to repay long-term debt and for share repurchases. In fiscal 2019, proceeds from long-term debt and short-term borrowings were used primarily to fund the BOFA acquisition and for share repurchases.

Cash and cash equivalents as of October 31, 2019 was $210.0 million, compared with $177.8 million as of July 31, 2019. The Company has capacity of $505.5 million available for further borrowing under existing credit facilities as of October 31, 2019. The Company believes that the liquidity available from the combination of expected cash generated by operating activities, existing cash and available credit under existing credit facilities will be adequate to meet cash requirements for the next twelve months, including working capital needs, debt service obligations, capital expenditures, payment of anticipated dividends, share repurchase activity, and potential acquisitions.

Accounts receivable, net as of October 31, 2019 was $501.5 million, compared with $529.5 million as of July 31, 2019, a decrease of $28.0 million. Days sales outstanding was flat at 65 days, as of October 31, 2019 and July 31, 2019. Days sales outstanding was 69 days at October 31, 2018. Days sales outstanding is calculated using the count back method, which calculates the number of days of most recent revenue that is reflected in the net accounts receivable balance.

Inventories, net as of October 31, 2019 was $361.5 million, compared with $332.8 million as of July 31, 2019, an increase of $28.7 million. Inventory turns were 5.1 times and 5.6 times per year as of October 31, 2019 and July 31, 2019, respectively. Inventory turns are calculated by taking the annualized cost of sales based on the trailing three-month period divided by the average of the beginning and ending net inventory values of the three-month period. The inventory increase was spread across all of the major regions, driven by sourcing changes in the Company's supply chain.

Long-term debt outstanding was $596.8 million as of October 31, 2019, compared with $584.4 million as of July 31, 2019, an increase of $12.4 million. This increase is primarily due to higher short-term borrowings and lower share repurchases, partially offset by increased capital expenditures. As of October 31, 2019, total debt, including long-term debt and short-term borrowings, represented 43.6% of total capitalization, defined as total debt plus total shareholders' equity, compared with 41.6% as of July 31, 2019.

In October 2019, the Company entered into a term loan agreement of €80.0 million, or $89.2 million, based on the exchange rate in effect on October 28, 2019. The loan is unsecured and matures in October 2024. As of October 31, 2019, the Company had borrowed the full capacity of the term loan. The term loan includes customary representations and warranties and covenants for a transaction of this type. The loan has a floating rate based on margin plus EURIBOR. The margin will vary according to a leverage-based pricing grid. The rate as of October 31, 2019 was zero.

The Company guarantees 50% of certain debt of its joint venture, AFSI, as further discussed in Note 14 in the Notes to Condensed Consolidated Financial Statements included in Item 1 of this report.

New Accounting Standards Not Yet Adopted

For new accounting standards not yet adopted, refer to Note 1 in the Notes to Condensed Consolidated Financial Statements included in Item 1 of this report.

Critical Accounting Policies

There have been no material changes to the Company's critical accounting policies as disclosed in the Company's Annual Report on Form 10-K for the year ended July 31, 2019.

Safe Harbor Statement under the Securities Reform Act of 1995

The Company, through its management, may make forward-looking statements reflecting the Company's current views with respect to future events and expectations, such as forecasts, plans, trends and projections relating to the Company's business and financial performance. These forward-looking statements, which may be included in reports filed under the Securities Exchange Act of 1934, as amended (the Exchange Act), in press releases and in other documents and materials as well as in written or oral statements made by or on behalf of the Company, are subject to certain risks and uncertainties, including those discussed in Part I, Item 1A, "Risk Factors" of the Company's Annual Report on Form 10-K for the year ended July 31, 2019, which could cause actual results to differ materially from historical results or those anticipated. The words or phrases "will likely result," "are expected to," "will continue," "will allow," "estimate," "project," "believe," "expect," "anticipate," "forecast," "plan" and similar expressions are intended to identify forward-looking statements within the meaning of Section 21E of the Exchange Act and Section 27A of the Securities Act of 1933, as amended, as enacted by the Private Securities Litigation Reform Act of 1995 (PSLRA). In particular, the Company desires to take advantage of the protections of the PSLRA in connection with the forward-looking statements made in this Quarterly Report on Form 10-Q. All statements other than statements of historical fact are forward-looking statements. These statements do not guarantee future performance.

These forward-looking statements speak only as of the date such statements are made and are subject to risks and uncertainties that could cause the Company's results to differ materially from these statements. These factors include, but are not limited to, economic and industrial conditions worldwide; the Company's ability to maintain competitive advantages; threats from disruptive innovation; highly competitive markets with pricing pressure; the Company's ability to protect and enforce its intellectual property; the difficulties in operating globally; customer concentration in certain cyclical industries; significant demand fluctuations; unavailable raw materials or material cost inflation; inability of operations to meet customer demand; difficulties with information technology systems and security; foreign currency fluctuations; governmental laws and regulations; litigation; changes in tax laws and tax rates; regulations and results of examinations; the Company's ability to attract and retain qualified personnel; changes in capital and credit markets; execution of the Company's acquisition strategy; the possibility of intangible asset impairment; the Company's ability to manage productivity improvements; unexpected events and the disruption on operations; the Company's ability to maintain an effective system of internal control over financial reporting; the United Kingdom's decision to end its membership in the European Union and other factors included in Part I, Item 1A, "Risk Factors" of the Company's Annual Report on Form 10-K for the year ended July 31, 2019. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless required by law.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

The Company's market risk includes the potential loss arising from adverse changes in foreign currency exchange rates, interest rates and commodity prices. In an attempt to manage these risks, the Company employs certain strategies to mitigate the effect of these fluctuations. The Company does not enter into any of these instruments for speculative trading purposes.

The Company maintains significant assets and operations outside the U.S., resulting in exposure to foreign currency gains and losses. A portion of the Company's foreign currency exposure is naturally hedged by incurring liabilities, including bank debt, denominated in the local currency in which the Company's foreign subsidiaries are located.

During the three months ended October 31, 2019, the U.S. dollar was generally stronger than in the three months ended October 31, 2018 compared with many of the currencies of the foreign countries in which the Company operates. The overall stronger dollar had a negative impact on the Company's international net sales results because the foreign denominated revenues translated into less U.S. dollars. Foreign currency translation had a negative impact to net sales and net earnings in many regions around the world. The estimated impact of foreign currency translation for the three months ended October 31, 2019, resulted in an overall decrease in reported net sales by $9.6 million and net earnings of approximately $0.7 million.

Forward Foreign Currency Exchange Contracts The Company uses forward currency exchange contracts to manage exposure to fluctuations in foreign currency. The Company enters into certain purchase commitments with foreign suppliers based on the value of its purchasing subsidiaries' local currency relative to the currency requirement of the supplier on the date of the commitment. The Company also sells into foreign countries based on the value of purchaser's local currency. The Company mitigates risk through using forward currency contracts that generally mature in 12 months or less, which is consistent with the related purchases and sales. Contracts that qualify for hedge accounting are designated as cash flow hedges.

Net investment hedges The Company uses fixed-to-fixed cross currency swap agreements to hedge its exposure to adverse foreign currency exchange rate movements for its operations in Europe. The Company has elected the spot method of designating these contracts.

Based on the net investment hedge outstanding as of October 31, 2019 a 10% appreciation of the U.S. Dollar compared to the Euro, would result in a net gain of $5.7 million in the fair value of these contracts.

Interest rates The Company's exposure to market risk for changes in interest rates relates primarily to debt obligations that are at variable rates, as well as the potential increase in fair value of long-term debt resulting from a potential decrease in interest rates. As of October 31, 2019, the Company's financial liabilities with exposure to changes in interest rates consisted mainly of $293.9 million outstanding on the Company's revolving credit facility, term loan and short-term borrowings, €92.5 million, or $103.2 million of variable rate term loan and commercial paper, and ¥2.65 billion, or $24.5 million, of variable rate long-term debt. Assuming a hypothetical increase of 0.5% in short-term interest rates, with all other variables remaining constant, interest expense would have increased $0.5 million and interest income would have increased $0.2 million in the three months ended October 31, 2019. Interest rate changes would also affect the fair market value of fixed-rate debt. As of October 31, 2019, the estimated fair value of long-term debt with fixed interest rates was $287.3 million compared to its carrying value of $275.0 million. The fair value is estimated by discounting the projected cash flows using the rate at which similar amounts of debt could currently be borrowed.

Commodity prices The Company is exposed to market risk from fluctuating market prices of certain purchased commodity raw materials, including steel, filter media and petrochemical-based products, including plastics, rubber and adhesives. On an ongoing basis, the Company enters into selective supply arrangements with certain of its suppliers that allow the Company to reduce volatility in its costs. The Company strives to recover or offset all material cost increases through selective price increases to its customers and the Company's cost reduction initiatives, which include material substitution, process improvement and product redesigns. However, an increase in commodity prices could result in lower operating margins.

Chinese notes Consistent with common business practice in China, the Company's Chinese subsidiaries accept bankers' acceptance notes from Chinese customers in settlement of certain customer billed accounts receivable. Bankers' acceptance notes represent a commitment by the issuing financial institution to pay a certain amount of money at a specified future maturity date to the legal owner of the bankers' acceptance note as of the maturity date. The maturity date of bankers' acceptance notes varies, but it is the Company's policy to only accept bankers' acceptance notes with maturity dates no more than 270 days from the date of the Company's receipt of such draft. As of October 31, 2019 and July 31, 2019, the Company owned $9.7 million and $16.7 million, respectively, of these bankers' acceptance notes, and includes them in accounts receivable on the Company's Condensed Consolidated Balance Sheets.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Management of the Company, with the participation of its Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of the Company's disclosure controls and procedures as of the end of the period. Based on their evaluation, as of the end of the period covered, the Company's Chief Executive Officer and Chief Financial Officer concluded that the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) were effective. The Company's disclosure controls and procedures are designed so that information required to be disclosed by the issuer in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms, and that such information is accumulated and communicated to management of the Company, with the participation of its Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

Changes in Internal Control over Financial Reporting

No change in the Company's internal control over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act) occurred during the fiscal quarter ended October 31, 2019, that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

The Company believes the recorded estimated liability in its Condensed Consolidated Financial Statements for claims or litigation is adequate in light of the probable and estimable outcomes. Any recorded liabilities were not material to the Company's financial position, results of operations or liquidity and the Company believes it is remote that the settlement of any of the currently identified claims or litigation will be materially in excess of what is accrued. The Company records provisions when it is probable that a liability has been incurred and the amount of the loss can be reasonably estimated. Claims and litigation are reviewed quarterly and provisions are taken or adjusted to reflect the status of a particular matter.

Item 1A. Risk Factors

There are inherent risks and uncertainties associated with the Company's global operations that involve the manufacturing and sale of products for highly demanding customer applications throughout the world. These risks and uncertainties could adversely affect the Company's operating performances or financial condition. The "Risk Factors" section in the Company's Annual Report on Form 10-K for the fiscal year ended July 31, 2019 outlines the risks and uncertainties that the Company believes are the most material to its business.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Repurchases of Equity Securities

The following table summarizes information in connection with purchases made by, or on behalf of, the Company or any affiliated purchaser of the Company, of shares of the Company's common stock during the three months ended October 31, 2019:

Period	Total Number of Shares Purchased (1)	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number of Shares that May Yet Be Purchased Under the Plans or Programs
August 1 - August 31, 2019	1,274,345	$ 48.06	1,274,345	11,475,655
September 1 - September 30, 2019	81,200	46.32	81,200	11,394,455
October 1 - October 31, 2019	—	—	—	11,394,455
Total	1,355,545	$ 47.95	1,355,545	11,394,455

(1) The Board of Directors has authorized the repurchase of up to 13.0 million shares of the Company's common stock. This repurchase authorization is effective until terminated by the Board of Directors. The Company had remaining authorization to repurchase 11.4 million shares under this plan. There were no repurchases of common stock made outside of the Company's current repurchase authorization during the three months ended October 31, 2019. While not considered repurchases of shares, the Company does at times withhold shares that would otherwise be issued under stock-based awards to cover the withholding of taxes due as a result of exercising stock options or payment of stock-based awards.

Item 3. Defaults Upon Senior Securities

Not applicable.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

Not applicable.

Item 6. Exhibits

	*3-A – Restated Certificate of Incorporation of Registrant as currently in effect (Filed as Exhibit 3-A to Form 10-Q Report for the second quarter ended January 31, 2012)
	*3-B – Amended and Restated Bylaws of Registrant, dated as of July 29, 2016 (Filed as Exhibit 3-C to Form 8-K Report filed on July 29, 2016)
	4-C - First Amendment to Credit Agreement dated October 24, 2019.
	10-AF - Form of Restricted Stock Unit Award Agreement (Cliff Vesting) under the 2019 Master Stock Incentive Plan
	10-AG - Form of Performance Award Agreement under the 2019 Master Stock Incentive Plan
	10-AH - Form of Stock Option Award Agreement under the 2019 Master Stock Incentive Plan
	10-AI - Form of Restricted Stock Unit Award Agreement (Graded Vesting) under the 2019 Master Stock Incentive Plan
	10-AJ - Compensation Plan for Non-Employee Directors under the 2019 Master Stock Incentive Plan
	10-AK - Form of Deferred Compensation and 401(K) Excess Plan (2020 Restatement)
	31-A – Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
	31-B – Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
	32 – Certifications of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
	101 – The following information from Donaldson Company, Inc. Quarterly Report on Form 10-Q for the fiscal quarter ended October 31, 2019, as filed with the Securities and Exchange Commission, formatted in inline eXtensible Business Reporting Language (iXBRL): (i) the Condensed Consolidated Statements of Earnings, (ii) the Condensed Consolidated Statements of Comprehensive Income, (iii) the Condensed Consolidated Balance Sheets, (iv) the Condensed Consolidated Statements of Cash Flows, (v) the Condensed Consolidated Statements of Changes in Shareholders' Equity and (vi) the Notes to Condensed Consolidated Financial Statements
	104 – The cover page from Donaldson Company Inc.'s Quarterly Report on Form 10-Q for the quarter ended October 31, 2019, formatted in iXBRL (included as Exhibit 101).

* Exhibit has previously been filed with the Securities and Exchange Commission and is incorporated herein by reference as an exhibit.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

DONALDSON COMPANY, INC.
(Registrant)

Date: December 6, 2019

By: /s/ Tod E. Carpenter
Tod E. Carpenter
Chairman, President and
Chief Executive Officer
(duly authorized officer)

Date: December 6, 2019

By: /s/ Scott J. Robinson
Scott J. Robinson
Senior Vice President and
Chief Financial Officer
(principal financial officer)

Date: December 6, 2019

By: /s/ Peter J. Keller
Peter J. Keller
Corporate Controller
(principal accounting officer)

Exhibit 4-C

FIRST AMENDMENT TO CREDIT AGREEMENT

This FIRST AMENDMENT TO CREDIT AGREEMENT (this "Amendment") is dated as of October 24, 2019, but effective as of July 21, 2017 (the "First Amendment Effective Date"), and is by and among:

(a) DONALDSON COMPANY, INC., a Delaware corporation (the "Company");

(b) the Lenders party to the Credit Agreement referenced below; and

(c) WELLS FARGO BANK, NATIONAL ASSOCIATION, as Administrative Agent (in such capacity, the "Administrative Agent").

Unless otherwise indicated, all capitalized terms used herein and not otherwise defined shall have the respective meanings provided such terms in the Credit Agreement referred to below.

W I T N E S S E T H:

WHEREAS, the Company, the Borrowing Subsidiaries party thereto, the Lenders from time to time party thereto, and Wells Fargo Bank, National Association, as Administrative Agent and L/C Issuer, are parties to that certain Credit Agreement dated as of July 21, 2017 (as amended, restated, amended and restated, extended, supplemented or otherwise modified from time to time, the "Credit Agreement"); and

WHEREAS, the parties hereto wish to amend the Credit Agreement on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the premises set forth above, the terms and conditions contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto have agreed as follows:

1. Amendments to Credit Agreement. Effective as of the First Amendment Effective Date, the Credit Agreement shall be amended as follows:

(a) The definition of "Total Indebtedness" set forth in Section 1.01 of the Credit Agreement is hereby amended in its entirety to read as follows:

> "Total Indebtedness" means all Indebtedness of the Company and its Subsidiaries, excluding (i) contingent obligations in respect of letters of credit and Guarantees (except, in each case, to the extent constituting Guarantees in respect of Indebtedness of a Person other than the Company or any Subsidiary), (ii) obligations under Swap Contracts, (iii) Indebtedness of the Company to Subsidiaries and Indebtedness of Subsidiaries to the Company or to other Subsidiaries and (iv) solely for purposes of any determination of Total Indebtedness as of any date during any period ending on or prior to July 31, 2019 (excluding any determination of Total Indebtedness for purposes of any calculation of pro forma compliance made on or after October 24, 2019), obligations arising in respect of the Guarantee by the Company of the Indebtedness of Advanced Filtration Systems Inc.

(b) Section 1.04 of the Credit Agreement is amended in its entirety to read as follows:

> **1.04 Rounding**. Any financial ratio required to be maintained by the Company pursuant to this Agreement shall be calculated by dividing the appropriate component by

the other component, carrying the result to one place more than the number of places by which such ratio is expressed herein and rounding the result up or down to the nearest number (with a rounding-up if there is no nearest number); provided that for the avoidance of doubt, it is understood and agreed that solely for purposes of determining the Applicable Rate, the Company shall calculate the Leverage Ratio without giving effect to any rounding of the result of such calculation.

2. Representations and Warranties. The Company hereby represents and warrants that both immediately before and immediately after the effectiveness hereof:

(a) The representations and warranties contained in Article V of the Credit Agreement are true and correct in all material respects on and as of the date of this Amendment, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they shall be true and correct in all material respects as of such earlier date, and except for purposes of this Section 2(a), the representations and warranties contained in clauses (a) and (b) of Section 5.05 of the Credit Agreement shall be deemed to refer to the most recent financial statements furnished pursuant to clauses (a) and (b), respectively of Section 6.01 of the Credit Agreement.

(b) Since July 31, 2016, nothing has occurred (singly or in aggregate with all other occurrences) that has had, or could reasonably be expected to have, a Material Adverse Effect.

(c) No Default or Event of Default has occurred and is continuing as of the date of this Amendment.

3. Effectiveness. This Amendment is a Loan Document and shall become effective upon satisfaction of the following conditions precedent:

(a) receipt by the Administrative Agent of executed counterparts of this Amendment duly executed by the Company, the Administrative Agent and each Lender; and

(b) receipt by the Administrative Agent of an amendment fee, for the ratable account of the applicable Lenders and the L/C Issuer, in an amount equal to 0.0288% of the sum of (i) the amount of the Aggregate Revolving Credit Commitments in effect as of the date of this Amendment, plus (ii) the aggregate principal amount of the Term Loans outstanding as of the date of this Amendment.

4. References; Effect; Etc. Upon the effectiveness hereof, each reference to the Credit Agreement in the Credit Agreement or any other Loan Document shall mean and be a reference to the Credit Agreement as amended hereby. Except as specifically amended hereby, the Credit Agreement and the other Loan Documents shall remain in full force and effect and are hereby ratified and confirmed.

5. No Waiver. The execution, delivery and effectiveness of this Amendment shall not, except as expressly provided herein, operate as a waiver of any right, power or remedy of the Administrative Agent or the Lenders, nor constitute a waiver of or consent to any provision of the Credit Agreement or any other Loan Documents executed and/or delivered in connection therewith.

6. Counterparts. This Amendment may be executed in any number of counterparts (and by the different parties hereto on separate counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Delivery of an executed signature page of this Amendment by facsimile or electronic transmission shall be effective as delivery of a manually executed counterpart thereof.

7. Governing Law. THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK APPLICABLE TO AGREEMENTS MADE AND TO BE PERFORMED ENTIRELY WITHIN SUCH STATE; PROVIDED THAT THE ADMINISTRATIVE AGENT AND EACH LENDER SHALL RETAIN ALL RIGHTS ARISING UNDER FEDERAL LAW.

8. Headings. Section headings in this Amendment are included herein for convenience of reference only and shall not constitute a part of this Amendment for any other purpose.

[signature pages follow]

IN WITNESS WHEREOF, the parties hereto have caused their duly authorized signatories to execute and deliver this Amendment as of the date first above written.

DONALDSON COMPANY, INC.

By: /s/ Robert Van Nelson
Name: Robert Van Nelson
Title: Treasurer

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Administrative Agent, L/C Issuer and a Lender

By: /s/ Greg Strauss
Name: Greg Strauss
Title: Director

U.S. BANK NATIONAL ASSOCIATION,
as a Lender

By:/s/ Edward B. Hanson
Name: Edward B. Hanson
Title: Senior Vice President

BANK OF THE WEST,
as a Lender

By: /s/ Jeffrey Svien
Name: Jeffrey Svien
Title: Director

JPMORGAN CHASE BANK, N.A.,
as a Lender

By: /s/ Christopher A. Salek
Name: Christopher A. Salek
Title: Vice President

BRANCH BANKING AND TRUST COMPANY,
as a Lender

By: /s/ Trevor H. Williams
Name: Trevor H. Williams
Title: Assistant Vice President

MUFG BANK, LTD.,
as a Lender

By: /s/ Victor Pierzchalski
Name: Victor Pierzchalski
Title: Authorized Signatory

MIZUHO BANK (USA),
as a Lender

By: /s/ Donna DeMagistris
Name: Donna DeMagistris
Title: Executive Director

KBC BANK N.V.,
as a Lender

By: /s/ Nicholas Fiore
Name: Nicholas Fiore
Title: Director

By: /s/ Francis Payne
Name: Francis Payne
Title: Managing Director

Exhibit 10-AF

2019 MASTER STOCK INCENTIVE PLAN
RESTRICTED STOCK UNIT AWARD AGREEMENT

This Restricted Stock Unit Award Agreement (the "Agreement") is made as of the date specified in the individual grant summary, by and between Donaldson Company, Inc., a Delaware corporation ("Donaldson"), and the person specified in the individual grant summary (the "Employee"). For purposes of the Agreement, the "Employer" means Donaldson or any Affiliate that employs the Employee.

Donaldson has adopted the 2019 Master Stock Incentive Plan (the "Plan") which permits the grant of an award of Restricted Stock Units representing the right to receive shares of common stock, par value US $5.00 per share, of Donaldson ("Common Stock") and dividend equivalent amounts corresponding to such shares. Donaldson is now granting this award under the Plan and in consideration of the Employee's and Donaldson's covenants in this Agreement.

1. Grant of Restricted Stock Units. Donaldson hereby grants to the Employee the number Restricted Stock Units specified in the grant summary for no cash consideration. The Restricted Stock Units shall be subject to the terms and conditions in this Agreement and the Plan. The Employee acknowledges receipt of a copy of the Plan and the Plan Prospectus. Capitalized terms not defined in this Agreement shall have the meaning ascribed to such terms in the Plan. The grant date shall be as specified on the Employee's individual grant summary ("Grant Date").

2. Vesting of Restricted Stock Units. Except as otherwise provided in the Plan or this Agreement, neither the Restricted Stock Units nor the underlying shares of Common Stock to which the units relate, may be sold, assigned, hypothecated or transferred (including without limitation, transfer by gift or donation) until the applicable vesting date provided below (the "Restriction Period"). Restricted Stock Units granted to the Employee shall be credited to a book-keeping account in the Employee's name. This account shall be a record of book-keeping entries only and shall be utilized solely as a device for the measurement and determination of the number of shares of Common Stock to be issued to the Employee in settlement of the Restricted Stock Units pursuant to this Agreement.

Vesting Date:	Cumulative Units Vested:
First Anniversary of Grant Date	0%
Second Anniversary of Grant Date	0%
Third Anniversary of Grant Date	100%

3. Termination of Employment. Unvested Restricted Stock Units shall be cancelled and forfeited if, at any time within the Restriction Period, the Employee's employment terminates for any reason (including, without limitation, termination by the Employer, with or without cause) other than for reasons of death, Retirement (as defined in the Plan), or Disability (as defined in the Plan). Upon termination of the Employee's employment within the Restriction Period by reason of death, Retirement or Disability, the Restriction Period shall end upon such termination, and in lieu of the vesting schedule above, the unvested Restricted Stock Units shall vest as to the number (rounded to the nearest whole share) of Restricted Stock Units obtained by multiplying the unvested Restricted Stock Units by a fraction formed from dividing the full number of months of the Employee's employment since the Grant Date by thirty-six (36). The remainder of Restricted Stock Units shall be cancelled and forfeited.

For purposes of this Agreement, the Employee's date of termination of employment shall be the earlier of (i) the date the Employer tenders a notice of termination to the Employee or the Employee tenders a notice of resignation to the Employer, or (ii) the date the Employee ceases to render services to the Employer, and unless otherwise expressly provided in this Agreement or determined by the Committee in its sole discretion, the Employee's right to vest in the Restricted Stock Units will terminate as of such date and will not be extended by any notice period (e.g., the Employee's period of employment would not include any contractual notice period or any period of "garden leave" or similar period mandated under employment laws in the jurisdiction where the Employee is employed or the terms of the Employee's employment agreement, if any). The Committee (or its delegate) shall have the exclusive discretion to determine the date of the Employee's termination of employment for purposes of this award (including whether the Employee may still be considered to be providing services while on a leave of absence). For the avoidance of doubt, a transfer of employment between Donaldson Affiliates shall not constitute a termination of employment for purposes of this Agreement.

4. Settlement of Restricted Stock Units.

(a) Upon the expiration of the Restriction Period, Donaldson shall cause to be issued to the Employee, or to the Employee's estate in the event of the Employee's death, one (1) share of Common Stock in payment and settlement of each vested Restricted Stock Unit. Donaldson shall cause the shares of Common Stock issuable in connection with the vesting of any such Restricted Stock Units to be issued as soon as practicable after the Restriction Period, but in all events no later than 30 days after the Restriction Period, and the Employee shall have no power to affect the timing of such issuance. Such issuance shall be evidenced by a stock certificate or appropriate entry on the books of Donaldson or a duly authorized transfer agent of Donaldson and shall be in complete settlement and satisfaction of such vested Restricted Stock Units.

Notwithstanding the foregoing, if the Employee is resident or provides services outside of the United States, Donaldson, in its sole discretion, may provide for the settlement of the Restricted Stock Units in the form of:

(i) a cash payment in an amount equal to the Fair Market Value of the shares of Common Stock as of the vesting date that corresponds to the number of vested Restricted Stock Units, to the extent settlement in shares of Common Stock (i) is prohibited under local law, (ii) would require the Employee, Donaldson or any Affiliate to obtain the approval of any governmental or regulatory body in the Employee's country of residence (or country of employment, if different), (iii) would result in adverse tax consequences for the Employee, Donaldson or any Affiliate, or (iv) is administratively burdensome; or

(ii) shares of Common Stock, but require the Employee to sell such shares of Common Stock immediately or within a specified period following the Employee's termination of employment (in which case, the Employee agrees that Donaldson shall have the authority to issue sale instructions in relation to such shares of Common Stock on the Employee's behalf).

(b) If the Employee is a taxpayer of the United States of America ("U.S.") and has attained or will attain age 55 prior to the expiration of the Restriction Period applicable to Restricted Stock Units, such Restricted Stock Units shall be treated as "deferred compensation" subject to section 409A of Code. In such case, if those Restricted Stock Units vest and become payable on account of the Employee's termination of employment, the Restricted Stock Units shall not become payable (even though non-forfeitable) unless the termination constitutes a "separation from service" as defined in Treasury Regulations promulgated under section 409A of the Code. In addition, if the Employee is a Specified Employee, payment on account of separation from service hereunder shall be made as of the date that is six (6) months following the Employee's separation from service (or, if earlier, upon the Employee's death).

5. Execution of Employee Agreement and Non-Competition Agreement. In consideration of the grant of Restricted Stock Units and other good and valuable consideration associated with the Employee's employment with the Employer, the Employee agrees to execute an agreement (or agreements) containing restrictive covenants concerning the Employee's behavior both during employment and following termination of employment that is satisfactory to Donaldson (the "Employee Agreement"). The Employee acknowledges and agrees that the grant of Restricted Stock Units is expressly conditioned upon the Employee's execution of the Employee Agreement, and the Employee further acknowledges and agrees that the grant of Restricted Stock Units is adequate consideration for the Employee's execution of the Employee Agreement and the restrictive covenants contained therein.

6. Accelerated Vesting Upon Change in Control. In the event of a Change in Control (as defined in the Plan) during the Restricted Period, the unvested Restricted Stock Units then outstanding shall immediately become fully vested and the underlying shares of Common Stock shall be issued to the Employee. Notwithstanding the foregoing, if any payment due under this Section 6 is deferred compensation subject to section 409A of the Code, and if the Change in Control is not a "change in control event" that serves as a permissible payment event under U.S. Treasury Regulation § 1.409A-3(i)(5) or such other regulation or guidance issued under section 409A of the Code, then the Restricted Stock Units shall vest upon the Change in Control as provided above but issuance of the shares subject to the award shall be delayed until the end of the Restriction Period.

7. Tax and Social Insurance Contributions Withholding.

(a) Regardless of any action Donaldson or the Employer takes with respect to any or all income tax, social insurance, payroll tax, fringe benefit tax, payment on account or other tax-related items related to the Employee's participation in the Plan ("Tax-Related Items"), the Employee acknowledges that the ultimate liability for all Tax-Related Items legally due by the Employee is and remains the Employee's responsibility, and that Donaldson and the Employer: (a) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the award of Restricted Stock Units, including the grant of the Restricted Stock Units, the vesting of the Restricted Stock Units, the issuance of shares of Common Stock, the subsequent sale of any shares of Common Stock and the receipt of any dividends or dividend equivalent amounts; and (b) do not commit to structure the terms of the grant or any aspect of the Restricted Stock Unit award to reduce or eliminate the Employee's liability for Tax-Related Items.

(b) Prior to any taxable or tax withholding event, as applicable, the Employee agrees to make adequate arrangements satisfactory to Donaldson and/or the Employer to satisfy all Tax-Related Items. Payment of all Tax-Related Items may be satisfied by (i) payment in cash, (ii) delivery of unencumbered shares of Common Stock previously acquired having a Fair Market Value that is equal to the Tax-Related Items, (iii) by a combination of cash and shares under (i) and (ii) above; (iv) by withholding of shares of Common Stock that would otherwise be issued upon settlement having a Fair Market Value equal to the Tax-Related Items or (v) by (broker-assisted) sell-to-cover transaction that complies with all applicable laws. In the absence of direction from the Employee, the Employee hereby authorizes Donaldson to satisfy all Tax-Related Items by (1) withholding shares of Common Stock to be issued at settlement or otherwise selling shares of Common Stock on the Employee's behalf equal to the amount of all Tax-Related Items required to be withheld, pursuant to the policies and processes of Donaldson's stock plan administrator and broker; or (2) withholding from the Employee's wages or other cash compensation payable to the Employee by Donaldson and/or the Employer. If the Employee is subject to taxation in more than one jurisdiction, the Employee acknowledges that the Employer or another Affiliate may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

(c) Depending on the withholding method, Donaldson may withhold or account for Tax-Related Items by considering applicable statutory withholding rates (as determined by the Committee in its sole discretion) or other applicable withholding rates, including maximum withholding rates. If the obligation for Tax-Related Items is satisfied by withholding from shares of Common Stock to be delivered upon vesting of the Restricted Stock Units, for tax purposes, the Employee is deemed to have been issued the full number of shares of Common Stock subject to the vested Restricted Stock Units, notwithstanding that a number of shares of Common Stock are held back solely for the purpose of paying the Tax-Related Items.

(d) The Employee agrees to pay to Donaldson or the Employer any amount of Tax-Related Items that Donaldson or the Employer may be required to withhold or account for as a result of the Employee's participation in the Plan that cannot be satisfied by the means previously described. Donaldson may refuse to issue or deliver shares of Common Stock or proceeds from the sale of shares of Common Stock until arrangements satisfactory to the Committee have been made in connection with the Tax-Related Items.

8. Shareholder Rights; Dividend Equivalents. The Restricted Stock Units do not entitle the Employee to any rights of a stockholder of Donaldson with respect to shares of Common Stock underlying the Restricted Stock Units until such shares have been issued to the Employee upon settlement of the Restricted Stock Units. Notwithstanding the foregoing, the Employee shall accumulate an unvested right to dividend equivalent amounts on the shares of Common Stock underlying Restricted Stock Units if cash dividends are declared by Donaldson on the shares on or after the Grant Date. Each time a dividend is paid on the shares of Common Stock, the Employee shall accrue an additional number of Restricted Stock Units (rounded to the nearest whole share) having a Fair Market Value on the dividend payment date equal to the amount of the dividend payable on the Employee's Restricted Stock Units on the dividend record date. The additional Restricted Stock Units shall be subject to the same vesting, forfeiture and share delivery terms in Sections 2, 3, 4 and 6 above as if they had been awarded on the Grant Date. The Employee shall not be entitled to dividend equivalents with respect to dividends declared prior to the Grant Date. All dividend equivalents accumulated with respect to forfeited Restricted Stock Units shall also be irrevocably forfeited. As of the date of issuance of shares underlying Restricted Stock Units, the Employee shall have all of the rights of a stockholder of Donaldson with respect to any shares issued pursuant hereto.

9. Effectiveness of Agreement; Non-Disclosure. This Agreement shall be effective only after the Employee agrees to the terms and conditions of this Agreement. The Employee shall not disclose either the contents or any of the terms and conditions of this award to any other person and agrees that Donaldson shall have the right, in its sole discretion, to immediately terminate the Agreement in the event of such disclosure by the Employee.

10. Nature of Grant.

(a) Neither the Plan nor this Agreement shall (i) be deemed to give the Employee a right to remain an employee of the Employer, (ii) restrict the right of the Employer to discharge the Employee, with or without cause, or (iii) be deemed to be a written contract of employment.

(b) The Employee acknowledges and agrees that the Plan is discretionary in nature and limited in duration, and may be amended, cancelled, or terminated by Donaldson, in its sole discretion, at any time.
Any amendment, modification or termination of the Plan shall not constitute a change or impairment of the terms and conditions of the Employee's employment with the Employer.

(c) The grant of the Restricted Stock Unit award under the Plan is a one-time benefit and does not create any contractual or other right to receive an award or benefits in lieu of Restricted Stock Units in

the future. Future awards, if any, will be at the sole discretion of Donaldson, including, but not limited to, the form and timing of an award, the number of shares of Common Stock subject to an award and the vesting provisions.

(d) The Employee's participation in the Plan is exceptional, voluntary and occasional. The value of the Employee's Restricted Stock Unit award is an extraordinary item of compensation outside the scope of the Employee's employment contract, if any.

(e) The Employee's award of Restricted Stock Units, the shares of Common Stock subject to the Restricted Stock Units and the income and value of the same are not part of normal or expected compensation for any purpose, including, without limitation, calculating any severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension, or retirement benefits or similar payments and in no event should be considered as compensation for, or relating in any way to, past services for Donaldson, the Employer or any Affiliate.

(f) No claim or entitlement to compensation or damages shall arise from termination of the Restricted Stock Unit award resulting from termination of the Employee's employment (for any reason whatsoever, whether or not later found to be invalid or in breach of local employment laws or the terms of the Employee's employment agreement, if any).

(g) The future value of the shares of Common Stock subject to the Restricted Stock Unit award is unknown and cannot be predicted with certainty. The value of any underlying shares of Common Stock issued hereunder may increase or decrease.

(h) Donaldson shall not be liable for any foreign exchange rate fluctuation, where applicable, between the Employee's local currency and the United States dollar that may affect the value of the Restricted Stock Unit or of any amounts due to the Employee pursuant to the award or the subsequent sale of any shares of Common Stock acquired under the award.

(i) The Restricted Stock Units and the benefits evidenced by this Agreement do not create any entitlement not otherwise specifically provided for in the Plan or provided by Donaldson in its discretion, to have the Restricted Stock Units or any such benefits transferred to, or assumed by, another company, nor to be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the shares of Common Stock.

11. Data Privacy.

(a) Pursuant to applicable personal data protection laws, Donaldson hereby notifies the Employee of the following in relation to the Employee's personal Data (as defined below) and the collection, use, processing and transfer of such Data in relation to Donaldson's grant of this award and the Employee's participation in the Plan. The collection, use, processing and transfer of the Employee's Data is necessary for Donaldson's administration of the Plan and the Employee's participation in the Plan, and the Employee's denial and/or objection to the collection, use, processing and transfer of Data may affect the Employee's participation in the Plan. As such, the Employee hereby voluntarily acknowledges and consents (where required under applicable law) to the collection, use, processing and transfer of Data as described in this paragraph.

(b) Donaldson and the Employer hold certain personal information about the Employee, specifically: the Employee's name, home address, email address and telephone number, date of birth, social security number, passport number or other employee identification number, salary, nationality, job title, any shares of Common Stock or directorships held in Donaldson, details of all stock awards or any other

entitlement to shares of Common Stock awarded, canceled, purchased, vested, unvested or outstanding in the Employee's favor, for the purpose of managing and administering the Plan ("Data"). Data may be provided by the Employee or collected, where lawful, from third parties, and Donaldson will process Data for the exclusive purpose of implementing, administering and managing the Employee's participation in the Plan. Data processing will take place through electronic and non-electronic means according to logics and procedures strictly correlated to the purposes for which Data are collected and with confidentiality and security provisions as set forth by applicable laws and regulations in the Employee's country of residence. Data processing operations will be performed minimizing the use of personal and identification data when such operations are unnecessary for the processing purposes sought. Data will be accessible within Donaldson's organization only by those persons requiring access for purposes of the implementation, administration and operation of the Plan and for the Employee's participation in the Plan.

(c) Donaldson and the Employer will transfer Data amongst themselves as necessary for the purpose of implementation, administration and management of the Employee's participation in the Plan, and Donaldson and the Employer may each further transfer Data to any third parties assisting Donaldson in the implementation, administration and management of the Plan. As permitted by applicable personal data protection laws, if Donaldson or the Employer becomes involved in a merger, acquisition, sale of assets, joint venture, securities offering, bankruptcy, reorganization, liquidation, dissolution, or other transaction or if the ownership of all or substantially all of Donaldson or the Employer otherwise changes, Donaldson or the Employer may transfer Data to a third party or parties in connection therewith. The Employee hereby authorizes (where required under applicable law) them to receive, possess, use, retain and transfer Data, in electronic or other form, for purposes of implementing, administering and managing the Employee's participation in the Plan, including any requisite transfer of such Data as may be required for the administration of the Plan and/or the subsequent holding of shares of Common Stock on the Employee's behalf to a broker or other third party with whom the Employee may elect to deposit any shares of Common Stock acquired pursuant to the Plan.

(d) The Employee may, at any time, exercise his or her rights provided under applicable personal data protection laws, which may include the right to (a) obtain confirmation as to the existence of Data, (b) verify the content, origin and accuracy of Data, (c) request the integration, update, amendment, deletion, or blockage (for breach of applicable laws) of Data, and (d) to oppose, for legal reasons, the collection, processing or transfer of Data which is not necessary or required for the implementation, administration and/or operation of the Plan and the Employee's participation in the Plan. The Employee may seek to exercise these rights by contacting privacy@donaldson.com. The Employee understands that he or she is providing the consent herein on a purely voluntary basis. If the Employee does not consent or later seeks to remove his or her consent, the Employee's salary from or employment with the Employer will not be affected; the only consequence of refusing or withdrawing his or her consent is that Donaldson would not be able to grant the Employee Restricted Stock Units or other equity awards or participation in the Plan.

12. Governing Law and Venue. This Agreement shall be construed and enforced in accordance with the laws of the U.S. state of Delaware, except with respect to its rules relating to conflicts of law. The Employee consents to the exclusive jurisdiction of the state and federal courts of the U.S. state of Minnesota in connection with any controversies relating to or arising out of this Agreement, and agrees that any and all litigation relating to or arising out of this Agreement shall be venued in Hennepin County, Minnesota.

13. Repatriation; Compliance with Law. The Employee agrees to repatriate all payments attributable to the shares of Common Stock and/or cash acquired under the Plan (including, but not limited to, dividends and any proceeds derived from the sale of the shares of Common Stock acquired pursuant to the award) in accordance with local foreign exchange rules and regulations in the Employee's country of residence (and country of employment, if different). In addition, the Employee also agrees to take any and

all actions, and consents to any and all actions taken by Donaldson or any Affiliate, as may be required to allow Donaldson and its Affiliates to comply with local laws, rules and regulations in the Employee's country of residence (and country of employment, if different). Finally, the Employee agrees to take any and all actions as may be required to comply with the Employee's personal legal and tax obligations under local laws, rules and regulations in the Employee's country of residence (and country of employment, if different).

14. Electronic Delivery and Acceptance. Donaldson, in its sole discretion, may decide to deliver any documents related to the Restricted Stock Units or other awards granted to the Employee under the Plan by electronic means. The Employee hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through an on-line or electronic system established and maintained by Donaldson or a third party designated by Donaldson.

15. English Language. The Employee acknowledges and agrees that it is the Employee's express intent that this Agreement, the Plan and all other documents, notices and legal proceedings entered into, given or instituted pursuant to the grant of this award of Restricted Stock Units, be drawn up in English. The Employee acknowledges that he or she is sufficiently proficient in English, or has consulted with an advisor who is sufficiently proficient in English, so as to allow the Employee to understand the terms and conditions of this Agreement and the Plan. If the Employee has received this Agreement, the Plan or any other documents related to the award of Restricted Stock Units translated into a language other than English, and if the meaning of the translated version is different than the English version, the English version shall control.

16. Addendum. Notwithstanding any provisions in this Agreement to the contrary, this award of Restricted Stock Units shall be subject to any special terms and conditions for the Employee's country of residence (and country of employment, if different), as set forth in the applicable addendum to this Agreement. Further, if the Employee transfers residency and/or employment to another country reflected in an addendum to this Agreement, the special terms and conditions for such country will apply to the Employee to the extent Donaldson determines, in its sole discretion, that the application of such terms and conditions is necessary or advisable in order to comply with local laws, rules and/or regulations or to facilitate the operation and administration of the Restricted Stock Units and the Plan (or Donaldson may establish alternative terms and conditions as may be necessary or advisable to accommodate the Employee's transfer). Any applicable addendum shall constitute part of this Agreement.

17. Imposition of Other Requirements. Donaldson reserves the right to impose other requirements on this award of Restricted Stock Units, any dividend equivalents, any shares of Common Stock acquired pursuant to this award, and the Employee's participation in the Plan, to the extent Donaldson determines, in its sole discretion, that such other requirements are necessary or advisable in order to comply with local laws, rules and/or regulations or to facilitate the operation and administration of the Restricted Stock Unit award and the Plan. Such requirements may include (but are not limited to) requiring the Employee to sign any agreements or undertakings that may be necessary to accomplish the foregoing.

18. Not a Public Offering. This award is not intended to be a public offering of securities in the Employee's country of residence (and country of employment, if different). Donaldson has not submitted any registration statement, prospectus or other filings with the local securities authorities (unless otherwise required under local law), and the award of Restricted Stock Units is not subject to the supervision of the local securities authorities.

19. No Advice Regarding Grant. No employee of Donaldson or any Affiliate is permitted to advise the Employee on whether the Employee should acquire shares of Common Stock by participating in the Plan. Investment in shares of Common Stock involves a degree of risk. Before deciding to participate

in the Plan, the Employee should carefully review all the materials related to the Restricted Stock Units and the Plan. In addition, the Employee should consult the Employee's personal advisor for professional investment advice.

20. Insider Trading/Market Abuse Laws. By participating in the Plan, the Employee agrees to comply with Donaldson's policy on insider trading (to the extent that it is applicable to the Employee). Further, the Employee acknowledges that, depending on the Employee's or the broker's country of residence or where the shares of Common Stock are listed, the Employee may be subject to insider trading restrictions and/or market abuse laws which may affect the Employee's ability to accept, acquire, sell or otherwise dispose of shares of Common Stock, rights to shares of Common Stock (e.g., Restricted Stock Units) or rights linked to the value of shares of Common Stock, during such time the Employee is considered to have "inside information" regarding Donaldson as defined by the laws or regulations in the Employee's country. Local insider trading laws and regulations may prohibit the cancellation or amendment of orders the Employee places before he or she possessed inside information. Furthermore, the Employee could be prohibited from (i) disclosing the inside information to any third party (other than on a "need to know" basis) and (ii) "tipping" third parties or causing them otherwise to buy or sell securities. The Employee understands that third parties include fellow employees. Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable Donaldson insider trading policy. The Employee acknowledges that it is the Employee's responsibility to comply with any applicable restrictions, and that the Employee should therefore consult his or her personal advisor on this matter.

21. Severability. The invalidity or unenforceability of any provision of the Plan or this Agreement will not affect the validity or enforceability of any other provision of the Plan or this Agreement, and each provision of the Plan and this Agreement will be severable and enforceable to the extent permitted by law.

22. Waiver. The Employee agrees that a waiver by Donaldson of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by the Employee or any other Participant.

By execution of this Agreement as of the Grant Date, the Employee hereby accepts and agrees to be bound by all of the terms and conditions of this Agreement and the Plan.

EMPLOYEE:

SIGNED BY ELECTRONIC SIGNATURE*

* BY ELECTRONICALLY ACCEPTING THIS AWARD, THE EMPLOYEE AGREES THAT (i) SUCH ACCEPTANCE CONSTITUTES THE EMPLOYEE'S ELECTRONIC SIGNATURE IN EXECUTION OF THIS AGREEMENT; (ii) THE EMPLOYEE AGREES TO BE BOUND BY THE PROVISIONS OF THE PLAN, THE AGREEMENT AND THE ADDENDUM TO THE AGREEMENT (IF ANY); (iii) THE EMPLOYEE HAS REVIEWED THE PLAN, THE AGREEMENT AND THE ADDENDUM TO THE AGREEMENT (IF ANY) IN THEIR ENTIRETY, HAS HAD AN OPPORTUNITY TO OBTAIN THE ADVICE OF COUNSEL PRIOR TO ACCEPTING THE AWARD AND FULLY UNDERSTANDS ALL OF THE PROVISIONS OF THE PLAN, THE AGREEMENT AND THE ADDENDUM TO THE AGREEMENT (IF ANY); (iv) THE EMPLOYEE HAS BEEN PROVIDED WITH A COPY OR ELECTRONIC ACCESS TO A COPY OF THE U.S. PROSPECTUS FOR THE PLAN AND THE TAX SUPPLEMENT TO THE U.S. PROSPECTUS FOR THE EMPLOYEE'S COUNTRY, IF APPLICABLE; AND (v) THE EMPLOYEE HEREBY AGREES TO ACCEPT AS BINDING, CONCLUSIVE AND FINAL ALL DECISIONS OR INTERPRETATIONS OF THE HUMAN RESOURCES COMMITTEE UPON ANY QUESTIONS ARISING UNDER THE PLAN, THE AGREEMENT AND THE ADDENDUM TO THE AGREEMENT (IF ANY).

ADDENDUM TO
RESTRICTED STOCK AWARD AGREEMENT

The Restricted Stock Units are subject to the following additional terms and conditions as set forth in this addendum to the Agreement (the "Addendum") to the extent the Employee resides and/or is employed in one of the jurisdictions or countries addressed herein. To the extent the Employee transfers residence and/or employment to another country, the special terms and conditions for such country as reflected in this Addendum (if any) will apply to the Employee to the extent Donaldson determines, in its sole discretion, that the application of such terms and conditions is necessary or advisable to comply with local laws, rules and/or regulations, or to facilitate the operation and administration of the Restricted Stock Units and the Plan (or Donaldson may establish alternative terms and conditions as may be necessary or advisable to accommodate the Employee's transfer). All defined terms as contained in this Addendum shall have the same meaning as set forth in the Plan and the Agreement.

EUROPEAN UNION ("EU") AND EUROPEAN ECONOMIC AREA ("EEA") MEMBER STATES

1. Personal Data. The following provision replaces Section 11 of the Agreement in its entirety:

Pursuant to applicable personal data protection laws, Donaldson hereby notifies the Employee of the following in relation to the Employee's Personal Data (defined below) and the collection, processing and transfer in electronic or other form of such Personal Data in relation to Donaldson's grant of this award and the Employee's participation in the Plan. The collection, processing and transfer of the Employee's Personal Data is necessary for the legitimate purpose of Donaldson's administration of the Plan and the Employee's participation in the Plan, and the Employee's denial and/or objection to the collection, processing and transfer of Personal Data may affect the Employee's participation in the Plan. As such, the Employee acknowledges the collection, use, processing and transfer of Personal Data as described herein.

Donaldson and the Employer hold certain personally identifiable information about the Employee, specifically the Employee's name, home address, email address and telephone number, date of birth, social security number, passport number or other employee identification number, salary, nationality, job title, any shares of Common Stock or directorships held in Donaldson, details of all options or any other entitlement to shares of Common Stock awarded, canceled, exercised, vested, unvested or outstanding in the Employee's favor, for the purpose of managing and administering the Plan ("Personal Data"). The Personal Data may be provided by the Employee or collected, where lawful, from third parties. Donaldson and the Employer each act as controllers of the Personal Data and will process the Personal Data in this context for the exclusive legitimate purpose of implementing, administering and managing the Employee's participation in the Plan and meeting related legal obligations associated with these actions.

The processing will take place through electronic and non-electronic means according to logics and procedures correlated to the purposes for which the Personal Data was collected and with confidentiality and security provisions as set forth by applicable laws and regulations. Personal Data will be accessible within Donaldson's organization only by those persons requiring access for purposes of the implementation, administration and operation of the Plan and other aspects of the employment relationship and for the Employee's participation in the Plan.

Donaldson and the Employer will transfer Personal Data amongst themselves as necessary for the purpose of implementation, administration and management of the Employee's participation in the Plan, and Donaldson and the Employer may each further transfer Personal Data to third parties assisting Donaldson or the Employer in the implementation, administration and management of the Plan, including

Morgan Stanley Smith Barney or any successor or other third party that Donaldson, the Employer or Morgan Stanley Smith Barney (or its successor) may engage to assist with administration of the Plan from time to time. Further and as permitted by applicable personal data protection laws, if Donaldson or the Employer becomes involved in a merger, acquisition, sale of assets, joint venture, securities offering, bankruptcy, reorganization, liquidation, dissolution, or other transaction or if the ownership of all or substantially all of Donaldson or the Employer otherwise changes, Donaldson or the Employer may transfer Data to a third party or parties in connection therewith. These recipients may be located in the EEA, or elsewhere throughout the world, such as the United States. By participating in the Plan, the Employee understands that these recipients may receive, possess, use, retain and transfer Personal Data, in electronic or other form, for purposes of implementing, administering and managing the Employee's participation in the Plan, including any requisite transfer of such Personal Data as may be required for the administration of the Plan and/or the subsequent holding of shares of Common Stock on the Employee's behalf to a broker or other third party with whom the Employee may elect to deposit any shares of Common Stock acquired pursuant to the Plan. The Employee further understands that the Employee may request a list with the names and addresses of any potential recipients of the Employee's Personal Data by contacting privacy@donaldson.com. When transferring Personal Data to these potential recipients, Donaldson and the Employer provide appropriate safeguards in accordance with EU Standard Contractual Clauses, the EU-U.S. Privacy Shield Framework, or other legally binding and permissible arrangements. The Employee may request a copy of such safeguards by contacting privacy@donaldson.com.

To the extent provided by law, the Employee may, at any time, have the right to request: access to Personal Data, rectification of Personal Data, erasure of Personal Data, restriction of processing of Personal Data, and portability of Personal Data. The Employee may also have the right to object, on grounds related to a particular situation, to the processing of Personal Data, as well as opt-out of the Plan herein, in any case without cost, by contacting privacy@donaldson.com. The Employee's provision of Personal Data is a contractual requirement. The Employee understands, however, that the only consequence of refusing to provide Personal Data is that Donaldson and the Employer may not be able to grant the Employee equity awards under the Plan, or administer or maintain such awards. For more information on the consequences of the Employee's refusal to provide Personal Data, the Employee understands that the Employee may contact privacy@donaldson.com.

When Donaldson and the Employer no longer need to use Personal Data for the purposes above or do not need to retain it for compliance with any legal or regulatory purpose, each will take reasonable steps to remove Personal Data from their systems and/or records containing the Personal Data and/or take steps to properly anonymize it so that the Employee can no longer be identified from it.

2. EU Age Discrimination. If the Employee is a resident of or employed in a country that is a member of the EU, the grant of this award and the terms and conditions governing this award are intended to comply with the age discrimination provisions of the EU Equal Treatment Framework Directive, as implemented into local law (the "Age Discrimination Rules"). To the extent a court or tribunal of competent jurisdiction determines that any provision of this award is invalid or unenforceable, in whole or in part, under the Age Discrimination Rules, Donaldson shall have the power and authority to revise or strike such provision to the minimum extent necessary to make it valid and enforceable to the full extent permitted under local law.

AUSTRALIA

1. Australia Offer Document. The grant of the Restricted Stock Units is intended to comply with the provisions of the Corporations Act 2001, Australia Securities and Investment Commission ("ASIC") Regulatory Guide 49 and ASIC Class Order 14/1000. Additional details are set forth in the Australia Offer Document, which is provided to the Employee with the Agreement. By accepting the

Restricted Stock Units, the Employee acknowledges and confirms that he or she has received these documents.

2. Shareholder Approval Requirement. Notwithstanding any provision in the Agreement to the contrary, the Employee will not be entitled to, and shall not claim any benefit under the Plan if the provision of such benefit would give rise to a breach of Part 2D.2 of the Corporations Act 2001 (Cth), any other provision of that Act, or any other applicable statute, rule or regulation which limits or restricts the giving of such benefits. Further, Donaldson's Affiliate in Australia is under no obligation to seek or obtain the approval of its shareholders for the purpose of overcoming any such limitation or restriction.

3. Tax Deferral. The Restricted Stock Units awarded under the Agreement is intended to be subject to tax deferral under Subdivision 83A-C of the Income Tax Assessment Act 1997 (Cth) (subject to the conditions of the Act).

BELGIUM

No country-specific provisions.

BRAZIL

1. Labor Law Acknowledgment. The Employee agrees that, for all legal purposes, (i) the benefits provided under the Agreement and the Plan are the result of commercial transactions unrelated to the Employee's employment; (ii) the Agreement and the Plan are not a part of the terms and conditions of the Employee's employment; and (iii) the income from the Restricted Stock Units, if any, is not part of the Employee's remuneration from employment.

2. Compliance with Law. By accepting the Restricted Stock Units, the Employee acknowledges his / her agreement to comply with applicable Brazilian laws and to pay any and all applicable taxes associated with the vesting of the Restricted Stock Units, the issuance and/or sale of shares of Common Stock acquired under the Plan or the receipt of any dividends.

CANADA

1. Settlement of Restricted Stock Units. Notwithstanding any provision of the Agreement or the Plan to the contrary, the Restricted Stock Units do not provide any right for the Employee to receive a cash payment and the Restricted Stock Units will be settled in shares of Common Stock only.

2. Use of English Language. The Employee acknowledges and agrees that it is the Employee's wish that the Agreement and the Addendum, as well as all documents, notices and legal proceedings entered into, given or instituted pursuant the Award, be drawn up in English.

Utilisation de Langue anglaise. **Employé admet et convient que c'est le désir du Employé que l'Accord et l'Addenda, aussi bien que tous les documents, remarque et les poursuites judiciaires entrées, données ou instituées conforme le Prix, être établi dans l'anglais.**

3. Data Privacy. The following provision supplements Section 11 of the Agreement:

The Employee hereby authorizes Donaldson and Donaldson's representatives to discuss and obtain all relevant information from all personnel, professional or non-professional, involved in the administration of the Plan. The Employee further authorizes Donaldson, the Employer and its Affiliates to disclose and discuss the Plan with their advisors. The Employee further authorizes Donaldson, the Employer and any other Affiliate to record such information and to keep such information in the Employee's employee file.

DENMARK

1. Danish Stock Option Act. In accepting the Restricted Stock Units, the Employee acknowledges that the Employee has received an "Employer Statement" translated into Danish, which is being provided to comply with the Danish Act on the Use of Rights to Purchase or Subscribe for Shares etc. in Employment Relationships (the "Stock Option Act").

FRANCE

1. Nature of Grant. The Restricted Stock Units are not granted under the French specific regime provided by Articles Section L.225-197-1 and seq. of the French commercial code.

2. Use of English Language. The Employee acknowledges and agrees that it is the Employee's wish that the Agreement and the Addendum, as well as all documents, notices and legal proceedings entered into, given or instituted pursuant the Award, be drawn up in English.

Utilisation de Langue anglaise. **Employé admet et convient que c'est le désir du Employé que l'Accord et l'Addenda, aussi bien que tous les documents, remarque et les poursuites judiciaires entrées, données ou instituées conforme le Prix, être établi dans l'anglais.**

GERMANY

No country-specific provisions.

HONG KONG

1. Settlement of Restricted Stock Units. Notwithstanding any provision of the Agreement or the Plan to the contrary, the Restricted Stock Units do not provide any right for the Employee to receive a cash payment and the Restricted Stock Units will be settled in shares of Common Stock only.

2. IMPORTANT NOTICE. The Agreement, the Addendum, the Plan and all other materials pertaining to the Restricted Stock Units have not been reviewed by any regulatory authority in Hong Kong. The Employee is advised to exercise caution in relation to the offer. If the Employee has any doubts about any of the contents of the materials pertaining to the Restricted Stock Units, the Employee should obtain independent professional advice.

INDIA

1. Repatriation Requirements. The Employee understands that the Employee must repatriate any cash dividends paid on shares of Common Stock under the Plan and any proceeds from the sale of such shares of Common Stock to India within a certain period of time after receipt of the proceeds. It is the Employee's sole responsibility to comply with applicable exchange control laws in India.

ITALY

1. Plan Document Acknowledgment. In accepting the Option, the Employee acknowledges that a copy of the Plan was made available to the Employee, and the Employee has reviewed the Plan and the Agreement, including this Addendum, in their entirety and fully understands and accepts all provisions of the Plan, the Agreement, and this Addendum.

The Employee further acknowledges that the Employee has read and specifically approves the following provision in the Agreement: Section 2 (Vesting of Restricted Stock Units), Section 3 (Termination of Employment), Section 7 (Tax and Social Insurance Contributions Withholding), Section 10 (Nature of Grant); and Section 17 (Imposition of Other Requirements).

JAPAN

No country-specific provisions.

MEXICO

1. Commercial Relationship. The Employee expressly recognizes that the Employee's participation in the Plan and Donaldson's grant of a Restricted Stock Units does not constitute an employment relationship between the Employee and Donaldson. The Employee has been granted the Restricted Stock Units as a consequence of the commercial relationship between Donaldson and Donaldson's Affiliate in Mexico that employs the Employee ("Donaldson-Mexico"), and Donaldson-Mexico is the Employee's sole employer. Based on the foregoing, (a) the Employee expressly recognizes that the Plan and the benefits the Employee may derive from participation in the Plan does not establish any rights between the Employee and Donaldson-Mexico, (b) the Plan and the benefits the Employee may derive from participation in the Plan are not part of the employment conditions and/or benefits provided by Donaldson-Mexico, and (c) any modifications or amendments of the Plan by Donaldson, or a termination of the Plan by Donaldson, shall not constitute a change or impairment of the terms and conditions of the Employee's employment with Donaldson-Mexico.

2. Extraordinary Item of Compensation. The Employee expressly recognizes and acknowledges that the Employee's participation in the Plan is a result of the discretionary and unilateral decision of Donaldson, as well as the Employee's free and voluntary decision to participate in the Plan in accordance with the terms and conditions of the Plan, the Agreement and this Addendum. As such, the Employee acknowledges and agrees that Donaldson, in its sole discretion, may amend and/or discontinue the Employee's participation in the Plan at any time and without any liability. The value of the Restricted Stock Units is an extraordinary item of compensation outside the scope of the Employee's employment contract, if any. The Restricted Stock Units are not part of the Employee's regular or expected compensation for purposes of calculating any severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits, or any similar payments, which are the exclusive obligations of Donaldson-Mexico.

NETHERLANDS

1. Waiver of Termination Rights. The Employee hereby waives any and all rights to compensation or damages as a result of the Employee's termination of employment with Donaldson or any Affiliate whatsoever, insofar as those rights result or may result from (i) the loss or diminution in value of such rights or entitlements under the Plan, or (ii) the Employee's ceasing to have rights under, or ceasing to be entitled to any awards under the Plan as a result of such termination.

SINGAPORE

1. Qualifying Person Exemption. The grant of the Restricted Stock Units under the Plan is being made pursuant to the "Qualifying Person" exemption under section 273(1)(f) of the Securities and Futures Act (Chapter 289, 2006 Ed.) ("SFA"). The Plan has not been and will not be lodged or registered as a prospectus with the Monetary Authority of Singapore and is not regulated by any financial supervisory

authority pursuant to any legislation in Singapore. The Employee should note that, as a result, the Restricted Stock Units is subject to section 257 of the SFA and the Employee will not be able to make (a) any subsequent sale of the shares of Common Stock in Singapore or (b) any offer of such subsequent sale of the shares of Common Stock subject to the Restricted Stock Units in Singapore, unless such sale or offer is made pursuant to the exemptions under Part XIII Division (1) Subdivision (4) (other than section 280) of the SFA (Chapter 289, 2006 Ed.).

SOUTH KOREA

No country-specific provisions.

POLAND

No country-specific provisions.

SPAIN

1. Acknowledgement of Discretionary Nature of the Plan.

In accepting the Restricted Stock Units, the Employee consents to participation in the Plan and acknowledges that the Employee has received a copy of the Plan.

The Employee understands that Donaldson has unilaterally, gratuitously and in its sole discretion granted restricted stock units under the Plan to individuals who may be employees of Donaldson or any of its Affiliates throughout the world. The decision is a limited decision that is entered into upon the express assumption and condition that any grant will not economically or otherwise bind Donaldson or any of its Affiliates on an ongoing basis. Consequently, the Employee understands that the Restricted Stock Units are granted on the assumption and condition that the Restricted Stock Units and the shares of Common Stock acquired upon vesting of the Restricted Stock Units shall not become a part of any employment contract (either with Donaldson or any of its Affiliates) and shall not be considered a mandatory benefit, salary for any purposes (including severance compensation) or any other right whatsoever. In addition, the Employee understands that this grant would not be made to the Employee but for the assumptions and conditions referenced above; thus, the Employee acknowledges and freely accepts that should any or all of the assumptions be mistaken or should any of the conditions not be met for any reason, the Restricted Stock Unit grant shall be null and void.

The Employee understands and agrees that, as a condition of the Restricted Stock Unit grant, unless otherwise provided in the Agreement, any unvested Restricted Stock Units as of the date the Employee ceases active employment, will be forfeited without entitlement to the underlying shares of Common Stock or to any amount of indemnification in the event of termination of employment. The Employee acknowledges that the Employee has read and specifically accepts the conditions referred to in the Agreement regarding the impact of a termination of employment on the Restricted Stock Units.

2. No Public Offering. No "offer of securities to the public," within the meaning of Spanish law, has taken place or will take place in the Spanish territory in connection with the Option. The Plan, the Agreement (including this Addendum) and any other documents evidencing the grant of the Restricted Stock Units have not, nor will they be, registered with the *Comisión Nacional del Mercado de Valores* (the Spanish securities regulator) and none of those documents constitute a public offering prospectus.

THAILAND

No country-specific provisions.

UNITED ARAB EMIRATES

1. Securities Law Notice. The Plan is being offered only to qualified employees and is in the nature of providing equity incentives to employees of Donaldson and its Affiliates in the UAE. Any documents related to the Plan, including the Plan, this Addendum, the Plan prospectus and other grant documents ("Plan Documents"), are intended for distribution only to such employees and must not be delivered to, or relied on by, any other person. The Employee should conduct his or her own due diligence on the securities.

The Emirates Securities and Commodities Authority has no responsibility for reviewing or verifying any Plan Documents nor has it taken steps to verify the information set out in them, and thus, is not responsible for such documents. Further, neither the Ministry of Economy nor the Dubai Department of Economic Development has approved this statement nor taken steps to verify the information set out in it, and has no responsibility for it.

The Employee should, as prospective stockholder, conduct the Employee's own due diligence on the securities. If the Employee does not understand the contents of the Plan Documents, he or she should consult an authorized financial adviser.

UNITED KINGDOM

1. Indemnification for Tax-Related Items. Without limitation to Section 7 of the Agreement, the Employee hereby agrees that he or she is liable for all Tax-Related Items and hereby covenants to pay all such Tax-Related Items, as and when requested by the Donaldson or (if different) the Employer or by Her Majesty's Revenue & Customs ("HMRC") (or any other tax authority or any other relevant authority). The Employee also hereby agrees to indemnify and keep indemnified Donaldson and (if different) the Employer against any Tax-Related Items that they are required to pay or withhold or have paid or will pay on the Employee's behalf to HMRC (or any other tax authority or any other relevant authority).

Notwithstanding the foregoing, if the Employee is a director or executive officer (as within the meaning of Section 13(k) of the Exchange Act), the terms of the immediately foregoing provision will not apply. In the event that the Employee is a director or executive officer and income tax due is not collected from or paid by the Employee within 90 days after the U.K. tax year in which an event giving rise to the indemnification described above occurs, the amount of any uncollected tax may constitute a benefit to the Employee on which additional income tax and national insurance contributions may be payable. The Employee acknowledges that the Employee ultimately will be responsible for reporting and paying any income tax due on this additional benefit directly to HMRC under the self-assessment regime and for reimbursing Donaldson or (if different) the Employer for the value of any employee national insurance contributions due on this additional benefit, which Donaldson or (if different) the Employer may recover from the Employee at any time thereafter by any of the means referred to in Section 7 of the Agreement.

2. Exclusion of Claim. The Employee acknowledges and agrees that the Employee will have no entitlement to compensation or damages insofar as such entitlement arises or may arise from the Employee's ceasing to have rights under or to be entitled to the Restricted Stock Units, whether or not as a result of termination (whether such termination is in breach of contract or otherwise), or from the loss or diminution in value of the Restricted Stock Units. Upon the grant of the Restricted Stock Units, the Employee shall be deemed irrevocably to have waived any such entitlement.

Exhibit 10-AG

2019 MASTER STOCK INCENTIVE PLAN
PERFORMANCE AWARD AGREEMENT

This Performance Award Agreement (the "Agreement") is between Donaldson Company, Inc., a Delaware corporation ("Donaldson" or the "Company") and the person specified in the individual grant summary, an employee of Donaldson or an Affiliate (the "Employee") pursuant to the Donaldson Company, Inc. 2019 Master Stock Incentive Plan (the "Plan"). For purposes of the Agreement, "Employer" means Donaldson or any Affiliate that employs the Employee.

WITNESSETH:

WHEREAS, the Plan authorizes the Human Resources Committee of the Board of Directors (the "Committee") to grant Awards that are based on shares of Common Stock of the Company; and

WHEREAS, the Committee has decided to grant Performance Units (as defined in Section 1 below) to the Employee, subject to the terms and conditions of the Plan, and the additional terms and conditions set forth herein, and the Employee wishes to accept such Award on the terms and conditions offered;

NOW, THEREFORE, the Employee and the Company hereby agree as follows:

1. Award. The Company hereby grants to the Employee a target number of units ("Performance Units") set forth in the attached Exhibit A, subject to the restrictions, terms and conditions set forth in the Plan and in this Agreement. Each Performance Unit represents the right to receive a single share of Common Stock in the event the Performance Objectives are achieved at target levels as set forth in Exhibit A. The actual number of shares of Common Stock to be issued may be higher or lower than the target number, depending the achievement of the Performance Objectives as set forth in Exhibit A.

2. Plan Document. The Employee acknowledges receipt of a copy of the Plan and agrees that the terms and conditions of the Employee's Award shall be as set forth in the Plan and this Agreement. Terms used in this Agreement that are defined in the Plan shall have the same meaning as they have in the Plan. In the event of any conflict between the terms and conditions of the Plan and this Agreement, the Plan shall control.

3. Calculation of Award. The Employee's Award shall be calculated at the end of the Incentive Cycle (as set forth in Exhibit A) by multiplying the number of Performance Units set forth in Exhibit A times the number, in an interpolation of the Award Value Matrix referenced in Exhibit A, which coincides with the intersection of the respective Performance Objectives' results. If applicable, other Award characteristics have also been referenced in Exhibit A.

4. Vesting. Except as otherwise indicated below and in Section 5(c), the Award shall become vested only at the end of the Incentive Cycle, and then only to the extent determined by the Performance Objectives. If the application of the vesting results in the vesting of a fractional share of Performance Units, the number of Performance Units vested shall be rounded to the nearest whole number.

(a) Pro Rata Vesting. In the event that, prior to the end of the Incentive Cycle, the Employee is transferred to an ineligible position, or the Employee ceases to be an employee by reason of Retirement (as defined in the Plan), death, or Disability (as defined in the Plan), the vested Award will be based on actual results compared to the Performance Objectives at the end of the Incentive Cycle, and multiplied by a fraction whose numerator is the number of months completed in the Incentive Cycle and denominator is 36.

(b) Forfeiture. If the Employee ceases to be an employee prior to the end of the Incentive Cycle for any reason other than Retirement, Disability or death, the Employee's Award shall be forfeited.

For purposes of this Agreement, the Employee's date of termination of employment shall be the earlier of (i) the date the Employer tenders a notice of termination to the Employee or the Employee tenders a notice of resignation to the Employer, or (ii) the date the Employee ceases to render services to the Employer, and unless otherwise expressly provided in this Agreement or determined by the Committee in its sole discretion, the Employee's right to vest in the Award will terminate as of such date and will not be extended by any notice period (e.g., the Employee's period of employment would not include any contractual notice period or any period of "garden leave" or similar period mandated under employment laws in the jurisdiction where the Employee is employed or the terms of the Employee's employment agreement, if any). The Committee (or its delegate) shall have the exclusive discretion to determine the date of the Employee's termination of employment for purposes of this Award (including whether the Employee may still be considered to be providing services while on a leave of absence). For the avoidance of doubt, a transfer of employment between Donaldson Affiliates shall not constitute a termination of employment for purposes of this Agreement.

5. Time and Form of Settlement.

(a) Time of Settlement. In the absence of any deferral election under the Donaldson Company, Inc. Deferred Compensation and 401(k) Excess Plan, settlement of the vested Award will occur no more than 90 days, and no less than 30 days, after the end of the Incentive Cycle.

(b) Form of Settlement. Vested Performance Units will be settled in a single lump sum distribution of shares of Common Stock. Prior to the date of issuance of shares of Common Stock, the Employee shall have no rights with respect to the shares of Common Stock, including but not limited to rights to sell, vote, exchange, transfer, pledge, hypothecate or otherwise dispose of the shares of Common Stock. In addition, prior to the issuance of shares of Common Stock, the Employee shall not be entitled to receive dividends and shall not have any other rights with respect to the shares of Common Stock.

(c) Change in Control Distributions. Notwithstanding any other provision of Section 4 or this Section 5 (other than Section 5(d)), if a Change in Control occurs prior to the end of the Incentive Cycle, the Performance Units shall be immediately vested and paid in accordance with this Section 5(c) (unless the Performance Units were deferred under the Donaldson Company, Inc. Deferred Compensation and 401(k) Excess Plan, in which case such deferred Performance Units shall be paid under the terms of that plan). The amount payable will be determined as if the applicable Performance Objectives had been met at target levels and as if the conditions for any adjustments (such as for earnings per share consistency) were met for the entire Incentive Cycle to the same extent as they were met through the date of the Change in Control, and then prorated

as if the Employee retired on the date of the Change in Control. Distribution of the entire amount payable shall be made on the date of the Change in Control. Such distribution shall be made in a single lump sum distribution of shares of Common Stock.

(d) Death Benefit. In the event of the Employee's death, the Company shall pay the Employee's unpaid vested Performance Units (in the amount determined under Section 4(a) of the Agreement if the Employee's death occurred prior to the end of the Incentive Cycle) to the Employee's estate. Such payment shall be made at the time prescribed in Section 5(a) above, or as soon as administratively feasible thereafter in a single lump sum distribution of shares of Common Stock (and cash for fractional shares of Common Stock), unless the Performance Units were deferred under the Donaldson Company, Inc. Deferred Compensation and 401(k) Excess Plan, in which case such deferred Performance Units shall be paid under the terms of that plan.

6. Tax and Social Insurance Contributions Withholding.

(a) Regardless of any action Donaldson or the Employer takes with respect to any or all income tax, social insurance, payroll tax, fringe benefit tax, payment on account or other tax-related items related to the Employee's participation in the Plan ("Tax-Related Items"), the Employee acknowledges that the ultimate liability for all Tax-Related Items legally due by the Employee is and remains the Employee's responsibility, and that Donaldson and the Employer: (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Performance Units, including the grant of the Performance Units, the vesting of the Performance Units, the issuance of shares of Common Stock, the subsequent sale of any shares of Common Stock and the receipt of any dividends; and (ii) do not commit to structure the terms of the grant or any aspect of the Performance Units to reduce or eliminate the Employee's liability for Tax-Related Items.

(b) Prior to any taxable or tax withholding event, as applicable, the Employee agrees to make arrangements satisfactory to Donaldson or the Employer to satisfy all Tax-Related Items. Payment of all Tax-Related Items may be satisfied by (i) payment in cash, (ii) delivery of unencumbered shares of Common Stock previously acquired having a Fair Market Value that is equal to the Tax-Related Items, (iii) by a combination of cash and shares under (i) and (ii) above; (iv) by withholding of shares of Common Stock that would otherwise be issued upon settlement having a Fair Market Value equal to the Tax-Related Items or (v) by (broker-assisted) sell-to-cover transaction that complies with all applicable laws. In the absence of direction from the Employee, the Employee hereby authorizes Donaldson to satisfy all Tax-Related Items by (1) withholding shares of Common Stock to be issued at settlement or otherwise selling shares of Common Stock on the Employee's behalf equal to the amount of all Tax-Related Items required to be withheld, pursuant to the policies and processes of Donaldson's stock plan administrator and broker; or (2) withholding from the Employee's wages or other cash compensation payable to the Employee by Donaldson and/or the Employer. If the Employee is subject to taxation in more than one jurisdiction, the Employee acknowledges that the Employer or another Affiliate may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

(c) Depending on the withholding method, Donaldson may withhold or account for Tax-Related Items by considering applicable statutory withholding rates (as determined by the Committee in its sole discretion) or other applicable withholding rates, including maximum withholding rates. If the obligation for Tax-Related Items is satisfied by withholding from shares of Common Stock to be delivered upon vesting of the Award, for tax purposes, the Employee is

deemed to have been issued the full number of shares of Common Stock subject to the vested Award, notwithstanding that a number of shares of Common Stock are held back solely for the purpose of paying the Tax-Related Items.

(d) The Employee agrees to pay to Donaldson or the Employer any amount of Tax-Related Items that Donaldson or the Employer may be required to withhold or account for as a result of the Employee's participation in the Plan that cannot be satisfied by the means previously described. Donaldson may refuse to issue or deliver shares of Common Stock or proceeds from the sale of shares of Common Stock until arrangements satisfactory to the Committee have been made in connection with the Tax-Related Items.

7. Nature of Grant.

(a) Neither the Plan nor this Agreement shall (i) be deemed to give the Employee a right to remain an employee of the Employer, (ii) restrict the right of the Employer to discharge the Employee, with or without cause, or (iii) be deemed to be a written contract of employment.

(b) The Employee acknowledges and agrees that the Plan is discretionary in nature and limited in duration, and may be amended, cancelled, or terminated by Donaldson, in its sole discretion, at any time. Any amendment, modification or termination of the Plan shall not constitute a change or impairment of the terms and conditions of the Employee's employment with the Employer.

(c) The grant of the Award of Performance Units under the Plan is a one-time benefit and does not create any contractual or other right to receive an award or benefits in lieu of Performance Units in the future. Future awards, if any, will be at the sole discretion of Donaldson, including, but not limited to, the form and timing of an award, the number of shares of Common Stock subject to an award and the vesting provisions.

(d) The Employee's participation in the Plan is exceptional, voluntary and occasional. The value of the Performance Units is an extraordinary item of compensation outside the scope of the Employee's employment contract, if any.

(e) The Employee's Award, the shares of Common Stock subject to the Award and the income and value of the same are not part of normal or expected compensation for any purpose, including, without limitation, calculating any severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension, or retirement benefits or similar payments and in no event should be considered as compensation for, or relating in any way to, past services for Donaldson, the Employer or any Affiliate.

(f) No claim or entitlement to compensation or damages shall arise from termination of the Award resulting from termination of the Employee's employment (for any reason whatsoever, whether or not later found to be invalid or in breach of local employment laws or the terms of the Employee's employment agreement, if any).

(g) The future value of the shares of Common Stock subject to the Award is unknown and cannot be predicted with certainty. The value of any underlying shares of Common Stock issued hereunder may increase or decrease.

(h) Donaldson shall not be liable for any foreign exchange rate fluctuation, where applicable, between the Employee's local currency and the United States dollar that may affect the value of the Award or of any amounts due to the Employee pursuant to the Award or the subsequent sale of any shares of Common Stock acquired under the Award.

8. Data Privacy.

(a) Pursuant to applicable personal data protection laws, Donaldson hereby notifies the Employee of the following in relation to the Employee's personal Data (as defined below) and the collection, use, processing and transfer of such Data in relation to Donaldson's grant of this Award and the Employee's participation in the Plan. The collection, use, processing and transfer of the Employee's Data is necessary for Donaldson's administration of the Plan and the Employee's participation in the Plan, and the Employee's denial and/or objection to the collection, use, processing and transfer of Data may affect the Employee's participation in the Plan. As such, the Employee hereby voluntarily acknowledges and consents (where required under applicable law) to the collection, use, processing and transfer of Data as described in this paragraph.

(b) Donaldson and the Employer hold certain personal information about the Employee, specifically: the Employee's name, home address, email address and telephone number, date of birth, social security number, passport number or other employee identification number, salary, nationality, job title, any shares of Common Stock or directorships held in Donaldson, details of all stock awards or any other entitlement to shares of Common Stock awarded, canceled, purchased, vested, unvested or outstanding in the Employee's favor, for the purpose of managing and administering the Plan ("Data"). Data may be provided by the Employee or collected, where lawful, from third parties, and Donaldson will process Data for the exclusive purpose of implementing, administering and managing the Employee participation in the Plan. Data processing will take place through electronic and non-electronic means according to logics and procedures strictly correlated to the purposes for which Data are collected and with confidentiality and security provisions as set forth by applicable laws and regulations in the Employee's country of residence. Data processing operations will be performed minimizing the use of personal and identification data when such operations are unnecessary for the processing purposes sought. Data will be accessible within Donaldson's organization only by those persons requiring access for purposes of the implementation, administration and operation of the Plan and for the Employee's participation in the Plan.

(c) Donaldson and the Employer will transfer Data amongst themselves as necessary for the purpose of implementation, administration and management of the Employee's participation in the Plan, and Donaldson and the Employer may each further transfer Data to any third parties assisting Donaldson in the implementation, administration and management of the Plan. As permitted by applicable personal data protection laws, if Donaldson or the Employer becomes involved in a merger, acquisition, sale of assets, joint venture, securities offering, bankruptcy, reorganization, liquidation, dissolution, or other transaction or if the ownership of all or substantially all of Donaldson or the Employer otherwise changes, Donaldson or the Employer may transfer Data to a third party or parties in connection therewith. The Employee hereby authorizes (where required under applicable law) them to receive, possess, use, retain and transfer Data, in electronic or other form, for purposes of implementing, administering and managing the Employee's participation in the Plan, including any requisite transfer of such Data as may be required for the administration of the Plan and/or the subsequent holding of shares of Common

Stock on the Employee's behalf to a broker or other third party with whom the Employee may elect to deposit any shares of Common Stock acquired pursuant to the Plan.

(d) The Employee may, at any time, exercise his or her rights provided under applicable personal data protection laws, which may include the right to (a) obtain confirmation as to the existence of Data, (b) verify the content, origin and accuracy of Data, (c) request the integration, update, amendment, deletion, or blockage (for breach of applicable laws) of Data, and (d) to oppose, for legal reasons, the collection, processing or transfer of Data which is not necessary or required for the implementation, administration and/or operation of the Plan and the Employee's participation in the Plan. The Employee may seek to exercise these rights by contacting privacy@donaldson.com. The Employee understands that he or she is providing the consent herein on a purely voluntary basis. If the Employee does not consent or later seeks to remove his or her consent, the Employee's salary from or employment with the Employer will not be affected; the only consequence of refusing or withdrawing his or her consent is that Donaldson would not be able to grant the Employee Performance Units or participation in the Plan.

9. Governing Law and Venue. This Agreement shall be construed and enforced in accordance with the laws of the U.S. state of Delaware, except with respect to its rules relating to conflicts of law. The Employee consents to the exclusive jurisdiction of the state and federal courts of the U.S. state of Minnesota in connection with any controversies relating to or arising out of this Agreement, and agrees that any and all litigation relating to or arising out of this Agreement shall be venued in Hennepin County, Minnesota.

10. Repatriation; Compliance with Law. The Employee agrees to repatriate all payments attributable to the shares of Common Stock and/or cash acquired under the Plan (including, but not limited to, dividends and any proceeds derived from the sale of the shares of Common Stock acquired pursuant to the award) in accordance with local foreign exchange rules and regulations in the Employee's country of residence (and country of employment, if different). In addition, the Employee also agrees to take any and all actions, and consents to any and all actions taken by Donaldson or any Affiliate, as may be required to allow Donaldson and its Affiliates to comply with local laws, rules and regulations in the Employee's country of residence (and country of employment, if different). Finally, the Employee agrees to take any and all actions as may be required to comply with the Employee's personal legal and tax obligations under local laws, rules and regulations in the Employee's country of residence (and country of employment, if different).

11. Electronic Delivery and Acceptance. Donaldson, in its sole discretion, may decide to deliver any documents related to the Award of Performance Units or other awards granted to the Employee under the Plan by electronic means. The Employee hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through an on-line or electronic system established and maintained by Donaldson or a third party designated by Donaldson.

12. English Language. The Employee acknowledges and agrees that it is the Employee's express intent that this Agreement, the Plan and all other documents, notices and legal proceedings entered into, given or instituted pursuant to the grant of this award of Performance Units, be drawn up in English. The Employee acknowledges that he or she is sufficiently proficient in English, or has consulted with an advisor who is sufficiently proficient in English, so as to allow the Employee to understand the terms and conditions of this Agreement and the Plan. If the

Employee has received this Agreement, the Plan or any other documents related to the Award translated into a language other than English, and if the meaning of the translated version is different than the English version, the English version shall control.

13. Addendum. Notwithstanding any provisions in this Agreement to the contrary, this Award shall be subject to any special terms and conditions for the Employee's country of residence (and country of employment, if different), as set forth in the applicable addendum to this Agreement. Further, if the Employee transfers residency and/or employment to another country reflected in an addendum to this Agreement, the special terms and conditions for such country will apply to the Employee to the extent Donaldson determines, in its sole discretion, that the application of such terms and conditions is necessary or advisable in order to comply with local laws, rules and/or regulations or to facilitate the operation and administration of the Award and the Plan (or Donaldson may establish alternative terms and conditions as may be necessary or advisable to accommodate the Employee's transfer). Any applicable addendum shall constitute part of this Agreement.

14. Imposition of Other Requirements. Donaldson reserves the right to impose other requirements on this Award, any shares of Common Stock acquired pursuant to this Award, and the Employee's participation in the Plan, to the extent Donaldson determines, in its sole discretion, that such other requirements are necessary or advisable in order to comply with local laws, rules and/or regulations or to facilitate the operation and administration of the Award and the Plan. Such requirements may include (but are not limited to) requiring the Employee to sign any agreements or undertakings that may be necessary to accomplish the foregoing.

15. Not a Public Offering. This award is not intended to be a public offering of securities in the Employee's country of residence (and country of employment, if different). Donaldson has not submitted any registration statement, prospectus or other filings with the local securities authorities (unless otherwise required under local law), and the Award is not subject to the supervision of the local securities authorities.

16. No Advice Regarding Grant. No employee of Donaldson or any Affiliate is permitted to advise the Employee on whether the Employee should acquire shares of Common Stock by participating in the Plan. Investment in shares of Common Stock involves a degree of risk. Before deciding to participate in the Plan, the Employee should carefully review all the materials related to the Award and the Plan. In addition, the Employee should consult the Employee's personal advisor for professional investment advice.

17. Insider Trading/Market Abuse Laws. By participating in the Plan, the Employee agrees to comply with Donaldson's policy on insider trading (to the extent that it is applicable to the Employee). Further, the Employee acknowledges that, depending on the Employee's or the broker's country of residence or where the shares of Common Stock are listed, the Employee may be subject to insider trading restrictions and/or market abuse laws which may affect the Employee's ability to accept, acquire, sell or otherwise dispose of shares of Common Stock, rights to shares of Common Stock (e.g., Performance Units) or rights linked to the value of shares of Common Stock, during such time the Employee is considered to have "inside information" regarding Donaldson as defined by the laws or regulations in the Employee's country. Local insider trading laws and regulations may prohibit the cancellation or amendment of orders the Employee places before he or she possessed inside information. Furthermore, the Employee could be prohibited from (i) disclosing the inside information to any third party (other than on a "need

to know" basis) and (ii) "tipping" third parties or causing them otherwise to buy or sell securities. The Employee understands that third parties include fellow employees. Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable Donaldson insider trading policy. The Employee acknowledges that it is the Employee's responsibility to comply with any applicable restrictions, and that the Employee should therefore consult his or her personal advisor on this matter.

18. Severability. The invalidity or unenforceability of any provision of the Plan or this Agreement will not affect the validity or enforceability of any other provision of the Plan or this Agreement, and each provision of the Plan and this Agreement will be severable and enforceable to the extent permitted by law.

19. Waiver. The Employee agrees that a waiver by Donaldson of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by the Employee or any other Employee in the Plan.

By execution of the Agreement as of the date of grant, the Employee hereby accepts and agrees to be bound by all of the terms and conditions of the Agreement and the Plan.

EMPLOYEE:

SIGNED BY ELECTRONIC SIGNATURE*

* BY ELECTRONICALLY ACCEPTING THE AWARD, THE EMPLOYEE AGREES THAT (i) SUCH ACCEPTANCE CONSTITUTES THE EMPLOYEE'S ELECTRONIC SIGNATURE IN EXECUTION OF THIS AGREEMENT; (ii) THE EMPLOYEE AGREES TO BE BOUND BY THE PROVISIONS OF THE PLAN, THE AGREEMENT, THE ADDENDUM TO THE AGREEMENT (IF ANY) AND THE PLAN; (iii) THE EMPLOYEE HAS REVIEWED THE PLAN, THE AGREEMENT, THE ADDENDUM TO THE AGREEMENT (IF ANY) AND THE PLAN IN THEIR ENTIRETY, HAS HAD AN OPPORTUNITY TO OBTAIN THE ADVICE OF COUNSEL PRIOR TO ACCEPTING THE AWARD AND FULLY UNDERSTANDS ALL OF THE PROVISIONS OF THE PLAN, THE AGREEMENT, THE ADDENDUM TO THE AGREEMENT (IF ANY) AND THE PLAN; (iv) THE EMPLOYEE HAS BEEN PROVIDED WITH A COPY OR ELECTRONIC ACCESS TO A COPY OF THE U.S. PROSPECTUS FOR THE PLAN AND THE TAX SUPPLEMENT TO THE U.S. PROSPECTUS FOR THE EMPLOYEE'S COUNTRY, IF APPLICABLE; AND (v) THE EMPLOYEE HEREBY AGREES TO ACCEPT AS BINDING, CONCLUSIVE AND FINAL ALL DECISIONS OR INTERPRETATIONS OF THE COMMITTEE UPON ANY QUESTIONS ARISING UNDER THE PLAN, THE AGREEMENT, THE ADDENDUM TO THE AGREEMENT (IF ANY) AND THE PLAN.

ADDENDUM TO
LONG TERM COMPENSATION PLAN PERFORMANCE AWARD AGREEMENT

The Award is subject to the following additional terms and conditions as set forth in this addendum to the Agreement (the "Addendum") to the extent the Employee resides and/or is employed in one of the jurisdictions or countries addressed herein. To the extent the Employee transfers residence and/or employment to another country, the special terms and conditions for such country as reflected in this Addendum (if any) will apply to the Employee to the extent Donaldson determines, in its sole discretion, that the application of such terms and conditions is necessary or advisable to comply with local laws, rules and/or regulations, or to facilitate the operation and administration of the Award and the Plan (or Donaldson may establish alternative terms and conditions as may be necessary or advisable to accommodate the Employee's transfer). All defined terms as contained in this Addendum shall have the same meaning as set forth in the Plan and the Agreement.

EUROPEAN UNION ("EU") AND EUROPEAN ECONOMIC AREA ("EEA") MEMBER STATES

1. Personal Data. The following provision replaces Section 8 of the Agreement in its entirety:

Pursuant to applicable personal data protection laws, Donaldson hereby notifies the Employee of the following in relation to the Employee's Personal Data (defined below) and the collection, processing and transfer in electronic or other form of such Personal Data in relation to Donaldson's grant of this Award and the Employee's participation in the Plan. The collection, processing and transfer of the Employee's Personal Data is necessary for the legitimate purpose of Donaldson's administration of the Plan and the Employee's participation in the Plan, and the Employee's denial and/or objection to the collection, processing and transfer of Personal Data may affect the Employee's participation in the Plan. As such, the Employee acknowledges the collection, use, processing and transfer of Personal Data as described herein.

Donaldson and the Employer hold certain personally identifiable information about the Employee, specifically the Employee's name, home address, email address and telephone number, date of birth, social security number, passport number or other employee identification number, salary, nationality, job title, any shares of Common Stock or directorships held in Donaldson, details of all options or any other entitlement to shares of Common Stock awarded, canceled, exercised, vested, unvested or outstanding in the Employee's favor, for the purpose of managing and administering the Plan ("Personal Data"). The Personal Data may be provided by the Employee or collected, where lawful, from third parties. Donaldson and the Employer each act as controllers of the Personal Data and will process the Personal Data in this context for the exclusive legitimate purpose of implementing, administering and managing the Employee's participation in the Plan and meeting related legal obligations associated with these actions.

The processing will take place through electronic and non-electronic means according to logics and procedures correlated to the purposes for which the Personal Data was collected and with confidentiality and security provisions as set forth by applicable laws and regulations. Personal Data will be accessible within Donaldson's organization only by those persons requiring access for purposes of the implementation, administration and operation of the Plan and other aspects of the employment relationship and for the Employee's participation in the Plan.

Donaldson and the Employer will transfer Personal Data amongst themselves as necessary for the purpose of implementation, administration and management of the Employee's participation in the Plan, and Donaldson and the Employer may each further transfer Personal Data to third parties assisting Donaldson or the Employer in the implementation, administration and management of the Plan, including Morgan Stanley Smith Barney or any successor or other third party that Donaldson, the Employer or Morgan Stanley Smith Barney (or its successor) may engage to assist with administration of the Plan from time to time. Further and as permitted by applicable personal data protection laws, if Donaldson or the Employer becomes involved in a merger, acquisition, sale of assets, joint venture, securities offering, bankruptcy, reorganization, liquidation, dissolution, or other transaction or if the ownership of all or substantially all of Donaldson or the Employer otherwise changes, Donaldson or the Employer may transfer Data to a third party or parties in connection therewith. These recipients may be located in the EEA, or elsewhere throughout the world, such as the United States. By participating in the Plan, the Employee understands that these recipients may receive, possess, use, retain and transfer Personal Data, in electronic or other form, for purposes of implementing, administering and managing the Employee's participation in the Plan, including any requisite transfer of such Personal Data as may be required for the administration of the Plan and/or the subsequent holding of shares of Common Stock on the Employee's behalf to a broker or other third party with whom the Employee may elect to deposit any shares of Common Stock acquired pursuant to the Plan. The Employee further understands that the Employee may request a list with the names and addresses of any potential recipients of the Employee's Personal Data by contacting privacy@donaldson.com. When transferring Personal Data to these potential recipients, Donaldson and the Employer provide appropriate safeguards in accordance with EU Standard Contractual Clauses, the EU-U.S. Privacy Shield Framework, or other legally binding and permissible arrangements. The Employee may request a copy of such safeguards by contacting privacy@donaldson.com.

To the extent provided by law, the Employee may, at any time, have the right to request: access to Personal Data, rectification of Personal Data, erasure of Personal Data, restriction of processing of Personal Data, and portability of Personal Data. The Employee may also have the right to object, on grounds related to a particular situation, to the processing of Personal Data, as well as opt-out of the Plan herein, in any case without cost, by contacting privacy@donaldson.com. The Employee's provision of Personal Data is a contractual requirement. The Employee understands, however, that the only consequence of refusing to provide Personal Data is that Donaldson and the Employer may not be able to grant the Employee awards under the Plan, or administer or maintain such awards. For more information on the consequences of the Employee's refusal to provide Personal Data, the Employee understands that the Employee may contact privacy@donaldson.com.

When Donaldson and the Employer no longer need to use Personal Data for the purposes above or do not need to retain it for compliance with any legal or regulatory purpose, each will take reasonable steps to remove Personal Data from their systems and/or records containing the Personal Data and/or take steps to properly anonymize it so that the Employee can no longer be identified from it.

BELGIUM

No country-specific provisions.

MEXICO

1. Commercial Relationship. The Employee expressly recognizes that the Employee's participation in the Plan and Donaldson's grant of the Award does not constitute an employment relationship between the Employee and Donaldson. The Employee has been granted the Award as a consequence of the commercial relationship between Donaldson and Donaldson's Affiliate in Mexico that employs the Employee ("Donaldson-Mexico"), and Donaldson-Mexico is the Employee's sole employer. Based on the foregoing, (a) the Employee expressly recognizes that the Plan and the benefits the Employee may derive from participation in the Plan does not establish any rights between the Employee and Donaldson-Mexico, (b) the Plan and the benefits the Employee may derive from participation in the Plan are not part of the employment conditions and/or benefits provided by Donaldson-Mexico, and (c) any modifications or amendments of the Plan by Donaldson, or a termination of the Plan by Donaldson, shall not constitute a change or impairment of the terms and conditions of the Employee's employment with Donaldson-Mexico.

2. Extraordinary Item of Compensation. The Employee expressly recognizes and acknowledges that the Employee's participation in the Plan is a result of the discretionary and unilateral decision of Donaldson, as well as the Employee's free and voluntary decision to participate in the Plan in accordance with the terms and conditions of the Plan, the Agreement and this Addendum. As such, the Employee acknowledges and agrees that Donaldson, in its sole discretion, may amend and/or discontinue the Employee's participation in the Plan at any time and without any liability. The value of the Award is an extraordinary item of compensation outside the scope of the Employee's employment contract, if any. The Award is not part of the Employee's regular or expected compensation for purposes of calculating any severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits, or any similar payments, which are the exclusive obligations of Donaldson-Mexico.

Exhibit 10-AH

2019 MASTER STOCK INCENTIVE PLAN

STOCK OPTION AWARD AGREEMENT

This Stock Option Award Agreement (the "Agreement") is made as of the date specified in the individual grant summary, by and between Donaldson Company, Inc., a Delaware corporation ("Donaldson"), and the person specified in the individual grant summary (the "Employee"). For purposes of the Agreement, the "Employer" means Donaldson or any Affiliate that employs the Employee.

Donaldson has adopted the 2019 Master Stock Incentive Plan (the "Plan") which permits issuance of stock options for the purchase of shares of common stock, par value US $5.00 per share, of Donaldson ("Common Stock"). Donaldson is now granting this option under the Plan and in consideration of the Employee's and Donaldson's covenants in this Agreement.

1. Grant of Option. Donaldson grants the Employee the right and option (the "Option") to purchase all or any part of an aggregate of the number of shares of Common Stock specified in the grant summary, at the Option purchase price specified in the grant summary (which shall be 100% of the Fair Market Value of the Common Stock on the date the award is granted). The Option shall be subject to the terms and conditions in this Agreement and in the Plan. Capitalized terms not defined in this Agreement shall have the meaning ascribed to such terms in the Plan. The Employee acknowledges receipt of a copy of the Plan and the Plan Prospectus. The grant date is the date specified in the individual grant summary (the "Grant Date"). The Option terminates at the close of business ten (10) years from the Grant Date unless terminated at an earlier time in accordance with this Agreement or the Plan. The Option is not intended to be an Incentive Stock Option within the meaning of Section 422 of the Code.

2. Vesting of Option Rights. The Option may be exercised by the Employee under the following schedule except as otherwise provided in this Agreement. The Option may not be exercised for a period of one (1) year from the Grant Date. Following that one-year period, the Option vests and becomes exercisable in equal one-third increments: one-third vests on the one-year anniversary of the Grant Date; one-third vests on the two-year anniversary of the Grant Date; and one-third vests on the three-year anniversary of the Grant Date. The Option may be exercised as to any portion of the Option that is vested.

3. Exercise of Option after Death or Termination of Employment. The Option shall terminate and may no longer be exercised if the Employee ceases to be employed by Donaldson, except that:

(a) If the Employee's employment is terminated for any reason, voluntary or involuntary, other than for the Employee's death or Disability (as set forth in Sections 3(b) and 3(c)) or Retirement (as set forth in Section 3(d)), the Option immediately shall cease to vest and the Employee may, at any time within a period of thirty days after such termination, exercise the vested portion of the Option.

(b) If the Employee should die while the Option is still exercisable according to its terms and the Employee should not have fully exercised the Option, the vested portion of the Option may be exercised at any time within thirty-six (36) months after the Employee's death by the personal representatives or administrators of the Employee's estate, as applicable, or by any person or persons to whom the Option is transferred by will or the applicable laws of descent and distribution.

(c) If the Employee's employment is terminated by reason of Disability and the Employee shall not have fully exercised the Option, such Option may be exercised at any time within thirty-six (36) months after the Employee's date of termination of employment for Disability by the Employee, personal representatives or administrators, or guardians of the Employee, as applicable, to the extent of the full

number of shares the Employee is entitled to exercise under the Option. The Employee shall continue to have exercise rights accrue during such thirty-six (36) month period according to the vesting schedule set forth in Section 2.

(d) If the Employee's employment is terminated by reason of Retirement (as defined under the Plan), the Employee shall continue to have the ten (10) year term to exercise this Option set forth in Section 1 and shall continue to have exercise rights accrue according to the vesting schedule set forth in Section 2.

For purposes of this Agreement, the Employee's date of termination of employment shall be the earlier of (i) the date the Employer tenders a notice of termination to the Employee or the Employee tenders a notice of resignation to the Employer, or (ii) the date the Employee ceases to render services to the Employer. The Committee (or its delegate) shall have the exclusive discretion to determine the date of the Employee's termination of employment for purposes of the Option (including whether the Employee may still be considered to be providing services while on a leave of absence), regardless of any contractual notice period or any period of "garden leave" or similar period mandated under employment laws in the jurisdiction where the Employee is employed or the terms of the Employee's employment agreement, if any. For the avoidance of doubt, a transfer of employment between Donaldson Affiliates shall not constitute a termination of employment for purposes of this Agreement.

4. Method of Exercise of Option. The vested portion of the Option may be exercised only during the term of the Option by delivery of a notice of exercise in such form as may designated by the Committee from time to time. The notice must state the number of shares being exercised and include payment in full of the purchase price and any Tax-Related Items (as defined in Section 7 below). Payment of the purchase price and Tax-Related Items shall be made (i) in cash, (ii) by delivery of unencumbered shares of Common Stock previously acquired having a Fair Market Value equal to the exercise price and Tax-Related Items, (iii) by a combination of cash and shares under (i) and (ii) above; (iv) by withholding of shares of Common Stock that would otherwise be issued upon such exercise having a Fair Market Value on the date of exercise equal to the exercise price and Tax-Related Items or (v) by a cashless (broker-assisted) exercise that complies with all applicable laws.

Notwithstanding the foregoing, if the Employee resides or is employed in a country where the local foreign exchange rules and regulations either preclude the remittance of currency out of the country for purposes of paying the purchase price, or require Donaldson and/or the Employee to secure any legal or regulatory approvals, complete any legal or regulatory filings, or undertake any additional steps for remitting currency out of the country, or to facilitate administration of the Plan, Donaldson may restrict the method of exercise to a form of cashless exercise (as it determines in its sole discretion). Alternatively, Donaldson may require the Employee to sell any shares of Common Stock the Employee acquires under the Plan immediately or within a specified period following the Employee's termination of employment (in which case, this Agreement shall give Donaldson the authority to issue sale instructions on the Employee's behalf).

5. Forfeiture of Option and Option Gain Resulting from Certain Activities.

(a) If, at any time that (i) is within two (2) years after the date that the Employee has exercised the Option or (ii) within two (2) years after the date of the termination of the Employee's employment with Donaldson or any Affiliate for any reason whatsoever while an option agreement under the Plan is in effect, whichever is longer, the Employee engages in any Forfeiture Activity (as defined below) then (A) the Option shall immediately terminate effective as of the date any such activity first occurred, and (B) any gain received by the Employee pursuant to the exercise of this Option must be paid to Donaldson within thirty (30) days of demand by Donaldson. The gain on any exercise of the Option shall be determined by

multiplying the number of shares of Common Stock purchased pursuant to the Option times the excess of the Fair Market Value of a share of Common Stock on the date of exercise (without regard to any subsequent increase or decrease in the Fair Market Value) over the purchase price.

(b) The Employee shall be deemed to have engaged in a Forfeiture Activity if the Employee (i) directly or indirectly engages in any business activity on his or her own behalf or as a partner, shareholder, director, trustee, principal, agent, employee, consultant or otherwise of any person or entity which is in any respect in competition with or competitive with Donaldson or any Affiliate, or solicits, entices or induces any employee or representative of Donaldson or any Affiliate to engage in any such activity, (ii) directly or indirectly solicits, entices or induces (or assists any other person or entity in soliciting, enticing or inducing) any customer or potential customer (or agent, employee or consultant of any customer or potential customer) with whom the Employee had contact in the course of his or her employment with Donaldson or any Affiliate to deal with a competitor of Donaldson or any Affiliate, or (iii) fails to hold in a fiduciary capacity for the benefit of Donaldson or any Affiliate all confidential information, knowledge and data, including customer lists and information, business plans and business strategy ("Confidential Data") relating in any way to the business of Donaldson and any Affiliate for so long as such Confidential Data remains confidential.

(c) If any court of competent jurisdiction shall determine that this forfeiture provision is invalid in any respect, the court so holding may limit such covenant either or both in time, in area or in any other manner which the court determines such that the covenant shall be enforceable against the Employee. The Employee shall acknowledge that the remedy of law for any breach of this covenant not to compete will be inadequate, and that Donaldson shall be entitled, in addition to any remedy of law, to preliminary and permanent injunctive relief.

6. Acceleration of Exercisability upon Change in Control. In the event of a Change in Control (as defined in the Plan), any outstanding Options granted under this Agreement not previously vested and exercisable shall become fully vested and exercisable and shall remain exercisable thereafter until they are either exercised or expire by their terms.

7. Tax and Social Insurance Contributions Withholding.

(a) Regardless of any action Donaldson or the Employer takes with respect to any or all income tax, social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related items related to the Employee's participation in the Plan ("Tax-Related Items"), the Employee acknowledges that the ultimate liability for all Tax-Related Items legally due by the Employee is and remains the Employee's responsibility, and that Donaldson and the Employer: (a) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Option, including the grant of the Option, the vesting of the Option, the exercise of the Option, the subsequent sale of any shares of Common Stock and the receipt of any dividends; and (b) do not commit to structure the terms of the grant or any aspect of the Option to reduce or eliminate the Employee's liability for Tax-Related Items.

(b) Prior to any taxable or tax withholding event, as applicable, the Employee agrees to make adequate arrangements satisfactory to Donaldson and/or the Employer to satisfy all Tax-Related Items. In this regard, in the absence of direction from the Employee under Section 4 above, the Employee hereby authorizes Donaldson to satisfy all Tax-Related Items by (i) withholding shares of Common Stock to be issued at exercise of the Option or otherwise selling shares of Common Stock on the Employee's behalf equal to the amount of all Tax-Related Items required to be withheld, pursuant to the policies and processes of Donaldson's stock plan administrator and broker; or (ii) withholding from the Employee's wages or other cash compensation payable to the Employee by Donaldson and/or the Employer. If the Employee is subject to taxation in more than one jurisdiction, the Employee acknowledges that Donaldson, the Employer or

another Affiliate may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

(c) Depending on the withholding method, Donaldson may withhold or account for Tax-Related Items by considering applicable statutory withholding rates (as determined by the Committee in its sole discretion) or other applicable withholding rates, including maximum withholding rates. If the obligation for Tax-Related Items is satisfied by withholding from shares of Common Stock to be delivered upon exercise of the Option, for tax purposes, the Employee is deemed to have been issued the full number of shares of Common Stock subject to the exercised Option, notwithstanding that a number of shares of Common Stock are held back solely for the purpose of paying the Tax-Related Items.

(d) The Employee agrees to pay to Donaldson or the Employer any amount of Tax-Related Items that Donaldson or the Employer may be required to withhold or account for as a result of the Employee's participation in the Plan that cannot be satisfied by the means previously described. Donaldson may refuse to issue or deliver shares of Common Stock or proceeds from the sale of shares of Common Stock until arrangements satisfactory to the Committee have been made in connection with the Tax-Related Items.

8. Shareholder Rights. The Option does not entitle the Employee to any rights of a stockholder of Donaldson with respect to shares of Common Stock issuable thereunder until such shares have been issued to the Employee upon exercise of the Option.

9. Effectiveness of Agreement; Non-Disclosure. This Agreement shall be effective only after the Employee agrees to the terms and conditions of this Agreement. The Employee shall not disclose either the contents or any of the terms and conditions of this award to any other person and agrees that Donaldson shall have the right, in its sole discretion, to immediately terminate the Agreement in the event of such disclosure by the Employee.

10. Nature of Grant.

(a) Neither the Plan nor this Agreement shall (i) be deemed to give the Employee a right to remain an employee of the Employer, (ii) restrict the right of the Employer to discharge the Employee, with or without cause, or (iii) be deemed to be a written contract of employment.

(b) The Employee acknowledges and agrees that the Plan is discretionary in nature and limited in duration, and may be amended, cancelled, or terminated by Donaldson, in its sole discretion, at any time. Any amendment, modification or termination of the Plan shall not constitute a change or impairment of the terms and conditions of the Employee's employment with the Employer.

(c) The grant of this Option under the Plan is a one-time benefit and does not create any contractual or other right to receive an Option or an award or benefits in lieu of an Option in the future. Future awards, if any, will be at the sole discretion of Donaldson, including, but not limited to, the form and timing of an award, the number of shares of Common Stock subject to an award, the vesting provisions, and the purchase price.

(d) The Employee's participation in the Plan is exceptional, voluntary and occasional. The value of the Option is an extraordinary item of compensation outside the scope of the Employee's employment contract, if any.

(e) The Option, the shares of Common Stock subject to the Option and the income and value of the same, are not part of normal or expected compensation for any purpose, including, without limitation,

calculating any severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension, or retirement benefits or similar payments and in no event should be considered as compensation for, or relating in any way to, past services for Donaldson, the Employer or any Affiliate.

(f) No claim or entitlement to compensation or damages shall arise from termination of the Option resulting from termination of the Employee's employment (for any reason whatsoever, whether or not later found to be invalid or in breach of local employment laws or the terms of the Employee's employment agreement, if any).

(g) The future value of the shares of Common Stock subject to the Option is unknown and cannot be predicted with certainty and if the Employee exercises a vested Option, the value of the underlying shares of Common Stock may increase or decrease, even below the purchase price.

(h) Donaldson shall not be liable for any foreign exchange rate fluctuation, where applicable, between the Employee's local currency and the United States dollar that may affect the value of the Option or of any amounts due to the Employee pursuant to the exercise of the Option or the subsequent sale of any shares of Common Stock acquired upon exercise.

(i) The Option and the benefits evidenced by this Agreement do not create any entitlement not otherwise specifically provided for in the Plan or provided by Donaldson in its discretion, to have the Option or any such benefits transferred to, or assumed by, another company, nor to be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the shares of Common Stock.

11. Data Privacy.

(a) Pursuant to applicable personal data protection laws, Donaldson hereby notifies the Employee of the following in relation to the Employee's personal Data (as defined below) and the collection, use, processing and transfer of such Data in relation to Donaldson's grant of this award and the Employee's participation in the Plan. The collection, use, processing and transfer of the Employee's Data is necessary for Donaldson's administration of the Plan and the Employee's participation in the Plan, and the Employee's denial and/or objection to the collection, use, processing and transfer of Data may affect the Employee's participation in the Plan. As such, the Employee hereby voluntarily acknowledges and consents (where required under applicable law) to the collection, use, processing and transfer of Data as described in this paragraph.

(b) Donaldson and the Employer hold certain personal information about the Employee, specifically: the Employee's name, home address, email address and telephone number, date of birth, social security number, passport number or other employee identification number, salary, nationality, job title, any shares of Common Stock or directorships held in Donaldson, details of all stock awards or any other entitlement to shares of Common Stock awarded, canceled, purchased, vested, unvested or outstanding in the Employee's favor, for the purpose of managing and administering the Plan ("Data"). Data may be provided by the Employee or collected, where lawful, from third parties, and Donaldson will process Data for the exclusive purpose of implementing, administering and managing the Employee's participation in the Plan. Data processing will take place through electronic and non-electronic means according to logics and procedures strictly correlated to the purposes for which Data are collected and with confidentiality and security provisions as set forth by applicable laws and regulations in the Employee's country of residence. Data processing operations will be performed minimizing the use of personal and identification data when such operations are unnecessary for the processing purposes sought. Data will be accessible within Donaldson's organization only by those persons requiring access for purposes of the implementation, administration and operation of the Plan and for the Employee's participation in the Plan.

(c) Donaldson and the Employer will transfer Data amongst themselves as necessary for the purpose of implementation, administration and management of the Employee's participation in the Plan, and Donaldson and the Employer may each further transfer Data to any third parties assisting Donaldson in the implementation, administration and management of the Plan. As permitted by applicable personal data protection laws, if Donaldson or the Employer becomes involved in a merger, acquisition, sale of assets, joint venture, securities offering, bankruptcy, reorganization, liquidation, dissolution, or other transaction or if the ownership of all or substantially all of Donaldson or the Employer otherwise changes, Donaldson or the Employer may transfer Data to a third party or parties in connection therewith. The Employee hereby authorizes (where required under applicable law) them to receive, possess, use, retain and transfer Data, in electronic or other form, for purposes of implementing, administering and managing the Employee's participation in the Plan, including any requisite transfer of such Data as may be required for the administration of the Plan and/or the subsequent holding of shares of Common Stock on the Employee's behalf to a broker or other third party with whom the Employee may elect to deposit any shares of Common Stock acquired pursuant to the Plan.

(d) The Employee may, at any time, exercise his or her rights provided under applicable personal data protection laws, which may include the right to (a) obtain confirmation as to the existence of Data, (b) verify the content, origin and accuracy of Data, (c) request the integration, update, amendment, deletion, or blockage (for breach of applicable laws) of Data, and (d) to oppose, for legal reasons, the collection, processing or transfer of Data which is not necessary or required for the implementation, administration and/or operation of the Plan and the Employee's participation in the Plan. The Employee may seek to exercise these rights by contacting privacy@donaldson.com. The Employee understands that he or she is providing the consent herein on a purely voluntary basis. If the Employee does not consent or later seeks to remove his or her consent, the Employee's salary from or employment with the Employer will not be affected; the only consequence of refusing or withdrawing his or her consent is that Donaldson would not be able to grant the Employee Options or other equity awards or participation in the Plan.

12. Compliance with Law. The exercise of all or any parts of the Option shall only be effective at such time that the sale of shares of Common Stock pursuant to such exercise will not violate any United States ("U.S.") federal, state or foreign securities or other laws.

13. Transferability. The Option may not be transferable in any manner (including without limitation, sale, alienation, anticipation, pledge, encumbrance, or assignment) other than by will or by laws of descent and distribution, unless otherwise determined by the Committee in accordance with the Plan. All rights with respect to the Option shall be exercisable during the lifetime of the Employee only by the Employee or his or her guardian or legal representative or permitted transferee, if applicable.

14. Governing Law; Venue. This Agreement shall be construed and enforced in accordance with the laws of the U.S. state of Delaware, except with respect to its rules relating to conflicts of law. The Employee consents to the exclusive jurisdiction of the U.S. state and federal courts of the state of Minnesota in connection with any controversies relating to or arising out of this Agreement, and agrees that any and all litigation relating to or arising out of this Agreement shall be venued in Hennepin County, Minnesota.

15. Repatriation; Compliance with Law. The Employee agrees to repatriate all payments attributable to the shares of Common Stock and/or cash acquired under the Plan (including, but not limited to, dividends and any proceeds derived from the sale of the shares of Common Stock acquired pursuant to the Option) in accordance with local foreign exchange rules and regulations in the Employee's country of residence (and country of employment, if different). In addition, the Employee also agrees to take any and all actions, and consents to any and all actions taken by Donaldson or any Affiliate, as may be required to allow Donaldson and its Affiliates to comply with local laws, rules and regulations in the Employee's country of residence (and country of employment, if different). Finally, the Employee agrees to take any

and all actions as may be required to comply with the Employee's personal legal and tax obligations under local laws, rules and regulations in the Employee's country of residence (and country of employment, if different).

16. Electronic Delivery and Acceptance. Donaldson, in its sole discretion, may decide to deliver any documents related to the Option or other awards granted to the Employee under the Plan by electronic means. The Employee hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through an on-line or electronic system established and maintained by Donaldson or a third party designated by Donaldson.

17. English Language. The Employee acknowledges and agrees that it is the Employee's express intent that this Agreement, the Plan and all other documents, notices and legal proceedings entered into, given or instituted pursuant to the grant of this Option, be drawn up in English. The Employee acknowledges that he or she is sufficiently proficient in English, or has consulted with an advisor who is sufficiently proficient in English, so as to allow the Employee to understand the terms and conditions of this Agreement and the Plan. If the Employee has received this Agreement, the Plan or any other documents related to the Option translated into a language other than English, and if the meaning of the translated version is different than the English version, the English version shall control.

18. Addendum. Notwithstanding any provisions in this Agreement to the contrary, this Option shall be subject to any special terms and conditions for the Employee's country of residence (and country of employment, if different), as set forth in the applicable addendum to this Agreement. Further, if the Employee transfers residency and/or employment to another country reflected in an addendum to this Agreement, the special terms and conditions for such country will apply to the Employee to the extent Donaldson determines, in its sole discretion, that the application of such terms and conditions is necessary or advisable in order to comply with local laws, rules and/or regulations or to facilitate the operation and administration of the Option and the Plan (or Donaldson may establish alternative terms and conditions as may be necessary or advisable to accommodate the Employee's transfer). Any applicable addendum shall constitute part of this Agreement.

19. Imposition of Other Requirements. Donaldson reserves the right to impose other requirements on this Option, any shares of Common Stock acquired pursuant to this Option, and the Employee's participation in the Plan, to the extent Donaldson determines, in its sole discretion, that such other requirements are necessary or advisable in order to comply with local laws, rules and/or regulations or to facilitate the operation and administration of the Option and the Plan. Such requirements may include (but are not limited to) requiring the Employee to sign any agreements or undertakings that may be necessary to accomplish the foregoing.

20. Not a Public Offering. The grant of the Option is not intended to be a public offering of securities in the Employee's country of residence (and country of employment, if different). Donaldson has not submitted any registration statement, prospectus or other filings with the local securities authorities (unless otherwise required under local law), and the grant of the Option is not subject to the supervision of the local securities authorities.

21. No Advice Regarding Grant. No employee of Donaldson or any Affiliate is permitted to advise the Employee on whether the Employee should acquire shares of Common Stock by exercising the Option under the Plan. Investment in shares of Common Stock involves a degree of risk. Before deciding to acquire shares of Common Stock by exercising the Option, the Employee should carefully review all of the materials related to the Option and the Plan. In addition, the Employee should consult with the Employee's personal advisor for professional investment advice.

22. Insider Trading Restrictions/Market Abuse Laws. By participating in the Plan, the Employee agrees to comply with Donaldson's policy on insider trading (to the extent that it is applicable to the Employee). Further, the Employee acknowledges that, depending on the Employee's or the broker's country of residence or where the shares of Common Stock are listed, the Employee may be subject to insider trading restrictions and/or market abuse laws which may affect the Employee's ability to accept, acquire, sell or otherwise dispose of shares of Common Stock, rights to shares of Common Stock (e.g., Options) or rights linked to the value of shares of Common Stock, during such time the Employee is considered to have "inside information" regarding Donaldson as defined by the laws or regulations in the Employee's country. Local insider trading laws and regulations may prohibit the cancellation or amendment of orders the Employee places before he or she possessed inside information. Furthermore, the Employee could be prohibited from (i) disclosing the inside information to any third party (other than on a "need to know" basis) and (ii) "tipping" third parties or causing them otherwise to buy or sell securities. The Employee understands that third parties include fellow employees. Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable Donaldson insider trading policy. The Employee acknowledges that it is the Employee's responsibility to comply with any applicable restrictions, and that the Employee should therefore consult his or her personal advisor on this matter.

23. Severability. The invalidity or unenforceability of any provision of the Plan or this Agreement will not affect the validity or enforceability of any other provision of the Plan or this Agreement, and each provision of the Plan and this Agreement will be severable and enforceable to the extent permitted by law.

24. Waiver. The Employee agrees that a waiver by Donaldson of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by the Employee or any other Participant.

By execution of this Agreement as of the Grant Date, the Employee hereby accepts and agrees to be bound by all of the terms and conditions of this Agreement and the Plan.

EMPLOYEE:

SIGNED BY ELECTRONIC SIGNATURE*

* BY ELECTRONICALLY ACCEPTING THIS AWARD, THE EMPLOYEE AGREES THAT (I) SUCH ACCEPTANCE CONSTITUTES THE EMPLOYEE'S ELECTRONIC SIGNATURE IN EXECUTION OF THIS AGREEMENT; (II) THE EMPLOYEE AGREES TO BE BOUND BY THE PROVISIONS OF THE PLAN, THE AGREEMENT AND THE ADDENDUM TO THE AGREEMENT (IF ANY); (III) THE EMPLOYEE HAS REVIEWED THE PLAN, THE AGREEMENT AND THE ADDENDUM TO THE AGREEMENT (IF ANY) IN THEIR ENTIRETY, HAS HAD AN OPPORTUNITY TO OBTAIN THE ADVICE OF COUNSEL PRIOR TO ACCEPTING THE AWARD AND FULLY UNDERSTANDS ALL OF THE PROVISIONS OF THE PLAN, THE AGREEMENT AND THE ADDENDUM TO THE AGREEMENT (IF ANY); (IV) THE EMPLOYEE HAS BEEN PROVIDED WITH A COPY OR ELECTRONIC ACCESS TO A COPY OF THE U.S. PROSPECTUS FOR THE PLAN AND THE TAX SUPPLEMENT TO THE U.S. PROSPECTUS FOR THE EMPLOYEE'S COUNTRY, IF APPLICABLE; AND (V) THE EMPLOYEE HEREBY AGREES TO ACCEPT AS BINDING, CONCLUSIVE AND FINAL ALL DECISIONS OR INTERPRETATIONS OF THE HUMAN RESOURCES COMMITTEE UPON ANY QUESTIONS ARISING UNDER THE PLAN, THE AGREEMENT AND THE ADDENDUM TO THE AGREEMENT (IF ANY)

ADDENDUM TO
STOCK OPTION AWARD AGREEMENT

The Option is subject to the following additional terms and conditions as set forth in this addendum to the Agreement (the "Addendum") to the extent the Employee resides and/or is employed in one of the jurisdictions or countries addressed herein. To the extent the Employee transfers residence and/or employment to another country, the special terms and conditions for such country as reflected in this Addendum (if any) will apply to the Employee to the extent Donaldson determines, in its sole discretion, that the application of such terms and conditions is necessary or advisable to comply with local laws, rules and/or regulations, or to facilitate the operation and administration of the Option and the Plan (or Donaldson may establish alternative terms and conditions as may be necessary or advisable to accommodate the Employee's transfer). All defined terms as contained in this Addendum shall have the same meaning as set forth in the Plan and the Agreement.

EUROPEAN UNION ("EU") AND EUROPEAN ECONOMIC AREA ("EEA") MEMBER STATES

1. Personal Data. The following provision shall replace Section 11 of the Agreement in its entirety:

Pursuant to applicable personal data protection laws, Donaldson hereby notifies the Employee of the following in relation to the Employee's Personal Data (defined below) and the collection, processing and transfer in electronic or other form of such Personal Data in relation to Donaldson's grant of this Option and the Employee's participation in the Plan. The collection, processing and transfer of the Employee's Personal Data is necessary for the legitimate purpose of Donaldson's administration of the Plan and the Employee's participation in the Plan, and the Employee's denial and/or objection to the collection, processing and transfer of Personal Data may affect the Employee's participation in the Plan. As such, the Employee acknowledges the collection, use, processing and transfer of Personal Data as described herein.

Donaldson and the Employer hold certain personally identifiable information about the Employee, specifically the Employee's name, home address, email address and telephone number, date of birth, social security number, passport number or other employee identification number, salary, nationality, job title, any shares of Common Stock or directorships held in Donaldson, details of all options or any other entitlement to shares of Common Stock awarded, canceled, exercised, vested, unvested or outstanding in the Employee's favor, for the purpose of managing and administering the Plan ("Personal Data"). The Personal Data may be provided by the Employee or collected, where lawful, from third parties. Donaldson and the Employer each act as controllers of the Personal Data and will process the Personal Data in this context for the exclusive legitimate purpose of implementing, administering and managing the Employee's participation in the Plan and meeting related legal obligations associated with these actions.

The processing will take place through electronic and non-electronic means according to logics and procedures correlated to the purposes for which the Personal Data was collected and with confidentiality and security provisions as set forth by applicable laws and regulations. Personal Data will be accessible within Donaldson's organization only by those persons requiring access for purposes of the implementation, administration and operation of the Plan and other aspects of the employment relationship and for the Employee's participation in the Plan.

Donaldson and the Employer will transfer Personal Data amongst themselves as necessary for the purpose of implementation, administration and management of the Employee's participation in the Plan, and Donaldson and the Employer may each further transfer Personal Data to third parties assisting

Donaldson or the Employer in the implementation, administration and management of the Plan, including Morgan Stanley Smith Barney or any successor or other third party that Donaldson, the Employer or Morgan Stanley Smith Barney (or its successor) may engage to assist with administration of the Plan from time to time. Further and as permitted by applicable personal data protection laws, if Donaldson or the Employer becomes involved in a merger, acquisition, sale of assets, joint venture, securities offering, bankruptcy, reorganization, liquidation, dissolution or other transaction or if the ownership of all or substantially all of Donaldson or the Employer otherwise changes, Donaldson or the Employer may transfer Personal Data to a third party or parties in connection therewith. These recipients may be located in the EEA, or elsewhere throughout the world, such as the United States. By participating in the Plan, the Employee understands that these recipients may receive, possess, use, retain and transfer the Personal Data, in electronic or other form, for purposes of implementing, administering and managing the Employee's participation in the Plan, including any requisite transfer of such Personal Data as may be required for the administration of the Plan and/or the subsequent holding of shares on the Employee's behalf to a broker or other third party with whom the Employee may elect to deposit any shares of Common Stock acquired pursuant to the Plan. The Employee further understands that the Employee may request a list with the names and addresses of any potential recipients of the Employee's Personal Data by contacting privacy@donaldson.com. When transferring Personal Data to these potential recipients, Donaldson and the Employer provide appropriate safeguards in accordance with EU Standard Contractual Clauses, the EU-U.S. Privacy Shield Framework, or other legally binding and permissible arrangements. The Employee may request a copy of such safeguards by contacting privacy@donaldson.com.

To the extent provided by law, the Employee may, at any time, have the right to request access to Personal Data, rectification of Personal Data, erasure of Personal Data, restriction of processing of Personal Data, and portability of Personal Data. The Employee may also have the right to object, on grounds related to a particular situation, to the processing of Personal Data, as well as opt-out of the Plan herein, in any case without cost, by contacting privacy@donaldson.com. The Employee's provision of Personal Data is a contractual requirement. The Employee understands, however, that the only consequence of refusing to provide Personal Data is that Donaldson and the Employer may not be able to grant the Employee stock options under the Plan, or grant other equity awards or administer or maintain such awards. For more information on the consequences of the Employee's refusal to provide Personal Data, the Employee understands that the Employee may contact privacy@donaldson.com.

When Donaldson and the Employer no longer need to use Personal Data for the purposes above or do not need to retain it for compliance with any legal or regulatory purpose, each will take reasonable steps to remove Personal Data from their systems and/or records containing the Personal Data and/or take steps to properly anonymize it so that the Employee can no longer be identified from it.

2. EU Age Discrimination. If the Employee is a resident of or employed in a country that is a member of the EU, the grant of this award and the terms and conditions governing this award are intended to comply with the age discrimination provisions of the EU Equal Treatment Framework Directive, as implemented into local law (the "Age Discrimination Rules"). To the extent a court or tribunal of competent jurisdiction determines that any provision of this award is invalid or unenforceable, in whole or in part, under the Age Discrimination Rules, Donaldson shall have the power and authority to revise or strike such provision to the minimum extent necessary to make it valid and enforceable to the full extent permitted under local law.

AUSTRALIA

1. Shareholder Approval Requirement. Notwithstanding any provision in the Agreement to the contrary, the Employee will not be entitled to, and shall not claim any benefit under the Plan if the provision of such benefit would give rise to a breach of Part 2D.2 of the Corporations Act 2001 (Cth), any

other provision of that Act, or any other applicable statute, rule or regulation which limits or restricts the giving of such benefits. Further, Donaldson's Affiliate in Australia is under no obligation to seek or obtain the approval of its shareholders for the purpose of overcoming any such limitation or restriction.

2. Tax Deferral. The Option awarded under the Agreement is intended to be subject to tax deferral under Subdivision 83A-C of the Income Tax Assessment Act 1997 (Cth) (subject to the conditions of the Act).

BELGIUM

1. Acceptance of the Option. In order for the Option to be subject to taxation at the time of grant (more specifically, on the 60th day after the offer date), the Employee must affirmatively accept the Option in writing within 60 days after the offer date. If the Employee fails to affirmatively accept the Option in writing within 60 days after the offer date, the Employee will not be subject to taxation at the time of grant (more specifically, on the 60th day after the offer date) but instead will be subject to taxation on the date the Employee exercises the Option (or such other treatment as may apply under Belgian tax law at the time of exercise).

BRAZIL

1. Labor Law Acknowledgment. The Employee agrees that, for all legal purposes, (i) the benefits provided under the Agreement and the Plan are the result of commercial transactions unrelated to the Employee's employment; (ii) the Agreement and the Plan are not a part of the terms and conditions of the Employee's employment; and (iii) the income from the exercise of the Option, if any, is not part of the Employee's remuneration from employment.

2. Compliance with Law. By accepting the Option, the Employee acknowledges his / her agreement to comply with applicable Brazilian laws and to pay any and all applicable taxes associated with the exercise of the Option, the issuance and/or sale of shares of Common Stock acquired under the Plan or the receipt of any dividends.

CANADA

1. Exercise Procedures - No Payment with Common Stock. Notwithstanding any provision of the Agreement or the Plan to the contrary, if the Employee is a resident in Canada, the Employee may not tender shares of Common Stock that the Employee owns to pay the purchase price or any Tax-Related Items in connection with the Option.

2. Use of English Language. The Employee acknowledges and agrees that it is the Employee's wish that the Agreement and the Addendum, as well as all documents, notices and legal proceedings entered into, given or instituted pursuant the Award, be drawn up in English.

Utilisation de Langue anglaise. **Employé admet et convient que c'est le désir du Employé que l'Accord et l'Addenda, aussi bien que tous les documents, remarque et les poursuites judiciaires entrées, données ou instituées conforme le Prix, être établi dans l'anglais.**

3. Data Privacy. The following provision supplements Section 11 of the Agreement:

The Employee hereby authorizes Donaldson and Donaldson's representatives to discuss and obtain all relevant information from all personnel, professional or non-professional, involved in the administration of the Plan. The Employee further authorizes Donaldson, the Employer and its Affiliates to disclose and

discuss the Plan with their advisors. The Employee further authorizes Donaldson, the Employer and any other Affiliate to record such information and to keep such information in the Employee's employee file.

DENMARK

1. Danish Stock Option Act. In accepting the Option, the Employee acknowledges that the Employee has received an "Employer Statement" translated into Danish, which is being provided to comply with the Danish Act on the Use of Rights to Purchase or Subscribe for Shares etc. in Employment Relationships (the "Stock Option Act").

FRANCE

1. Nature of Grant. The Option is not granted under the French specific regime provided by Articles Section L.225-177 and seq. of the French commercial code.

2. Use of English Language. The Employee acknowledges and agrees that it is the Employee's wish that the Agreement and the Addendum, as well as all documents, notices and legal proceedings entered into, given or instituted pursuant the Award, be drawn up in English.

Utilisation de Langue anglaise. **Employé admet et convient que c'est le désir du Employé que l'Accord et l'Addenda, aussi bien que tous les documents, remarque et les poursuites judiciaires entrées, données ou instituées conforme le Prix, être établi dans l'anglais.**

GERMANY

No country-specific provisions.

HONG KONG

1. Exercise of Option. If, for any reason, the Option vests and becomes exercisable and the Employee exercises the Option within six (6) months of the Date of Grant, the Employee agrees that the Employee will not dispose of any shares of Common Stock acquired upon such exercise prior to the six-month anniversary of the Date of Grant.

2. IMPORTANT NOTICE. The Agreement, the Addendum, the Plan and all other materials pertaining to the Option have not been reviewed by any regulatory authority in Hong Kong. The Employee is advised to exercise caution in relation to the offer. If the Employee has any doubts about any of the contents of the materials pertaining to the Option, the Employee should obtain independent professional advice.

INDIA

1. Repatriation Requirements. The Employee understands that the Employee must repatriate any cash dividends paid on shares of Common Stock under the Plan and any proceeds from the sale of such shares of Common Stock to India within a certain period of time after receipt of the proceeds. It is the Employee's sole responsibility to comply with applicable exchange control laws in India.

ITALY

1. Method of Exercise. Notwithstanding anything to the contrary in the Agreement or the Plan, unless Donaldson determines otherwise, the Option may be exercised only by using the full cashless method. Cash, cashless sell-to-cover, or stock swap methods of exercise are prohibited.

2. Plan Document Acknowledgment. In accepting the Option, the Employee acknowledges that a copy of the Plan was made available to the Employee, and the Employee has reviewed the Plan and the Agreement, including this Addendum, in their entirety and fully understands and accepts all provisions of the Plan, the Agreement, and this Addendum.

The Employee further acknowledges that the Employee has read and specifically approves the following provision in the Agreement: Section 2 (Vesting of Option Rights), Section 7 (Tax and Social Insurance Contributions Withholding), Section 10 (Nature of Grant); and Section 19 (Imposition of Other Requirements).

JAPAN

No country-specific provisions.

MEXICO

1. Commercial Relationship. The Employee expressly recognizes and acknowledges that the Employee's participation in the Plan and Donaldson's grant of the Option does not constitute an employment relationship between the Employee and Donaldson. The Employee has been granted the Option as a consequence of the commercial relationship between Donaldson and Donaldson's Affiliate in Mexico that employs the Employee ("Donaldson-Mexico"), and Donaldson-Mexico is the Employee's sole employer. Based on the foregoing, (a) the Employee expressly recognizes the Plan and the benefits the Employee may derive from the Employee's participation in the Plan do not establish any rights between the Employee and Donaldson-Mexico, (b) the Plan and the benefits the Employee may derive from the Employee's participation in the Plan are not part of the employment conditions and/or benefits provided by Donaldson-Mexico, and (c) any modifications or amendments of the Plan by Donaldson, or a termination of the Plan by Donaldson, shall not constitute a change or impairment of the terms and conditions of the Employee's employment with Donaldson-Mexico.

2. Extraordinary Item of Compensation. The Employee expressly recognizes and acknowledges that the Employee's participation in the Plan is a result of the discretionary and unilateral decision of Donaldson, as well as the Employee's free and voluntary decision to participate in the Plan in accordance with the terms and conditions of the Plan, the Agreement and this Addendum. As such, the Employee acknowledges and agrees that Donaldson may, in its sole discretion, amend and/or discontinue the Employee's participation in the Plan at any time and without any liability. The value of the Option is an extraordinary item of compensation outside the scope of the Employee's employment contract, if any. The Option is not part of the Employee's regular or expected compensation for purposes of calculating any severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits, or any similar payments, which are the exclusive obligations of Donaldson-Mexico.

NETHERLANDS

1. Waiver of Termination Rights. The Employee hereby waives any and all rights to compensation or damages as a result of the Employee's termination of employment with Donaldson or any

Affiliate whatsoever, insofar as those rights result or may result from (i) the loss or diminution in value of such rights or entitlements under the Plan, or (ii) the Employee's ceasing to have rights under, or ceasing to be entitled to any awards under the Plan as a result of such termination.

SINGAPORE

1. Qualifying Person Exemption. The grant of the Option under the Plan is being made pursuant to the "Qualifying Person" exemption under section 273(1)(f) of the Securities and Futures Act (Chapter 289, 2006 Ed.) ("SFA"). The Plan has not been and will not be lodged or registered as a prospectus with the Monetary Authority of Singapore and is not regulated by any financial supervisory authority pursuant to any legislation in Singapore. The Employee should note that, as a result, the Option is subject to section 257 of the SFA and the Employee will not be able to make (a) any subsequent sale of the shares of Common Stock in Singapore or (b) any offer of such subsequent sale of the shares of Common Stock subject to the Option in Singapore, unless such sale or offer is made pursuant to the exemptions under Part XIII Division (1) Subdivision (4) (other than section 280) of the SFA (Chapter 289, 2006 Ed.).

SOUTH KOREA

No country-specific provisions.

POLAND

No country-specific provisions.

SPAIN

1. Acknowledgement of Discretionary Nature of the Plan.

In accepting the Option, the Employee consents to participation in the Plan and acknowledges that the Employee has received a copy of the Plan.

The Employee understands that Donaldson has unilaterally, gratuitously and in its sole discretion granted stock options under the Plan to individuals who may be employees of Donaldson or any of its Affiliates throughout the world. The decision is a limited decision that is entered into upon the express assumption and condition that any grant will not economically or otherwise bind Donaldson or any of its Affiliates on an ongoing basis. Consequently, the Employee understands that the Option is granted on the assumption and condition that the Option and the shares of Common Stock acquired upon exercise of the Option shall not become a part of any employment contract (either with Donaldson or any of its Affiliates) and shall not be considered a mandatory benefit, salary for any purposes (including severance compensation) or any other right whatsoever. In addition, the Employee understands that this grant would not be made to the Employee but for the assumptions and conditions referenced above; thus, the Employee acknowledges and freely accepts that should any or all of the assumptions be mistaken or should any of the conditions not be met for any reason, the Option grant shall be null and void.

The Employee understands and agrees that, as a condition of the Option grant, unless otherwise provided in the Agreement, any unvested Option as of the date the Employee ceases active employment, and any vested portion of the Option not exercised within the post-termination exercise period set out in the Agreement, will be forfeited without entitlement to the underlying shares of Common Stock or to any amount of indemnification in the event of termination of employment. The Employee acknowledges that the Employee has read and specifically accepts the conditions referred to in the Agreement regarding the impact of a termination of employment on the Option.

2. No Public Offering. No "offer of securities to the public," within the meaning of Spanish law, has taken place or will take place in the Spanish territory in connection with the Option. The Plan, the Agreement (including this Addendum) and any other documents evidencing the grant of the Option have not, nor will they be, registered with the *Comisión Nacional del Mercado de Valores* (the Spanish securities regulator) and none of those documents constitute a public offering prospectus.

THAILAND

No country-specific provisions.

UNITED ARAB EMIRATES

1. Securities Law Notice. The Plan is being offered only to qualified employees and is in the nature of providing equity incentives to employees of Donaldson and its Affiliates in the UAE. Any documents related to the Plan, including the Plan, this Addendum, the Plan prospectus and other grant documents ("Plan Documents"), are intended for distribution only to such employees and must not be delivered to, or relied on by, any other person. The Employee should conduct his or her own due diligence on the securities.

The Emirates Securities and Commodities Authority has no responsibility for reviewing or verifying any Plan Documents nor has it taken steps to verify the information set out in them, and thus, is not responsible for such documents. Further, neither the Ministry of Economy nor the Dubai Department of Economic Development has approved this statement nor taken steps to verify the information set out in it, and has no responsibility for it.

The Employee should, as prospective stockholder, conduct the Employee's own due diligence on the securities. If the Employee does not understand the contents of the Plan Documents, he or she should consult an authorized financial adviser.

UNITED KINGDOM

1. Indemnification for Tax-Related Items. Without limitation to Section 7 of the Agreement, the Employee hereby agrees that he or she is liable for all Tax-Related Items and hereby covenants to pay all such Tax-Related Items, as and when requested by the Donaldson or (if different) the Employer or by Her Majesty's Revenue & Customs ("HMRC") (or any other tax authority or any other relevant authority). The Employee also hereby agrees to indemnify and keep indemnified Donaldson and (if different) the Employer against any Tax-Related Items that they are required to pay or withhold or have paid or will pay on the Employee's behalf to HMRC (or any other tax authority or any other relevant authority).

Notwithstanding the foregoing, if the Employee is a director or executive officer (as within the meaning of Section 13(k) of the Exchange Act), the terms of the immediately foregoing provision will not apply. In the event that the Employee is a director or executive officer and income tax due is not collected from or paid by the Employee within 90 days after the U.K. tax year in which an event giving rise to the indemnification described above occurs, the amount of any uncollected tax may constitute a benefit to the Employee on which additional income tax and national insurance contributions may be payable. The Employee acknowledges that the Employee ultimately will be responsible for reporting and paying any income tax due on this additional benefit directly to HMRC under the self-assessment regime and for reimbursing Donaldson or (if different) the Employer for the value of any employee national insurance contributions due on this additional benefit, which Donaldson or (if different) the Employer may recover from the Employee at any time thereafter by any of the means referred to in the Section 7 of the Agreement.

2. Exclusion of Claim. The Employee acknowledges and agrees that the Employee will have no entitlement to compensation or damages insofar as such entitlement arises or may arise from the Employee's ceasing to have rights under or to be entitled to the Option, whether or not as a result of termination (whether such termination is in breach of contract or otherwise), or from the loss or diminution in value of the Option. Upon the grant of the Option, the Employee shall be deemed irrevocably to have waived any such entitlement.

Exhibit 10-AI

2019 MASTER STOCK INCENTIVE PLAN
RESTRICTED STOCK UNIT AWARD AGREEMENT

This Restricted Stock Unit Award Agreement (the "Agreement") is made as of the date specified in the individual grant summary, by and between Donaldson Company, Inc., a Delaware corporation ("Donaldson"), and the person specified in the individual grant summary (the "Employee"). For purposes of the Agreement, the "Employer" means Donaldson or any Affiliate that employs the Employee.

Donaldson has adopted the 2019 Master Stock Incentive Plan (the "Plan") which permits the grant of an award of Restricted Stock Units representing the right to receive shares of common stock, par value US $5.00 per share, of Donaldson ("Common Stock") and dividend equivalent amounts corresponding to such shares. Donaldson is now granting this award under the Plan and in consideration of the Employee's and Donaldson's covenants in this Agreement.

1. Grant of Restricted Stock Units. Donaldson hereby grants to the Employee the number Restricted Stock Units specified in the grant summary for no cash consideration. The Restricted Stock Units shall be subject to the terms and conditions in this Agreement and the Plan. The Employee acknowledges receipt of a copy of the Plan and the Plan Prospectus. Capitalized terms not defined in this Agreement shall have the meaning ascribed to such terms in the Plan. The grant date shall be as specified on the Employee's individual grant summary ("Grant Date").

2. Vesting of Restricted Stock Units. Except as otherwise provided in the Plan or this Agreement, neither the Restricted Stock Units nor the underlying shares of Common Stock to which the units relate, may be sold, assigned, hypothecated or transferred (including without limitation, transfer by gift or donation) until the applicable vesting dates provided below (the "Restriction Period"). If the application of the vesting percentages below results in the vesting of a fractional Restricted Stock Unit, the number of Restricted Stock Units vested shall be rounded to the nearest whole number. Restricted Stock Units granted to the Employee shall be credited to a book-keeping account in the Employee's name. This account shall be a record of book-keeping entries only and shall be utilized solely as a device for the measurement and determination of the number of shares of Common Stock to be issued to the Employee in settlement of the Restricted Stock Units pursuant to this Agreement.

Vesting Dates:	Cumulative Units Vested:
First Anniversary of Grant Date	33.3%
Second Anniversary of Grant Date	66.6%
Third Anniversary of Grant Date	100%

3. Termination of Employment. Unvested Restricted Stock Units shall be cancelled and forfeited if, at any time within the Restriction Period, the Employee's employment terminates for any reason (including, without limitation, termination by the Employer, with or without cause) other than for reasons of death, Retirement (as defined in the Plan), or Disability (as defined in the Plan). Upon termination of the Employee's employment within the Restriction Period by reason of death, Retirement or Disability, the Restriction Period shall end upon such termination, and in lieu of the vesting schedule above, the unvested Restricted Stock Units shall vest as to the number (rounded to the nearest whole share) of Restricted Stock Units obtained by multiplying the unvested Restricted Stock Units by a fraction formed from dividing the full number of months of the Employee's employment since the Grant Date by thirty-six (36). The remainder of Restricted Stock Units shall be cancelled and forfeited.

For purposes of this Agreement, the Employee's date of termination of employment shall be the earlier of (i) the date the Employer tenders a notice of termination to the Employee or the Employee tenders a notice of resignation to the Employer, or (ii) the date the Employee ceases to render services to the Employer, and unless otherwise expressly provided in this Agreement or determined by the Committee in its sole discretion, the Employee's right to vest in the Restricted Stock Units will terminate as of such date and will not be extended by any notice period (e.g., the Employee's period of employment would not include any contractual notice period or any period of "garden leave" or similar period mandated under employment laws in the jurisdiction where the Employee is employed or the terms of the Employee's employment agreement, if any). The Committee (or its delegate) shall have the exclusive discretion to determine the date of the Employee's termination of employment for purposes of this award (including whether the Employee may still be considered to be providing services while on a leave of absence). For the avoidance of doubt, a transfer of employment between Donaldson Affiliates shall not constitute a termination of employment for purposes of this Agreement.

4. Settlement of Restricted Stock Units.

(a) Upon the expiration of the Restriction Period, Donaldson shall cause to be issued to the Employee, or to the Employee's estate in the event of the Employee's death, one (1) share of Common Stock in payment and settlement of each vested Restricted Stock Unit. Donaldson shall cause the shares of Common Stock issuable in connection with the vesting of any such Restricted Stock Units to be issued as soon as practicable after the Restriction Period, but in all events no later than 30 days after the Restriction Period, and the Employee shall have no power to affect the timing of such issuance. Such issuance shall be evidenced by a stock certificate or appropriate entry on the books of Donaldson or a duly authorized transfer agent of Donaldson and shall be in complete settlement and satisfaction of such vested Restricted Stock Units.

Notwithstanding the foregoing, if the Employee is resident or provides services outside of the United States, Donaldson, in its sole discretion, may provide for the settlement of the Restricted Stock Units in the form of:

(i) a cash payment in an amount equal to the Fair Market Value of the shares of Common Stock as of the vesting date that corresponds to the number of vested Restricted Stock Units, to the extent settlement in shares of Common Stock (i) is prohibited under local law, (ii) would require the Employee, Donaldson or any Affiliate to obtain the approval of any governmental or regulatory body in the Employee's country of residence (or country of employment, if different), (iii) would result in adverse tax consequences for the Employee, Donaldson or any Affiliate, or (iv) is administratively burdensome; or

(ii) shares of Common Stock, but require the Employee to sell such shares of Common Stock immediately or within a specified period following the Employee's termination of employment (in which case, the Employee agrees that Donaldson shall have the authority to issue sale instructions in relation to such shares of Common Stock on the Employee's behalf).

(b) If the Employee is a taxpayer of the United States of America ("U.S.") and has attained or will attain age 55 prior to the expiration of the Restriction Period applicable to Restricted Stock Units, such Restricted Stock Units shall be treated as "deferred compensation" subject to section 409A of Code. In such case, if those Restricted Stock Units vest and become payable on account of the Employee's termination of employment, the Restricted Stock Units shall not become payable (even though non-forfeitable) unless the termination constitutes a "separation from service" as defined in Treasury Regulations promulgated under section 409A of the Code. In addition, if the Employee is a Specified

Employee, payment on account of separation from service hereunder shall be made as of the date that is six (6) months following the Employee's separation from service (or, if earlier, upon the Employee's death).

5. Execution of Employee Agreement and Non-Competition Agreement. In consideration of the grant of Restricted Stock Units and other good and valuable consideration associated with the Employee's employment with the Employer, the Employee agrees to execute an agreement (or agreements) containing restrictive covenants concerning the Employee's behavior both during employment and following termination of employment that is satisfactory to Donaldson (the "Employee Agreement"). The Employee acknowledges and agrees that the grant of Restricted Stock Units is expressly conditioned upon the Employee's execution of the Employee Agreement, and the Employee further acknowledges and agrees that the grant of Restricted Stock Units is adequate consideration for the Employee's execution of the Employee Agreement and the restrictive covenants contained therein.

6. Accelerated Vesting Upon Change in Control. In the event of a Change in Control (as defined in the Plan) during the Restricted Period, the unvested Restricted Stock Units then outstanding shall immediately become fully vested and the underlying shares of Common Stock shall be issued to the Employee. Notwithstanding the foregoing, if any payment due under this Section 6 is deferred compensation subject to section 409A of the Code, and if the Change in Control is not a "change in control event" that serves as a permissible payment event under U.S. Treasury Regulation § 1.409A-3(i)(5) or such other regulation or guidance issued under section 409A of the Code, then the Restricted Stock Units shall vest upon the Change in Control as provided above but issuance of the shares subject to the award shall be delayed until the end of the Restriction Period.

7. Tax and Social Insurance Contributions Withholding.

(a) Regardless of any action Donaldson or the Employer takes with respect to any or all income tax, social insurance, payroll tax, fringe benefit tax, payment on account or other tax-related items related to the Employee's participation in the Plan ("Tax-Related Items"), the Employee acknowledges that the ultimate liability for all Tax-Related Items legally due by the Employee is and remains the Employee's responsibility, and that Donaldson and the Employer: (a) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the award of Restricted Stock Units, including the grant of the Restricted Stock Units, the vesting of the Restricted Stock Units, the issuance of shares of Common Stock, the subsequent sale of any shares of Common Stock and the receipt of any dividends or dividend equivalent amounts; and (b) do not commit to structure the terms of the grant or any aspect of the Restricted Stock Unit award to reduce or eliminate the Employee's liability for Tax-Related Items.

(b) Prior to any taxable or tax withholding event, as applicable, the Employee agrees to make adequate arrangements satisfactory to Donaldson and/or the Employer to satisfy all Tax-Related Items. Payment of all Tax-Related Items may be satisfied by (i) payment in cash, (ii) delivery of unencumbered shares of Common Stock previously acquired having a Fair Market Value that is equal to the Tax-Related Items, (iii) by a combination of cash and shares under (i) and (ii) above; (iv) by withholding of shares of Common Stock that would otherwise be issued upon settlement having a Fair Market Value equal to the Tax-Related Items or (v) by (broker-assisted) sell-to-cover transaction that complies with all applicable laws. In the absence of direction from the Employee, the Employee hereby authorizes Donaldson to satisfy all Tax-Related Items by (1) withholding shares of Common Stock to be issued at settlement or otherwise selling shares of Common Stock on the Employee's behalf equal to the amount of all Tax-Related Items required to be withheld, pursuant to the policies and processes of Donaldson's stock plan administrator and broker; or (2) withholding from the Employee's wages or other cash compensation payable to the Employee by Donaldson and/or the Employer. If the Employee is subject to taxation in more than one jurisdiction,

the Employee acknowledges that the Employer or another Affiliate may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

(c) Depending on the withholding method, Donaldson may withhold or account for Tax-Related Items by considering applicable statutory withholding rates (as determined by the Committee in its sole discretion) or other applicable withholding rates, including maximum withholding rates. If the obligation for Tax-Related Items is satisfied by withholding from shares of Common Stock to be delivered upon vesting of the Restricted Stock Units, for tax purposes, the Employee is deemed to have been issued the full number of shares of Common Stock subject to the vested Restricted Stock Units, notwithstanding that a number of shares of Common Stock are held back solely for the purpose of paying the Tax-Related Items.

(d) The Employee agrees to pay to Donaldson or the Employer any amount of Tax-Related Items that Donaldson or the Employer may be required to withhold or account for as a result of the Employee's participation in the Plan that cannot be satisfied by the means previously described. Donaldson may refuse to issue or deliver shares of Common Stock or proceeds from the sale of shares of Common Stock until arrangements satisfactory to the Committee have been made in connection with the Tax-Related Items.

8. Shareholder Rights; Dividend Equivalents. The Restricted Stock Units do not entitle the Employee to any rights of a stockholder of Donaldson with respect to shares of Common Stock underlying the Restricted Stock Units until such shares have been issued to the Employee upon settlement of the Restricted Stock Units. Notwithstanding the foregoing, the Employee shall accumulate an unvested right to dividend equivalent amounts on the shares of Common Stock underlying Restricted Stock Units if cash dividends are declared by Donaldson on the shares on or after the Grant Date. Each time a dividend is paid on the shares of Common Stock, the Employee shall accrue an additional number of Restricted Stock Units (rounded to the nearest whole share) having a Fair Market Value on the dividend payment date equal to the amount of the dividend payable on the Employee's Restricted Stock Units on the dividend record date. The additional Restricted Stock Units shall be subject to the same vesting, forfeiture and share delivery terms in Sections 2, 3, 4 and 6 above as if they had been awarded on the Grant Date. The Employee shall not be entitled to dividend equivalents with respect to dividends declared prior to the Grant Date. All dividend equivalents accumulated with respect to forfeited Restricted Stock Units shall also be irrevocably forfeited. As of the date of issuance of shares underlying Restricted Stock Units, the Employee shall have all of the rights of a stockholder of Donaldson with respect to any shares issued pursuant hereto.

9. Effectiveness of Agreement; Non-Disclosure. This Agreement shall be effective only after the Employee agrees to the terms and conditions of this Agreement. The Employee shall not disclose either the contents or any of the terms and conditions of this award to any other person and agrees that Donaldson shall have the right, in its sole discretion, to immediately terminate the Agreement in the event of such disclosure by the Employee.

10. Nature of Grant.

(a) Neither the Plan nor this Agreement shall (i) be deemed to give the Employee a right to remain an employee of the Employer, (ii) restrict the right of the Employer to discharge the Employee, with or without cause, or (iii) be deemed to be a written contract of employment.

(b) The Employee acknowledges and agrees that the Plan is discretionary in nature and limited in duration, and may be amended, cancelled, or terminated by Donaldson, in its sole discretion, at any time.

Any amendment, modification or termination of the Plan shall not constitute a change or impairment of the terms and conditions of the Employee's employment with the Employer.

(c) The grant of the Restricted Stock Unit award under the Plan is a one-time benefit and does not create any contractual or other right to receive an award or benefits in lieu of Restricted Stock Units in the future. Future awards, if any, will be at the sole discretion of Donaldson, including, but not limited to, the form and timing of an award, the number of shares of Common Stock subject to an award and the vesting provisions.

(d) The Employee's participation in the Plan is exceptional, voluntary and occasional. The value of the Employee's Restricted Stock Unit award is an extraordinary item of compensation outside the scope of the Employee's employment contract, if any.

(e) The Employee's award of Restricted Stock Units, the shares of Common Stock subject to the Restricted Stock Units and the income and value of the same are not part of normal or expected compensation for any purpose, including, without limitation, calculating any severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension, or retirement benefits or similar payments and in no event should be considered as compensation for, or relating in any way to, past services for Donaldson, the Employer or any Affiliate.

(f) No claim or entitlement to compensation or damages shall arise from termination of the Restricted Stock Unit award resulting from termination of the Employee's employment (for any reason whatsoever, whether or not later found to be invalid or in breach of local employment laws or the terms of the Employee's employment agreement, if any).

(g) The future value of the shares of Common Stock subject to the Restricted Stock Unit award is unknown and cannot be predicted with certainty. The value of any underlying shares of Common Stock issued hereunder may increase or decrease.

(h) Donaldson shall not be liable for any foreign exchange rate fluctuation, where applicable, between the Employee's local currency and the United States dollar that may affect the value of the Restricted Stock Unit or of any amounts due to the Employee pursuant to the award or the subsequent sale of any shares of Common Stock acquired under the award.

(i) The Restricted Stock Units and the benefits evidenced by this Agreement do not create any entitlement not otherwise specifically provided for in the Plan or provided by Donaldson in its discretion, to have the Restricted Stock Units or any such benefits transferred to, or assumed by, another company, nor to be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the shares of Common Stock.

11. Data Privacy.

(a) Pursuant to applicable personal data protection laws, Donaldson hereby notifies the Employee of the following in relation to the Employee's personal Data (as defined below) and the collection, use, processing and transfer of such Data in relation to Donaldson's grant of this award and the Employee's participation in the Plan. The collection, use, processing and transfer of the Employee's Data is necessary for Donaldson's administration of the Plan and the Employee's participation in the Plan, and the Employee's denial and/or objection to the collection, use, processing and transfer of Data may affect the Employee's participation in the Plan. As such, the Employee hereby voluntarily acknowledges and consents (where required under applicable law) to the collection, use, processing and transfer of Data as described in this paragraph.

(b) Donaldson and the Employer hold certain personal information about the Employee, specifically: the Employee's name, home address, email address and telephone number, date of birth, social security number, passport number or other employee identification number, salary, nationality, job title, any shares of Common Stock or directorships held in Donaldson, details of all stock awards or any other entitlement to shares of Common Stock awarded, canceled, purchased, vested, unvested or outstanding in the Employee's favor, for the purpose of managing and administering the Plan ("Data"). Data may be provided by the Employee or collected, where lawful, from third parties, and Donaldson will process Data for the exclusive purpose of implementing, administering and managing the Employee's participation in the Plan. Data processing will take place through electronic and non-electronic means according to logics and procedures strictly correlated to the purposes for which Data are collected and with confidentiality and security provisions as set forth by applicable laws and regulations in the Employee's country of residence. Data processing operations will be performed minimizing the use of personal and identification data when such operations are unnecessary for the processing purposes sought. Data will be accessible within Donaldson's organization only by those persons requiring access for purposes of the implementation, administration and operation of the Plan and for the Employee's participation in the Plan.

(c) Donaldson and the Employer will transfer Data amongst themselves as necessary for the purpose of implementation, administration and management of the Employee's participation in the Plan, and Donaldson and the Employer may each further transfer Data to any third parties assisting Donaldson in the implementation, administration and management of the Plan. As permitted by applicable personal data protection laws, if Donaldson or the Employer becomes involved in a merger, acquisition, sale of assets, joint venture, securities offering, bankruptcy, reorganization, liquidation, dissolution, or other transaction or if the ownership of all or substantially all of Donaldson or the Employer otherwise changes, Donaldson or the Employer may transfer Data to a third party or parties in connection therewith. The Employee hereby authorizes (where required under applicable law) them to receive, possess, use, retain and transfer Data, in electronic or other form, for purposes of implementing, administering and managing the Employee's participation in the Plan, including any requisite transfer of such Data as may be required for the administration of the Plan and/or the subsequent holding of shares of Common Stock on the Employee's behalf to a broker or other third party with whom the Employee may elect to deposit any shares of Common Stock acquired pursuant to the Plan.

(d) The Employee may, at any time, exercise his or her rights provided under applicable personal data protection laws, which may include the right to (a) obtain confirmation as to the existence of Data, (b) verify the content, origin and accuracy of Data, (c) request the integration, update, amendment, deletion, or blockage (for breach of applicable laws) of Data, and (d) to oppose, for legal reasons, the collection, processing or transfer of Data which is not necessary or required for the implementation, administration and/or operation of the Plan and the Employee's participation in the Plan. The Employee may seek to exercise these rights by contacting privacy@donaldson.com. The Employee understands that he or she is providing the consent herein on a purely voluntary basis. If the Employee does not consent or later seeks to remove his or her consent, the Employee's salary from or employment with the Employer will not be affected; the only consequence of refusing or withdrawing his or her consent is that Donaldson would not be able to grant the Employee Restricted Stock Units or other equity awards or participation in the Plan.

12. Governing Law and Venue. This Agreement shall be construed and enforced in accordance with the laws of the U.S. state of Delaware, except with respect to its rules relating to conflicts of law. The Employee consents to the exclusive jurisdiction of the state and federal courts of the U.S. state of Minnesota in connection with any controversies relating to or arising out of this Agreement, and agrees that any and all litigation relating to or arising out of this Agreement shall be venued in Hennepin County, Minnesota.

13. Repatriation; Compliance with Law. The Employee agrees to repatriate all payments attributable to the shares of Common Stock and/or cash acquired under the Plan (including, but not limited to, dividends and any proceeds derived from the sale of the shares of Common Stock acquired pursuant to the award) in accordance with local foreign exchange rules and regulations in the Employee's country of residence (and country of employment, if different). In addition, the Employee also agrees to take any and all actions, and consents to any and all actions taken by Donaldson or any Affiliate, as may be required to allow Donaldson and its Affiliates to comply with local laws, rules and regulations in the Employee's country of residence (and country of employment, if different). Finally, the Employee agrees to take any and all actions as may be required to comply with the Employee's personal legal and tax obligations under local laws, rules and regulations in the Employee's country of residence (and country of employment, if different).

14. Electronic Delivery and Acceptance. Donaldson, in its sole discretion, may decide to deliver any documents related to the Restricted Stock Units or other awards granted to the Employee under the Plan by electronic means. The Employee hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through an on-line or electronic system established and maintained by Donaldson or a third party designated by Donaldson.

15. English Language. The Employee acknowledges and agrees that it is the Employee's express intent that this Agreement, the Plan and all other documents, notices and legal proceedings entered into, given or instituted pursuant to the grant of this award of Restricted Stock Units, be drawn up in English. The Employee acknowledges that he or she is sufficiently proficient in English, or has consulted with an advisor who is sufficiently proficient in English, so as to allow the Employee to understand the terms and conditions of this Agreement and the Plan. If the Employee has received this Agreement, the Plan or any other documents related to the award of Restricted Stock Units translated into a language other than English, and if the meaning of the translated version is different than the English version, the English version shall control.

16. Addendum. Notwithstanding any provisions in this Agreement to the contrary, this award of Restricted Stock Units shall be subject to any special terms and conditions for the Employee's country of residence (and country of employment, if different), as set forth in the applicable addendum to this Agreement. Further, if the Employee transfers residency and/or employment to another country reflected in an addendum to this Agreement, the special terms and conditions for such country will apply to the Employee to the extent Donaldson determines, in its sole discretion, that the application of such terms and conditions is necessary or advisable in order to comply with local laws, rules and/or regulations or to facilitate the operation and administration of the Restricted Stock Units and the Plan (or Donaldson may establish alternative terms and conditions as may be necessary or advisable to accommodate the Employee's transfer). Any applicable addendum shall constitute part of this Agreement.

17. Imposition of Other Requirements. Donaldson reserves the right to impose other requirements on this award of Restricted Stock Units, any dividend equivalents, any shares of Common Stock acquired pursuant to this award, and the Employee's participation in the Plan, to the extent Donaldson determines, in its sole discretion, that such other requirements are necessary or advisable in order to comply with local laws, rules and/or regulations or to facilitate the operation and administration of the Restricted Stock Unit award and the Plan. Such requirements may include (but are not limited to) requiring the Employee to sign any agreements or undertakings that may be necessary to accomplish the foregoing.

18. Not a Public Offering. This award is not intended to be a public offering of securities in the Employee's country of residence (and country of employment, if different). Donaldson has not submitted any registration statement, prospectus or other filings with the local securities authorities (unless otherwise required under local law), and the award of Restricted Stock Units is not subject to the supervision of the local securities authorities.

19. No Advice Regarding Grant. No employee of Donaldson or any Affiliate is permitted to advise the Employee on whether the Employee should acquire shares of Common Stock by participating in the Plan. Investment in shares of Common Stock involves a degree of risk. Before deciding to participate in the Plan, the Employee should

carefully review all the materials related to the Restricted Stock Units and the Plan. In addition, the Employee should consult the Employee's personal advisor for professional investment advice.

20. Insider Trading/Market Abuse Laws. By participating in the Plan, the Employee agrees to comply with Donaldson's policy on insider trading (to the extent that it is applicable to the Employee). Further, the Employee acknowledges that, depending on the Employee's or the broker's country of residence or where the shares of Common Stock are listed, the Employee may be subject to insider trading restrictions and/or market abuse laws which may affect the Employee's ability to accept, acquire, sell or otherwise dispose of shares of Common Stock, rights to shares of Common Stock (e.g., Restricted Stock Units) or rights linked to the value of shares of Common Stock, during such time the Employee is considered to have "inside information" regarding Donaldson as defined by the laws or regulations in the Employee's country. Local insider trading laws and regulations may prohibit the cancellation or amendment of orders the Employee places before he or she possessed inside information. Furthermore, the Employee could be prohibited from (i) disclosing the inside information to any third party (other than on a "need to know" basis) and (ii) "tipping" third parties or causing them otherwise to buy or sell securities. The Employee understands that third parties include fellow employees. Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable Donaldson insider trading policy. The Employee acknowledges that it is the Employee's responsibility to comply with any applicable restrictions, and that the Employee should therefore consult his or her personal advisor on this matter.

21. Severability. The invalidity or unenforceability of any provision of the Plan or this Agreement will not affect the validity or enforceability of any other provision of the Plan or this Agreement, and each provision of the Plan and this Agreement will be severable and enforceable to the extent permitted by law.

22. Waiver. The Employee agrees that a waiver by Donaldson of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by the Employee or any other Participant.

By execution of this Agreement as of the Grant Date, the Employee hereby accepts and agrees to be bound by all of the terms and conditions of this Agreement and the Plan.

EMPLOYEE:

SIGNED BY ELECTRONIC SIGNATURE*

* BY ELECTRONICALLY ACCEPTING THIS AWARD, THE EMPLOYEE AGREES THAT (i) SUCH ACCEPTANCE CONSTITUTES THE EMPLOYEE'S ELECTRONIC SIGNATURE IN EXECUTION OF THIS AGREEMENT; (ii) THE EMPLOYEE AGREES TO BE BOUND BY THE PROVISIONS OF THE PLAN, THE AGREEMENT AND THE ADDENDUM TO THE AGREEMENT (IF ANY); (iii) THE EMPLOYEE HAS REVIEWED THE PLAN, THE AGREEMENT AND THE ADDENDUM TO THE AGREEMENT (IF ANY) IN THEIR ENTIRETY, HAS HAD AN OPPORTUNITY TO OBTAIN THE ADVICE OF COUNSEL PRIOR TO ACCEPTING THE AWARD AND FULLY UNDERSTANDS ALL OF THE PROVISIONS OF THE PLAN, THE AGREEMENT AND THE ADDENDUM TO THE AGREEMENT (IF ANY); (iv) THE EMPLOYEE HAS BEEN PROVIDED WITH A COPY OR ELECTRONIC ACCESS TO A COPY OF THE U.S. PROSPECTUS FOR THE PLAN AND THE TAX SUPPLEMENT TO THE U.S. PROSPECTUS FOR THE EMPLOYEE'S COUNTRY, IF APPLICABLE; AND (v) THE EMPLOYEE HEREBY AGREES TO ACCEPT AS BINDING, CONCLUSIVE AND FINAL ALL DECISIONS OR INTERPRETATIONS OF THE HUMAN RESOURCES COMMITTEE UPON ANY QUESTIONS ARISING UNDER THE PLAN, THE AGREEMENT AND THE ADDENDUM TO THE AGREEMENT (IF ANY).

ADDENDUM TO
RESTRICTED STOCK AWARD AGREEMENT

The Restricted Stock Units are subject to the following additional terms and conditions as set forth in this addendum to the Agreement (the "Addendum") to the extent the Employee resides and/or is employed in one of the jurisdictions or countries addressed herein. To the extent the Employee transfers residence and/or employment to another country, the special terms and conditions for such country as reflected in this Addendum (if any) will apply to the Employee to the extent Donaldson determines, in its sole discretion, that the application of such terms and conditions is necessary or advisable to comply with local laws, rules and/or regulations, or to facilitate the operation and administration of the Restricted Stock Units and the Plan (or Donaldson may establish alternative terms and conditions as may be necessary or advisable to accommodate the Employee's transfer). All defined terms as contained in this Addendum shall have the same meaning as set forth in the Plan and the Agreement.

EUROPEAN UNION ("EU") AND EUROPEAN ECONOMIC AREA ("EEA") MEMBER STATES

1. Personal Data. The following provision replaces Section 11 of the Agreement in its entirety:

Pursuant to applicable personal data protection laws, Donaldson hereby notifies the Employee of the following in relation to the Employee's Personal Data (defined below) and the collection, processing and transfer in electronic or other form of such Personal Data in relation to Donaldson's grant of this award and the Employee's participation in the Plan. The collection, processing and transfer of the Employee's Personal Data is necessary for the legitimate purpose of Donaldson's administration of the Plan and the Employee's participation in the Plan, and the Employee's denial and/or objection to the collection, processing and transfer of Personal Data may affect the Employee's participation in the Plan. As such, the Employee acknowledges the collection, use, processing and transfer of Personal Data as described herein.

Donaldson and the Employer hold certain personally identifiable information about the Employee, specifically the Employee's name, home address, email address and telephone number, date of birth, social security number, passport number or other employee identification number, salary, nationality, job title, any shares of Common Stock or directorships held in Donaldson, details of all options or any other entitlement to shares of Common Stock awarded, canceled, exercised, vested, unvested or outstanding in the Employee's favor, for the purpose of managing and administering the Plan ("Personal Data"). The Personal Data may be provided by the Employee or collected, where lawful, from third parties. Donaldson and the Employer each act as controllers of the Personal Data and will process the Personal Data in this context for the exclusive legitimate purpose of implementing, administering and managing the Employee's participation in the Plan and meeting related legal obligations associated with these actions.

The processing will take place through electronic and non-electronic means according to logics and procedures correlated to the purposes for which the Personal Data was collected and with confidentiality and security provisions as set forth by applicable laws and regulations. Personal Data will be accessible within Donaldson's organization only by those persons requiring access for purposes of the implementation, administration and operation of the Plan and other aspects of the employment relationship and for the Employee's participation in the Plan.

Donaldson and the Employer will transfer Personal Data amongst themselves as necessary for the purpose of implementation, administration and management of the Employee's participation in the Plan, and Donaldson and the Employer may each further transfer Personal Data to third parties assisting Donaldson or the Employer in the implementation, administration and management of the Plan, including

Morgan Stanley Smith Barney or any successor or other third party that Donaldson, the Employer or Morgan Stanley Smith Barney (or its successor) may engage to assist with administration of the Plan from time to time. Further and as permitted by applicable personal data protection laws, if Donaldson or the Employer becomes involved in a merger, acquisition, sale of assets, joint venture, securities offering, bankruptcy, reorganization, liquidation, dissolution, or other transaction or if the ownership of all or substantially all of Donaldson or the Employer otherwise changes, Donaldson or the Employer may transfer Data to a third party or parties in connection therewith. These recipients may be located in the EEA, or elsewhere throughout the world, such as the United States. By participating in the Plan, the Employee understands that these recipients may receive, possess, use, retain and transfer Personal Data, in electronic or other form, for purposes of implementing, administering and managing the Employee's participation in the Plan, including any requisite transfer of such Personal Data as may be required for the administration of the Plan and/or the subsequent holding of shares of Common Stock on the Employee's behalf to a broker or other third party with whom the Employee may elect to deposit any shares of Common Stock acquired pursuant to the Plan. The Employee further understands that the Employee may request a list with the names and addresses of any potential recipients of the Employee's Personal Data by contacting privacy@donaldson.com. When transferring Personal Data to these potential recipients, Donaldson and the Employer provide appropriate safeguards in accordance with EU Standard Contractual Clauses, the EU-U.S. Privacy Shield Framework, or other legally binding and permissible arrangements. The Employee may request a copy of such safeguards by contacting privacy@donaldson.com.

To the extent provided by law, the Employee may, at any time, have the right to request: access to Personal Data, rectification of Personal Data, erasure of Personal Data, restriction of processing of Personal Data, and portability of Personal Data. The Employee may also have the right to object, on grounds related to a particular situation, to the processing of Personal Data, as well as opt-out of the Plan herein, in any case without cost, by contacting privacy@donaldson.com. The Employee's provision of Personal Data is a contractual requirement. The Employee understands, however, that the only consequence of refusing to provide Personal Data is that Donaldson and the Employer may not be able to grant the Employee equity awards under the Plan, or administer or maintain such awards. For more information on the consequences of the Employee's refusal to provide Personal Data, the Employee understands that the Employee may contact privacy@donaldson.com.

When Donaldson and the Employer no longer need to use Personal Data for the purposes above or do not need to retain it for compliance with any legal or regulatory purpose, each will take reasonable steps to remove Personal Data from their systems and/or records containing the Personal Data and/or take steps to properly anonymize it so that the Employee can no longer be identified from it.

2. EU Age Discrimination. If the Employee is a resident of or employed in a country that is a member of the EU, the grant of this award and the terms and conditions governing this award are intended to comply with the age discrimination provisions of the EU Equal Treatment Framework Directive, as implemented into local law (the "Age Discrimination Rules"). To the extent a court or tribunal of competent jurisdiction determines that any provision of this award is invalid or unenforceable, in whole or in part, under the Age Discrimination Rules, Donaldson shall have the power and authority to revise or strike such provision to the minimum extent necessary to make it valid and enforceable to the full extent permitted under local law.

AUSTRALIA

1. Australia Offer Document. The grant of the Restricted Stock Units is intended to comply with the provisions of the Corporations Act 2001, Australia Securities and Investment Commission ("ASIC") Regulatory Guide 49 and ASIC Class Order 14/1000. Additional details are set forth in the Australia Offer Document, which is provided to the Employee with the Agreement. By accepting the

Restricted Stock Units, the Employee acknowledges and confirms that he or she has received these documents.

2. Shareholder Approval Requirement. Notwithstanding any provision in the Agreement to the contrary, the Employee will not be entitled to, and shall not claim any benefit under the Plan if the provision of such benefit would give rise to a breach of Part 2D.2 of the Corporations Act 2001 (Cth), any other provision of that Act, or any other applicable statute, rule or regulation which limits or restricts the giving of such benefits. Further, Donaldson's Affiliate in Australia is under no obligation to seek or obtain the approval of its shareholders for the purpose of overcoming any such limitation or restriction.

3. Tax Deferral. The Restricted Stock Units awarded under the Agreement is intended to be subject to tax deferral under Subdivision 83A-C of the Income Tax Assessment Act 1997 (Cth) (subject to the conditions of the Act).

BELGIUM

No country-specific provisions.

BRAZIL

1. Labor Law Acknowledgment. The Employee agrees that, for all legal purposes, (i) the benefits provided under the Agreement and the Plan are the result of commercial transactions unrelated to the Employee's employment; (ii) the Agreement and the Plan are not a part of the terms and conditions of the Employee's employment; and (iii) the income from the Restricted Stock Units, if any, is not part of the Employee's remuneration from employment.

2. Compliance with Law. By accepting the Restricted Stock Units, the Employee acknowledges his / her agreement to comply with applicable Brazilian laws and to pay any and all applicable taxes associated with the vesting of the Restricted Stock Units, the issuance and/or sale of shares of Common Stock acquired under the Plan or the receipt of any dividends.

CANADA

1. Settlement of Restricted Stock Units. Notwithstanding any provision of the Agreement or the Plan to the contrary, the Restricted Stock Units do not provide any right for the Employee to receive a cash payment and the Restricted Stock Units will be settled in shares of Common Stock only.

2. Use of English Language. The Employee acknowledges and agrees that it is the Employee's wish that the Agreement and the Addendum, as well as all documents, notices and legal proceedings entered into, given or instituted pursuant the Award, be drawn up in English.

Utilisation de Langue anglaise. **Employé admet et convient que c'est le désir du Employé que l'Accord et l'Addenda, aussi bien que tous les documents, remarque et les poursuites judiciaires entrées, données ou instituées conforme le Prix, être établi dans l'anglais.**

3. Data Privacy. The following provision supplements Section 11 of the Agreement:

The Employee hereby authorizes Donaldson and Donaldson's representatives to discuss and obtain all relevant information from all personnel, professional or non-professional, involved in the administration of the Plan. The Employee further authorizes Donaldson, the Employer and its Affiliates to disclose and discuss the Plan with their advisors. The Employee further authorizes Donaldson, the Employer and any other Affiliate to record such information and to keep such information in the Employee's employee file.

DENMARK

1. Danish Stock Option Act. In accepting the Restricted Stock Units, the Employee acknowledges that the Employee has received an "Employer Statement" translated into Danish, which is being provided to comply with the Danish Act on the Use of Rights to Purchase or Subscribe for Shares etc. in Employment Relationships (the "Stock Option Act").

FRANCE

1. Nature of Grant. The Restricted Stock Units are not granted under the French specific regime provided by Articles Section L.225-197-1 and seq. of the French commercial code.

2. Use of English Language. The Employee acknowledges and agrees that it is the Employee's wish that the Agreement and the Addendum, as well as all documents, notices and legal proceedings entered into, given or instituted pursuant the Award, be drawn up in English.

Utilisation de Langue anglaise. **Employé admet et convient que c'est le désir du Employé que l'Accord et l'Addenda, aussi bien que tous les documents, remarque et les poursuites judiciaires entrées, données ou instituées conforme le Prix, être établi dans l'anglais.**

GERMANY

No country-specific provisions.

HONG KONG

1. Settlement of Restricted Stock Units. Notwithstanding any provision of the Agreement or the Plan to the contrary, the Restricted Stock Units do not provide any right for the Employee to receive a cash payment and the Restricted Stock Units will be settled in shares of Common Stock only.

2. IMPORTANT NOTICE. The Agreement, the Addendum, the Plan and all other materials pertaining to the Restricted Stock Units have not been reviewed by any regulatory authority in Hong Kong. The Employee is advised to exercise caution in relation to the offer. If the Employee has any doubts about any of the contents of the materials pertaining to the Restricted Stock Units, the Employee should obtain independent professional advice.

INDIA

1. Repatriation Requirements. The Employee understands that the Employee must repatriate any cash dividends paid on shares of Common Stock under the Plan and any proceeds from the sale of such shares of Common Stock to India within a certain period of time after receipt of the proceeds. It is the Employee's sole responsibility to comply with applicable exchange control laws in India.

ITALY

1. Plan Document Acknowledgment. In accepting the Option, the Employee acknowledges that a copy of the Plan was made available to the Employee, and the Employee has reviewed the Plan and the Agreement, including this Addendum, in their entirety and fully understands and accepts all provisions of the Plan, the Agreement, and this Addendum.

The Employee further acknowledges that the Employee has read and specifically approves the following provision in the Agreement: Section 2 (Vesting of Restricted Stock Units), Section 3 (Termination of Employment), Section 7 (Tax and Social Insurance Contributions Withholding), Section 10 (Nature of Grant); and Section 17 (Imposition of Other Requirements).

JAPAN

No country-specific provisions.

MEXICO

1. Commercial Relationship. The Employee expressly recognizes that the Employee's participation in the Plan and Donaldson's grant of a Restricted Stock Units does not constitute an employment relationship between the Employee and Donaldson. The Employee has been granted the Restricted Stock Units as a consequence of the commercial relationship between Donaldson and Donaldson's Affiliate in Mexico that employs the Employee ("Donaldson-Mexico"), and Donaldson-Mexico is the Employee's sole employer. Based on the foregoing, (a) the Employee expressly recognizes that the Plan and the benefits the Employee may derive from participation in the Plan does not establish any rights between the Employee and Donaldson-Mexico, (b) the Plan and the benefits the Employee may derive from participation in the Plan are not part of the employment conditions and/or benefits provided by Donaldson-Mexico, and (c) any modifications or amendments of the Plan by Donaldson, or a termination of the Plan by Donaldson, shall not constitute a change or impairment of the terms and conditions of the Employee's employment with Donaldson-Mexico.

2. Extraordinary Item of Compensation. The Employee expressly recognizes and acknowledges that the Employee's participation in the Plan is a result of the discretionary and unilateral decision of Donaldson, as well as the Employee's free and voluntary decision to participate in the Plan in accordance with the terms and conditions of the Plan, the Agreement and this Addendum. As such, the Employee acknowledges and agrees that Donaldson, in its sole discretion, may amend and/or discontinue the Employee's participation in the Plan at any time and without any liability. The value of the Restricted Stock Units is an extraordinary item of compensation outside the scope of the Employee's employment contract, if any. The Restricted Stock Units are not part of the Employee's regular or expected compensation for purposes of calculating any severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits, or any similar payments, which are the exclusive obligations of Donaldson-Mexico.

NETHERLANDS

1. Waiver of Termination Rights. The Employee hereby waives any and all rights to compensation or damages as a result of the Employee's termination of employment with Donaldson or any Affiliate whatsoever, insofar as those rights result or may result from (i) the loss or diminution in value of such rights or entitlements under the Plan, or (ii) the Employee's ceasing to have rights under, or ceasing to be entitled to any awards under the Plan as a result of such termination.

SINGAPORE

1. Qualifying Person Exemption. The grant of the Restricted Stock Units under the Plan is being made pursuant to the "Qualifying Person" exemption under section 273(1)(f) of the Securities and Futures Act (Chapter 289, 2006 Ed.) ("SFA"). The Plan has not been and will not be lodged or registered as a prospectus with the Monetary Authority of Singapore and is not regulated by any financial supervisory

authority pursuant to any legislation in Singapore. The Employee should note that, as a result, the Restricted Stock Units is subject to section 257 of the SFA and the Employee will not be able to make (a) any subsequent sale of the shares of Common Stock in Singapore or (b) any offer of such subsequent sale of the shares of Common Stock subject to the Restricted Stock Units in Singapore, unless such sale or offer is made pursuant to the exemptions under Part XIII Division (1) Subdivision (4) (other than section 280) of the SFA (Chapter 289, 2006 Ed.).

SOUTH KOREA

No country-specific provisions.

POLAND

No country-specific provisions.

SPAIN

1. Acknowledgement of Discretionary Nature of the Plan.

In accepting the Restricted Stock Units, the Employee consents to participation in the Plan and acknowledges that the Employee has received a copy of the Plan.

The Employee understands that Donaldson has unilaterally, gratuitously and in its sole discretion granted restricted stock units under the Plan to individuals who may be employees of Donaldson or any of its Affiliates throughout the world. The decision is a limited decision that is entered into upon the express assumption and condition that any grant will not economically or otherwise bind Donaldson or any of its Affiliates on an ongoing basis. Consequently, the Employee understands that the Restricted Stock Units are granted on the assumption and condition that the Restricted Stock Units and the shares of Common Stock acquired upon vesting of the Restricted Stock Units shall not become a part of any employment contract (either with Donaldson or any of its Affiliates) and shall not be considered a mandatory benefit, salary for any purposes (including severance compensation) or any other right whatsoever. In addition, the Employee understands that this grant would not be made to the Employee but for the assumptions and conditions referenced above; thus, the Employee acknowledges and freely accepts that should any or all of the assumptions be mistaken or should any of the conditions not be met for any reason, the Restricted Stock Unit grant shall be null and void.

The Employee understands and agrees that, as a condition of the Restricted Stock Unit grant, unless otherwise provided in the Agreement, any unvested Restricted Stock Units as of the date the Employee ceases active employment, will be forfeited without entitlement to the underlying shares of Common Stock or to any amount of indemnification in the event of termination of employment. The Employee acknowledges that the Employee has read and specifically accepts the conditions referred to in the Agreement regarding the impact of a termination of employment on the Restricted Stock Units.

2. No Public Offering. No “offer of securities to the public,” within the meaning of Spanish law, has taken place or will take place in the Spanish territory in connection with the Option. The Plan, the Agreement (including this Addendum) and any other documents evidencing the grant of the Restricted Stock Units have not, nor will they be, registered with the *Comisión Nacional del Mercado de Valores* (the Spanish securities regulator) and none of those documents constitute a public offering prospectus.

THAILAND

No country-specific provisions.

UNITED ARAB EMIRATES

1. Securities Law Notice. The Plan is being offered only to qualified employees and is in the nature of providing equity incentives to employees of Donaldson and its Affiliates in the UAE. Any documents related to the Plan, including the Plan, this Addendum, the Plan prospectus and other grant documents ("Plan Documents"), are intended for distribution only to such employees and must not be delivered to, or relied on by, any other person. The Employee should conduct his or her own due diligence on the securities.

The Emirates Securities and Commodities Authority has no responsibility for reviewing or verifying any Plan Documents nor has it taken steps to verify the information set out in them, and thus, is not responsible for such documents. Further, neither the Ministry of Economy nor the Dubai Department of Economic Development has approved this statement nor taken steps to verify the information set out in it, and has no responsibility for it.

The Employee should, as prospective stockholder, conduct the Employee's own due diligence on the securities. If the Employee does not understand the contents of the Plan Documents, he or she should consult an authorized financial adviser.

UNITED KINGDOM

1. Indemnification for Tax-Related Items. Without limitation to Section 7 of the Agreement, the Employee hereby agrees that he or she is liable for all Tax-Related Items and hereby covenants to pay all such Tax-Related Items, as and when requested by the Donaldson or (if different) the Employer or by Her Majesty's Revenue & Customs ("HMRC") (or any other tax authority or any other relevant authority). The Employee also hereby agrees to indemnify and keep indemnified Donaldson and (if different) the Employer against any Tax-Related Items that they are required to pay or withhold or have paid or will pay on the Employee's behalf to HMRC (or any other tax authority or any other relevant authority).

Notwithstanding the foregoing, if the Employee is a director or executive officer (as within the meaning of Section 13(k) of the Exchange Act), the terms of the immediately foregoing provision will not apply. In the event that the Employee is a director or executive officer and income tax due is not collected from or paid by the Employee within 90 days after the U.K. tax year in which an event giving rise to the indemnification described above occurs, the amount of any uncollected tax may constitute a benefit to the Employee on which additional income tax and national insurance contributions may be payable. The Employee acknowledges that the Employee ultimately will be responsible for reporting and paying any income tax due on this additional benefit directly to HMRC under the self-assessment regime and for reimbursing Donaldson or (if different) the Employer for the value of any employee national insurance contributions due on this additional benefit, which Donaldson or (if different) the Employer may recover from the Employee at any time thereafter by any of the means referred to in Section 7 of the Agreement.

2. Exclusion of Claim. The Employee acknowledges and agrees that the Employee will have no entitlement to compensation or damages insofar as such entitlement arises or may arise from the Employee's ceasing to have rights under or to be entitled to the Restricted Stock Units, whether or not as a result of termination (whether such termination is in breach of contract or otherwise), or from the loss or diminution in value of the Restricted Stock Units. Upon the grant of the Restricted Stock Units, the Employee shall be deemed irrevocably to have waived any such entitlement.

DONALDSON COMPANY, INC.

COMPENSATION PLAN
FOR
NON-EMPLOYEE DIRECTORS
Amended on _____, 2019

I. Introduction

The Board of Directors of Donaldson Company, Inc. (the "Company") has adopted stock ownership guidelines attached hereto as Exhibit A because it believes that it is in the best interests of the Company and its stockholders for non-employee directors of the Company to have a significant equity interest in the Company in order to align their financial interests with those of the Company's stockholders. The Company has previously established an automatic equity grant program and a deferred compensation program for non-employee directors, both of which are intended to assist non-employee directors in meeting the Company's stock ownership guidelines. Set forth in writing below are the provisions of both programs combined into one restated plan document entitled the Donaldson Company, Inc. Compensation Plan for Non-Employee Directors (hereinafter, the "Plan").

All equity awards granted hereunder, as well as any amounts deferred that are payable in shares of the Company's common stock, par value of US$5.00 per share ("Common Stock") are subject to the terms, conditions, and restrictions set forth in under the Company's 2019 Master Stock Incentive Plan (the "Master Stock Plan"). In the event of any inconsistency between the terms contained herein and in the Plan, the Master Stock Plan shall govern. All capitalized terms that are not defined herein have the meanings set forth in the Master Stock Plan.

II. Plan Year

The Plan shall operate on a calendar year basis.

III. Eligibility

All members of the Board of Directors who are not employees of the Company ("Eligible Directors") are eligible for the Plan.

IV. Automatic Equity Grant Program

1. Annual Award Grants

(a) **Stock Options**. On the first day following January 1 that the New York Stock Exchange is open for trading (the "First Trading Day"), each Eligible Director shall automatically be granted a Non-Qualified Stock Option with a fair market value (computed as of the date of grant in accordance with applicable financial

accounting rules) equal to $70,000 (the "Annual Option Grant"). The number of shares subject to the Annual Option Grant shall be determined using the closing price of the Common Stock on the grant date, and rounding this number to the nearest integer multiple of one hundred (100) shares. With respect to an individual who becomes an Eligible Director during a calendar year after the First Trading Day, such Eligible Director's Annual Option Grant for that year shall have a fair market value obtained by multiplying $70,000 by a fraction, the numerator of which is the number of whole calendar months remaining in the calendar year and the denominator of which is twelve. Such prorated grant shall be made upon the first trading day of the calendar month, within the Company's open trading window, following the date such individual becomes an Eligible Director, with the number of shares determined using the closing price of the Common Stock on the grant date, and rounding this number to the nearest integer multiple of one hundred (100) shares.

(b) **Restricted Stock Unit**. On the First Trading Day, each Eligible Director shall automatically be granted a Restricted Stock Unit Award with a fair market value (computed as of the date of grant in accordance with applicable financial accounting rules) equal to $70,000 (the "Annual Restricted Stock Unit Grant"). The number of shares subject to the Annual Restricted Stock Unit Grant shall be determined using the closing price of the Common Stock on the grant date, and rounding this number to the nearest integer multiple of one hundred (100) shares. With respect to an individual who becomes an Eligible Director during a calendar year after the First Trading Day, such Eligible Director's Annual Restricted Stock Unit Grant for that year shall have a fair market value obtained by multiplying $70,000 by a fraction, the numerator of which is the number of whole calendar months remaining in the calendar year and the denominator of which is twelve. Such prorated grant shall be made upon the first trading day of the calendar month, within the Company's open trading window, following the date such individual becomes an Eligible Director, with the number of shares determined using the closing price of the Common Stock on the grant date, and rounding this number to the nearest integer multiple of one hundred (100) shares.

2. Award Terms

(a) **Options**. All Non-Qualified Stock Options granted under the Plan shall have: (i) a per share exercise price equal to the closing price of the Common Stock on the day on which such options are granted; and (ii) vesting, expiration and such other terms as provided in the Company's form of Non-Employee Director Non-Qualified Stock Option Agreement attached hereto as Exhibit B.

(b) **Restricted Stock Units**. All Restricted Stock Units granted under the Plan shall have vesting and such other terms as provided in the Company's form of Non-Employee Director Restricted Stock Unit Award Agreement attached hereto as Exhibit C.

V. Director Deferred Compensation Program

1. Compensation Covered by the Plan

Eligible Director compensation covered by this Plan includes annual retainers (including committee retainers) generally payable on or shortly after January 1 of each calendar year (hereinafter "Eligible Fees"). The Plan permits Eligible Directors to elect to receive this compensation in one or more of the following methods:

(a) In cash on a current basis;

(b) In cash on a deferred basis (a "Deferred Cash Election"); or

(c) In Company stock on a deferred basis (a "Deferred Stock Election").

No other compensation or fees otherwise payable to an Eligible Director shall be eligible for an election under this Plan.

Notwithstanding the foregoing, a portion of each Eligible Director's annual retainer for Board service shall be automatically deferred in Phantom Shares in accordance with Section V.3 below only for 2019 and the prior Plan Years.

2. Election to Defer

An Eligible Director may elect to defer payment of Eligible Fees under Section V.4 or V.5 of this Plan by filing, no later than the last day of a Plan Year (or by such earlier date as the Plan administrator shall determine), an irrevocable election with the administrator on a form provided for that purpose. The Annual Deferral Election shall be effective with respect to the Eligible Fees payable during the following Plan Year. The Deferral Election Form shall specify an amount to be deferred expressed as a percentage of the Eligible Director's annual retainer, as provided in the form attached hereto as Exhibit D.

That portion of Eligible Fees for which a valid form has not been timely received by the Company will be paid in cash in accordance with the Company's customary practice of paying such Eligible Fees. Once a Plan Year has commenced, all Deferral Elections under this Plan for such Plan Year shall be irrevocable.

3. Automatic Receipt of Phantom Shares

For 2019 and prior Plan Years only, -in addition to an Eligible Director's voluntary election provided under Section V.4(b), if any, a portion of each Eligible Director's annual retainer payable to each Eligible Director for service on the Board shall be automatically exchanged for Phantom Shares (in the same manner as provided in Section V.4(b)). The retainer amount automatically exchanged for Phantom Shares shall be $15,000. Effective for the 2020 Plan Year and subsequent years, no portion of the annual retainer payable to each Eligible Director for service on the Board shall be automatically exchanged for Phantom Shares.

4. Deferral Elections

(a) Deferred Cash Election

For Eligible Directors who make an Annual Deferred Cash Election, the Company will establish a bookkeeping account for cash deferred for that Plan Year (an "Annual Deferred Cash Account") and will credit to the Annual Deferred Cash Account the amount of the Eligible Fees earned and deferred by him/her as of the date such fees would normally be payable by the Company (the "Credit Date"). Amounts credited to an Eligible Director's Annual Deferred Cash Account will be adjusted for gains and/or losses to the same extent that equal amounts would have been adjusted if they had been invested in one or more notional investments designated by the Company. The use of notional investments herein is solely as a device for computing the amount of benefits to be paid under the Plan, and the Company shall not be required to purchase such investments.

(b) Deferred Stock Election

Eligible Directors may elect to exchange part or all of their Eligible Fees for a Plan Year for the Company's commitment to issue to such Eligible Directors a fixed number of shares of common stock of the Company at a future date. The Company's commitment to issue shares shall be referred to as "Phantom Shares" held in an "Annual Deferred Stock Account".

As of the Credit Date, an Eligible Director shall receive a credit to his or her Annual Deferred Stock Account. The amount of the credit shall be the number of Phantom Shares (rounded to the nearest whole Share) determined by dividing (i) an amount equal to Eligible Fees payable to the Eligible Director on the Credit Date and specified for deferral, by (ii) the fair market value of one share of Common Stock on such date.

For purposes of this paragraph (b), the following rules shall apply:

(i) Fair Market Value

The fair market value of each share of Common Stock shall be equal to the closing price of one share of the Company's common stock on the New York Stock Exchange-Composite Transactions on the Credit Date as of which Phantom Shares are credited to the Eligible Director's Deferred Stock Account.

(ii) No Actual Shares Prior to Distribution

No actual shares of Common Stock shall be issued until the distribution date described below. The Phantom Shares shall not be considered issued and outstanding shares for purposes of stockholder voting rights.

(iii) **Dividend Credit**

Each time a dividend is paid on Common Stock, an Eligible Director shall receive a credit to his or her Deferred Stock Account equal to that number of shares of common stock (rounded to the nearest whole share) having a fair market value on the dividend payment date equal to the amount of the dividend payable on the number of Phantom Shares credited to the Eligible Director's Deferred Stock Account on the dividend record date.

(iv) **Restrictions on Phantom Shares**

All Phantom Shares issued under and subject to the terms of this Plan will be issued under the Master Stock Plan (and/or its successor plans) and shall be deemed to be "other stock-based awards" for purposes of such plan; provided, that any Phantom Shares credited before November 22, 2019 are subject to the Donaldson Company, Inc. 2010 Master Stock Incentive Plan, and any Phantom Shares credited before November 19, 2010 are subject to the Donaldson Company, Inc. 2001 Master Stock Incentive Plan.

5. Distributions of Annual Deferred Accounts

(a) **Timing of Distributions**

At the time an Eligible Director's Annual Deferral Election is made for a Plan Year, each Eligible Director shall specify the time and manner in which his/her Annual Deferred Cash Account and/or Annual Deferred Stock Account shall be distributed. If an Eligible Director does not specify an election for the timing and manner of a distribution, the balance of an Eligible Director's Annual Deferred Accounts shall be distributed in a lump sum in accordance with option (i) below. The Eligible Director shall be entitled to receive, or to commence receiving, his/her Annual Deferred Accounts as soon as practicable after the following:

(i) the first anniversary of his/her separation from service (as that term is defined under Section 409A of the Code) with the Company; or

(ii) a specified date or specified age set by him/her.

(b) **Manner of Distribution**

Each Eligible Director shall be entitled to receive the balance in his/her Annual Deferred Accounts in any one of the following manners:

(i) in a lump sum; or

(ii) in annual installments over a period of years stipulated by him/her not to exceed ten (10). The amount of the installments will be determined by annually dividing the value of the benefits in the Account by the number of installments remaining to be paid.

Notwithstanding anything to the contrary above, the Company may make an immediate lump sum payment of the Eligible Director's Annual Deferral Accounts if the balance of such Accounts, combined with any other amounts required to be treated as deferred under a single plan pursuant to Section 409A of the Code, does not exceed the applicable dollar amount under Section 402(g)(1)(B) of the Code, provided any other such aggregated amounts are also distributed in a lump sum at the same time.

Each Eligible Director's Annual Deferred Stock Account shall be distributed in Common Stock.

(c) **Distribution in Event of Death**

In the event of the Eligible Director's death, either before or after commencement of payments, distribution of the Eligible Director's entire Account balance will be made in a single lump sum to the beneficiary named by the Eligible Director (on such form or forms prescribed by the Plan administrator) or to that person who would have a right to receive such distribution by will or by the applicable laws of descent and distribution.

(d) **Distribution to Specified Employees**

Notwithstanding any other provision in this Plan, in the event that an Eligible Director in this Plan is determined to be a "specified employee" (as that term is defined under Section 409A of the Code), any distribution to the Eligible Director on account of the Eligible Director's separation from service shall be delayed as necessary to comply with the requirements of Section 409A of the Code.

(e) **Distribution in Event of Change of Control**

Notwithstanding any other provision of this Plan, in the event of a Change of Control (as defined below), each Eligible Director who separates from service with the Company for any reason during the two (2) year period following such Change of Control shall receive within ten (10) business days after the date of separation the following:

(i) If a Eligible Director has a balance in an Annual Deferred Cash Account, a lump sum payment of the entire balance contained in his/her Annual Deferred Cash Account, together with applicable earnings adjustment, on the average daily balance in such Deferral Account for the period since the last earnings adjustment through the date of separation; and

(ii) If an Eligible Director has a balance in an Annual Deferred Stock Account, a distribution of the number of shares represented by the Phantom Shares issued pursuant to such election; and

Notwithstanding paragraph (e)(i) above, with respect to any Eligible Director who separated from service before the date of a Change of Control, the balance of the

Annual Deferred Accounts shall be paid at the time and in the manner as elected by the Eligible Director (and shall not be commuted to a lump sum or otherwise accelerated by the Change of Control). For purposes of this section, a "Change of Control" shall have the meaning ascribed to that term in the Company's 401(k) Excess Plan, as may be amended from time to time.

VI. General Provisions

1. Unsecured Obligation

The amounts credited to each Eligible Director's Account shall not be held by the Company in a trust, escrow or similar fiduciary capacity, and neither the Eligible Director, nor any legal representative, shall have any right against the Company with respect to any portion of the Account except as a general unsecured creditor of the Company.

2. Administration of the Plan

The Plan shall be administered by the Human Resources Committee of the Board of Directors.

3. Amendment, Termination and Governing Law

This Plan may be amended or terminated at any time by the Board of Directors or the Human Resources Committee of the Board of Directors. This Plan shall be construed and enforced in accordance with the laws of the state of Delaware, except with respect to its rules relating to conflicts of law.

4. Cautionary Statement

Eligible Directors should be aware that their participation in the Plan involves the following risks, among others:

(a) Balances in the Annual Deferred Accounts represent unfunded, unsecured general obligations of the Company. If the Company is unable to pay its debts as they become due, Eligible Directors may not be able to collect the balances in their Annual Deferral Accounts.

(b) The value of an Eligible Director's Non-Qualified Stock Options, Restricted Stock Unit and Phantom Shares will depend on the value of the Company's Common Stock. An investment in the Company's Common Stock involves risk. Eligible Directors are encouraged to review the Company's filings with the U.S. Securities and Exchange Commission for a description of some of the risk factors associated with an investment in the Company's Common Stock.

EXHIBIT A

DONALDSON COMPANY, INC.
STOCK OWNERSHIP GUIDELINES FOR
NON-EMPLOYEE DIRECTORS

Amended January 25, 2019

Purpose
The Board of Directors of Donaldson Company, Inc. (the "Company") has adopted these stock ownership guidelines because it believes that it is in the best interests of the Company and its stockholders for Non-Employee Directors of the Company to have a significant equity interest in the Company in order to align their financial interests with those of the Company's stockholders.

Applicability
These guidelines are applicable to all Non-Employee Directors of the Company ("Covered Individuals").

Minimum Ownership Guidelines
Each Covered Individual is expected to own shares of the Company's common stock with a value at least equal to the amount shown in the following schedule:

Position	Value of Shares
Non-Employee Director	$ 400,000

Determining Share Ownership
Shares to be counted for purposes of the ownership guidelines will be all shares owned by the Covered Individual, including shares owned jointly with, or separately by, the Covered Individual's immediate family members residing in the same household and shares held in trust for the benefit of the Covered Individual or his or her immediate family members residing in the same household. Additionally, the following rules apply to determining which shares are counted: (i) all outstanding shares "beneficially owned" for purposes of Section 16 of the Securities Exchange Act are included, (ii) all time-based restricted stock and restricted stock units, regardless of whether vested, less any estimated shares required to cover the assumed withholding tax amount upon vesting (iii) all "in-the-money" unexercised vested stock options, less any estimated shares required to cover the assumed withholding tax amount upon exercise, are included, (iv) all shares in the Company's deferred compensation programs are included, and (v) all unvested performance-based restricted stock and restricted stock units (including performance units) are excluded.

Valuation Methodology
The value of the shareholdings of a Covered Individual is based on the historical three-month average closing price of Donaldson stock at the time of valuation.

Achieving Compliance

A Covered Individual has five years from the date he or she becomes subject to these ownership guidelines to achieve compliance with the ownership guidelines. Until a Covered Individual has achieved compliance with these ownership guidelines, the Covered Individual must retain 100% of the "net profit shares" resulting from any option exercise or from the exercise, vesting, or settlement of any other form of equity-based compensation award. For these purposes, "net profit shares" refers to that portion of the number of shares subject to the exercise, vesting, or settlement of an award that the Covered Individual would receive had he or she authorized the Company to withhold shares otherwise deliverable in order to satisfy any applicable exercise price or withholding taxes.

Administration

The Human Resources Committee of the Board shall be responsible for monitoring the application of these stock ownership guidelines. In its discretion, the Human Resources Committee may alter the amount or form of compensation for any Covered Individual who fails to comply with the ownership guidelines, including the retention requirements described above.

EXHIBIT B

NON-EMPLOYEE DIRECTOR
NON-QUALIFIED STOCK OPTION AGREEMENT

This Stock Option Award Agreement (the "Agreement") is made as of the date specified in the individual grant summary by and between Donaldson Company, Inc., a Delaware corporation (hereinafter, together with its subsidiaries, called "Donaldson" or "Company"), and the person specified in the individual grant summary, a non-Employee Director of Donaldson (hereinafter called the "Participant").

In consideration of the mutual covenants hereinafter set forth and for other good and valuable consideration, the parties agree as follows:

1. Grant of Option. Donaldson irrevocably grants to the Participant a Non-Qualified Stock Option (hereinafter, the "Option") representing the right to purchase all or any part of an aggregate of the number of shares specified in the grant summary of common stock, par value of US$5.00 per share, of Donaldson ("Common Stock"). This Option is granted pursuant to the Donaldson Company, Inc. Compensation Plan for Non-Employee Directors and the 2019 Master Stock Incentive Plan of Donaldson (collectively, the "Plan"). The Participant acknowledges receipt of a copy of the Plan. Capitalized terms not defined in this Agreement shall have the meaning ascribed to such terms in the Plan.

The purchase price of the shares of Common Stock subject to this Option is specified in the grant summary which shall be 100% of the Fair Market Value of Donaldson Common Stock on the date the award is granted (the "Date of Grant"). The Date of Grant is the date specified in your individual grant summary made available to you on-line. The term of this Option is for the period of ten (10) years from and after the Date of Grant, or such shorter period as may be provided by the provisions of the Plan.

2. Transferability. This Option shall not be transferable otherwise than by will or the laws of descent and distribution and may be exercised during the lifetime of the Participant only by the Participant; provided, however, that notwithstanding the above, this Option shall be transferable by the Participant to family members and related estate planning entities.

3. Vesting of Option Right. Each Option grant may be exercised by the Participant under the following schedule except as otherwise provided in this Agreement. The Option may not be exercised for a period of one (1) year from the Date of Grant. Following that one-year period, the Option vests in equal one-third increments:

- one-third vests on the one-year anniversary of the Date of Grant;
- one-third vests on the two-year anniversary of the Date of Grant;
- one-third vests on the three-year anniversary of the Date of Grant.

The Option may be exercised as to any portion of the Option that is vested. An unvested portion of the Option shall only vest so long as:

(1) the Participant remains a Director of the Company on the date that the Option vests,

(2) the Participant retires or resigns from service as a Director of the Company in accordance with the age and term limits of the Corporate Governance Guidelines of the Company, or

(3) the Participant's service as a Director of the Company is terminated for any other reason and a majority of the members of the Board of Directors other than the eligible Director consent to the continued vesting of such portion of the Option in accordance with the original vesting schedule.

The vesting of the Option also is subject to acceleration in the event of a Change in Control (as defined in the 2019 Master Stock Incentive Plan).

4. Exercise of Option. Once vested, the Participant may exercise this Option, in whole or in part, at any time during the term as specified above but not after ten (10) years from the Date of Grant; provided, that if the Participant dies, this Option, if vested, may be exercised within three (3) years after death, but not after ten (10) years from the Date of Grant, by the Participant's estate or by the person or persons who acquire the right to exercise this Option by bequest, inheritance or otherwise by reason of such death. Donaldson and the Participant recognize that this Agreement in no way restricts the right of Donaldson to terminate the Participant's membership consistent with applicable Delaware laws.

5. Method of Exercise of Option. Subject to the terms and conditions of this Agreement, the Option may be exercised only within the Option period by serving written notice of exercise on Donaldson at its principal office which is as of this date located at 1400 W. 94th Street, Bloomington, Minnesota, Attention: General Counsel, or such other forms of written or electronic notice as are designated by the Company. The notice must state the number of shares being exercised and include payment in full of the purchase price. Payment of the purchase price shall be made in cash or, with the approval of Donaldson (which may be given in its sole discretion), in shares of Common Stock of Donaldson having a Fair Market Value equal to the full purchase price of the shares of Common Stock being acquired or a combination of cash and such shares of Common Stock.

6. Acceleration of Exercisability upon Change in Control. In the event of a Change in Control (as defined in the 2019 Master Stock Incentive Plan), any outstanding Option granted under this Agreement not previously vested and exercisable shall become fully vested and exercisable and shall remain exercisable thereafter until they are either exercised or expire by their terms.

7. Miscellaneous.

(a) Donaldson shall not be liable for any foreign exchange rate fluctuation, where applicable, between the Participant's local currency and the United States dollar that may affect the value of the Option or any amounts due to the Participant

pursuant to the exercise of the Option or the subsequent sale of any shares of Common Stock acquired upon exercise.

(b) The exercise of all or any parts of the Option shall only be effective at such time that the sale of shares of Common Stock pursuant to such exercise will not violate any U.S. federal, state or foreign securities or other laws.

(c) It is understood and agreed that the Option price is the per share market value of a share of Common Stock on the Date of Grant. The Option is not intended to be an Incentive Option within the meaning of Section 422 of the Code. The Option is issued pursuant to the Plan and is subject to its terms.

(d) If all or any portion of the Option is exercised subsequent to any stock dividend or split, recapitalization, consolidation, or the like, occurring after the date hereof, as a result of which securities of any class shall be issued in respect of outstanding shares of Common Stock, or shares of Common Stock shall be changed into the same or a different number of shares or other securities of the same or other class or classes, then the Board of Directors shall determine if any equitable adjustment is necessary to protect the Participant against dilution and shall determine the terms of such adjustment, if any. In the case of any stock dividend or split effected after the date hereof, the number of shares of Common Stock to be granted hereunder shall be automatically adjusted to prevent dilution of the potential benefits intended to be made available hereunder.

(e) This Option grant shall be effective only after the Participant agrees to the terms and conditions of the Agreement.

(f) This agreement shall be construed and enforced in accordance with the laws of the state of Delaware, except with respect to its rules relating to conflicts of law. The Participant consents to the exclusive jurisdiction of the state and federal courts of the state of Minnesota in connection with any controversies relating to or arising out of this Agreement, and agrees that any and all litigation relating to or arising out of this Agreement shall be venued in Hennepin County, Minnesota.

(g) As a condition of the grant of this Option, the Participant agrees to repatriate all payments attributable to the shares of Common Stock and/or cash acquired under the Plan (including, but not limited to, dividends and any proceeds derived from the sale of the shares of Common Stock acquired pursuant to the Option) in accordance with local foreign exchange rules and regulations in the Participant's country of residence. In addition, the Participant also agrees to take any and all actions, and consents to any and all actions taken by Donaldson, as may be required to allow Donaldson to comply with local laws, rules and regulations in the Participant's country of residence. Finally, the Participant agrees to take any and all actions as may be required to comply with the Participant's personal legal and tax obligations under local laws, rules and regulations in the Participant's country of residence.

(h) Donaldson, in its sole discretion, may decide to deliver any documents related to the Option or other awards granted to the Participant under the Plan by electronic means. The Participant hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through an on-line or electronic system established and maintained by Donaldson or a third party designated by Donaldson.

(i) The Participant acknowledges and agrees that it is the Participant's express intent that this Agreement, the Plan and all other documents, notices and legal proceedings entered into, given or instituted pursuant to the grant of this Option, be drawn up in English. If the Participant has received this Agreement, the Plan or any other documents related to the Option translated into a language other than English, and if the meaning of the translated version is different than the English version, the English version shall control.

(j) Notwithstanding any provisions in this Agreement to the contrary, this Option shall be subject to any special terms and conditions for the Participant's country of residence, as set forth in the applicable addendum to this Agreement, if any. Further, if the Participant transfers residency to another country reflected in an addendum to this Agreement, the special terms and conditions for such country will apply to the Participant to the extent Donaldson determines, in its sole discretion, that the application of such terms and conditions is necessary or advisable in order to comply with local laws, rules and/or regulations or to facilitate the operation and administration of the Option and the Plan (or Donaldson may establish alternative terms and conditions as may be necessary or advisable to accommodate the Participant's transfer). Any applicable addendum shall constitute part of this Agreement.

(k) Donaldson reserves the right to impose other requirements on this Option, any shares of Common Stock acquired pursuant to this Option, and the Participant's participation in the Plan, to the extent Donaldson determines, in its sole discretion, that such other requirements are necessary or advisable in order to comply with local laws, rules and/or regulations or to facilitate the operation and administration of the Option and the Plan. Such requirements may include (but are not limited to) requiring the Participant to sign any agreements or undertakings that may be necessary to accomplish the foregoing.

(l) If the Participant is resident outside the United States, the grant of the Option is not intended to be a public offering of securities in the Participant's country of residence. Donaldson has not submitted any registration statement, prospectus or other filings with the local securities authorities (unless otherwise required under local law), and the grant of the Option is not subject to the supervision of the local securities authorities. No employee of Donaldson or any Affiliate is permitted to advise the Participant on whether the Participant should acquire shares of Common Stock by exercising the Option under the Plan. Investment in shares of Common Stock involves a degree of risk. Before deciding to acquire shares of Common Stock by exercising the Option, the Participant should carefully review all of the

materials related to the Option and the Plan. In addition, the Participant should consult with the Participant's personal advisor for professional investment advice.

(m) The Participant's country of residence may have insider trading and/or market abuse laws that may affect the Participant's ability to acquire or sell shares of Common Stock under the Plan during such times the Participant is considered to have "inside information" (as defined in the laws in Participant's country of residence). These laws may be the same or different from any Donaldson insider trading policy. The Participant acknowledges that it is the Participant's responsibility to be informed of and compliant with such regulations, and the Participant is advised to speak to his / her personal advisor on this matter.

(n) The invalidity or unenforceability of any provision of the Plan or this Agreement will not affect the validity or enforceability of any other provision of the Plan or this Agreement, and each provision of the Plan and this Agreement will be severable and enforceable to the extent permitted by law.

8. Consent to Collection/Processing/Transfer of Personal Data. Pursuant to applicable personal data protection laws, Donaldson hereby notifies the Participant of the following in relation to the Participant's personal data and the collection, use, processing and transfer of such data in relation to Donaldson's grant of this Option and the Participant's participation in the Plan. The collection, use, processing and transfer of the Participant's personal data is necessary for Donaldson's administration of the Plan and the Participant's participation in the Plan, and the Participant's denial and/or objection to the collection, use, processing and transfer of personal data may affect the Participant's participation in the Plan. As such, the Participant hereby voluntarily acknowledges and consents (where required under applicable law) to the collection, use, processing and transfer of personal data as described in this paragraph.

Donaldson holds certain personal information about the Participant, including the Participant's name, home address, email address and telephone number, date of birth, social security number, passport number or other employee identification number, salary, nationality, job title, any shares of Common Stock or directorships held in Donaldson, details of all stock options or any other entitlement to shares of Common Stock awarded, canceled, purchased, vested, unvested or outstanding in the Participant's favor, for the purpose of managing and administering the Plan ("Data"). Data may be provided by the Participant or collected, where lawful, from third parties, and Donaldson will process Data for the exclusive purpose of implementing, administering and managing the Participant's participation in the Plan. Data processing will take place through electronic and non-electronic means according to logics and procedures strictly correlated to the purposes for which Data are collected and with confidentiality and security provisions as set forth by applicable laws and regulations in the Participant's country of residence. Data processing operations will be performed minimizing the use of personal and identification data when such operations are unnecessary for the processing purposes sought. Data will be accessible within Donaldson's organization only by those persons requiring access for purposes of the implementation, administration and operation of the Plan and for the Participant's participation in the Plan.

Donaldson will transfer Data within the Donaldson organization as necessary for the purpose of implementation, administration and management of the Participant's participation in the Plan, and Donaldson may further transfer Data to any third parties assisting Donaldson in the implementation, administration and management of the Plan. These recipients may be located in the European Economic Area, or elsewhere throughout the world, such as the United States. The Participant hereby authorizes (where required under applicable law) them to receive, possess, use, retain and transfer Data, in electronic or other form, for purposes of implementing, administering and managing the Participant's participation in the Plan, including any requisite transfer of such Data as may be required for the administration of the Plan and/or the subsequent holding of shares of Common Stock on the Participant's behalf to a broker or other third party with whom the Participant may elect to deposit any shares of Common Stock acquired pursuant to the Plan.

The Participant may, at any time, exercise his or her rights provided under applicable personal data protection laws, which may include the right to (a) obtain confirmation as to the existence of Data, (b) verify the content, origin and accuracy of Data, (c) request the integration, update, amendment, deletion, or blockage (for breach of applicable laws) of Data, and (d) to oppose, for legal reasons, the collection, processing or transfer of Data which is not necessary or required for the implementation, administration and/or operation of the Plan and the Participant's participation in the Plan. The Participant may seek to exercise these rights by contacting Donaldson Legal Department.

By executing this Agreement as of the Date of Grant, the Participant hereby accepts and agrees to be bound by all terms and conditions of this Agreement and the Plan.

PARTICIPANT:

SIGNED BY ELECTRONIC SIGNATURE*

* BY ELECTRONICALLY ACCEPTING THE OPTION, THE PARTICIPANT AGREES THAT (i) SUCH ACCEPTANCE CONSTITUTES THE PARTICIPANT'S ELECTRONIC SIGNATURE IN EXECUTION OF THE AGREEMENT; (ii) THE PARTICIPANT AGREES TO BE BOUND BY THE PROVISIONS OF THE PLAN, THE AGREEMENT AND THE ADDENDUM TO THE AGREEMENT (IF ANY); (iii) THE PARTICIPANT HAS REVIEWED THE PLAN, THE AGREEMENT AND THE ADDENDUM TO THE AGREEMENT (IF ANY) IN THEIR ENTIRETY, HAS HAD AN OPPORTUNITY TO OBTAIN THE ADVICE OF COUNSEL PRIOR TO ACCEPTING THE OPTION AND FULLY UNDERSTANDS ALL OF THE PROVISIONS OF THE PLAN, THE AGREEMENT AND THE ADDENDUM TO THE AGREEMENT (IF ANY); (iv) THE PARTICIPANT HAS BEEN PROVIDED WITH A COPY OR ELECTRONIC ACCESS TO A COPY OF THE U.S. PROSPECTUS FOR THE PLAN AND THE TAX SUPPLEMENT TO THE U.S. PROSPECTUS FOR EMPLOYEE'S COUNTRY, IF APPLICABLE; AND (v) THE PARTICIPANT HEREBY AGREES TO ACCEPT AS BINDING, CONCLUSIVE AND FINAL ALL DECISIONS OR INTERPRETATIONS OF THE HUMAN RESOURCES COMMITTEE UPON ANY QUESTIONS ARISING UNDER THE PLAN, THE AGREEMENT AND THE ADDENDUM TO THE AGREEMENT (IF ANY).

EXHIBIT C

NON-EMPLOYEE DIRECTOR
RESTRICTED STOCK UNIT AWARD AGREEMENT

This Restricted Stock Unit Award Agreement (the "Agreement") is made as of the date specified in the individual grant summary by and between Donaldson Company, Inc., a Delaware corporation (hereinafter, together with its subsidiaries, called "Donaldson" or "Company"), and the person specified in the individual grant summary, a non-Employee Director of Donaldson (hereinafter called the "Participant").

In consideration of the mutual covenants hereinafter set forth and for other good and valuable consideration the parties hereto agree as follows:

1. Grant of Restricted Stock Units. Donaldson hereby grants to the Participant the number of Restricted Stock Units representing the right to receive shares of common stock, par value of US$5.00 per share, of Donaldson ("Common Stock") specified in the grant summary for no cash consideration, and dividend equivalent amounts corresponding to the shares, subject to the following terms and conditions:

(a) This Award is granted pursuant to the Donaldson Company, Inc. Compensation Plan for Non-Employee Directors and the 2019 Master Stock Incentive Plan of Donaldson (collectively, the "Plan"), and is subject to all of the terms and conditions of the Plan. The Participant acknowledges receipt of a copy of the Plan and the Plan Prospectus. Capitalized terms not defined in this Agreement shall have the meaning ascribed to such terms in the Plan.

(b) Date of grant shall be as specified on your individual grant summary made available to you on-line ("Grant Date").

(c) Neither the Restricted Stock Units, nor the shares of Common Stock to which the units relate, may be sold, assigned, hypothecated or transferred (including without limitation, transfer by gift or donation) until the first anniversary of the Grant Date ("Restriction Period"). Restricted Stock Units granted to the Participant shall be credited to an account in the Participant's name. This account shall be a record of book-keeping entries only and shall be utilized solely as a device for the measurement and determination of the number of shares of Common Stock to be issued to or in respect of the Participant pursuant to this Agreement.

(d) The Restricted Stock Units subject to the Award shall be forfeited to Donaldson if, at any time within the Restriction Period, the Participant's service as a Director of the Company is terminated for any reason unless:

(i) the Participant's termination is due to retirement or resignation from service as a Director of the Company in accordance with the age and term limits of the Corporate Governance Guidelines of the Company; or

(ii) a majority of the members of the Board of Directors other than the eligible Director consent to the continued vesting of the Restricted Stock in accordance with the original vesting schedule.

(e) Upon the expiration of the Restriction Period, the Company shall cause to be issued to the Participant, or to the Participant's designated beneficiary or estate in the event of the Participant's death, one share of Common Stock in payment and settlement of each vested Restricted Stock Unit. The Company shall cause the shares issuable in connection with the vesting of any such Restricted Stock Units to be issued as soon as practicable after the Restriction Period, but in all events no later than 30 days after the Restriction Period, and the Participant shall have no power to affect the timing of such issuance. Such issuance shall be evidenced by a stock certificate or appropriate entry on the books of the Company or a duly authorized transfer agent of the Company and shall be in complete settlement and satisfaction of such vested Restricted Stock Units.

(f) Notwithstanding anything herein to the contrary such restrictions shall lapse and all of the shares of Common Stock shall become fully vested in the event of a Change in Control (as defined in the 2019 Master Stock Incentive Plan).

2. Vesting upon Change in Control. In the event of a Change in Control (as defined in the 2019 Master Stock Incentive Plan), the Restricted Stock Units shall immediately become fully vested and the shares subject to the Award shall be delivered to the Participant. Notwithstanding the foregoing, if any payment due under this Section 2 is deferred compensation subject to Section 409A of the Code, and if the Change in Control is not a "change in control event" that serves as a permissible payment event under Treasury Regulation § 1.409A-3(i)(5) or such other regulation or guidance issued under Section 409A of the Code, then the Restricted Stock Units shall vest upon the Change in Control as provided above but delivery of the shares subject to the Award shall be delayed until the end of the Restriction Period.

3. Miscellaneous.

(a) The Restricted Stock Units do not entitle the Participant to any rights of a stockholder of the Company. Notwithstanding the foregoing, the Participant shall accumulate an unvested right to dividend equivalent amounts on the shares of Common Stock underlying Restricted Stock Units if cash dividends are declared by Donaldson on the shares on or after the Grant Date. Each time a dividend is paid on Common Stock, the Participant shall accrue an additional number of Restricted Stock Units (rounded to the nearest whole share) having a Fair Market Value on the dividend payment date equal to the amount of the dividend payable on the Participant's Restricted Stock Units on the dividend record date. The additional Restricted Stock Units shall be subject to the same vesting, forfeiture and share delivery terms in Section 1 and Section 2 above as if they had been awarded on the Grant Date. The Participant shall not be entitled to dividend equivalents with respect to dividends declared prior to the Grant Date. All dividend equivalents accumulated with respect to forfeited Restricted Stock Units shall also be irrevocably forfeited. As of the date of issuance of shares underlying Restricted

Stock Units, the Participant shall have all of the rights of a stockholder of the Company with respect to any shares issued pursuant hereto.

(b) Upon any stock dividend or split, recapitalization, consolidation, or the like, occurring after the date hereof, as a result of which securities of any class shall be issued in respect of outstanding shares of Common Stock, or shares of Common Stock shall be changed into the same or a different number of shares or other securities of the same or other class or classes, then the Board of Directors shall determine if any equitable adjustment is necessary to protect the Participant against dilution and shall determine the terms of such adjustment, if any. In the case of any stock dividend or split effected after the date hereof, the number of shares of Common Stock to be issued hereunder shall be automatically adjusted to prevent dilution of the potential benefits intended to be made available hereunder.

(c) This Award shall be effective only after the Participant agrees to the terms and conditions of the Agreement.

(d) This agreement shall be construed and enforced in accordance with the laws of the state of Delaware, except with respect to its rules relating to conflicts of law. The Participant consents to the exclusive jurisdiction of the state and federal courts of the state of Minnesota in connection with any controversies relating to or arising out of this Agreement, and agrees that any and all litigation relating to or arising out of this Agreement shall be venued in Hennepin County, Minnesota.

(e) As a condition of the grant of this Award, the Participant agrees to repatriate all payments attributable to the shares of Common Stock and/or cash acquired under the Plan (including, but not limited to, dividends and any proceeds derived from the sale of the shares of Common Stock) in accordance with local foreign exchange rules and regulations in the Participant's country of residence. In addition, the Participant also agrees to take any and all actions, and consents to any and all actions taken by Donaldson, as may be required to allow Donaldson to comply with local laws, rules and regulations in the Participant's country of residence. Finally, the Participant agrees to take any and all actions as may be required to comply with the Participant's personal legal and tax obligations under local laws, rules and regulations in the Participant's country of residence.

(f) Donaldson, in its sole discretion, may decide to deliver any documents related to the Restricted Stock Units or other Awards granted to the Participant under the Plan by electronic means. The Participant hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through an on-line or electronic system established and maintained by Donaldson or a third party designated by Donaldson.

(g) The Participant acknowledges and agrees that it is the Participant's express intent that this Agreement, the Plan and all other documents, notices and legal proceedings entered into, given or instituted pursuant to the grant of this Award, be drawn up in English. If the Participant has received this Agreement, the Plan or

any other documents related to the Award translated into a language other than English, and if the meaning of the translated version is different than the English version, the English version shall control.

(h) Notwithstanding any provisions in this Agreement to the contrary, this Award shall be subject to any special terms and conditions for the Participant's country of residence, as set forth in the applicable addendum to this Agreement, if any. Further, if the Participant transfers residency to another country reflected in an addendum to this Agreement, the special terms and conditions for such country will apply to the Participant to the extent Donaldson determines, in its sole discretion, that the application of such terms and conditions is necessary or advisable in order to comply with local laws, rules and/or regulations or to facilitate the operation and administration of the Award and the Plan (or Donaldson may establish alternative terms and conditions as may be necessary or advisable to accommodate the Participant's transfer). Any applicable addendum shall constitute part of this Agreement.

(i) Donaldson reserves the right to impose other requirements on this Award, any shares of Common Stock underlying the Award, and the Participant's participation in the Plan, to the extent Donaldson determines, in its sole discretion, that such other requirements are necessary or advisable in order to comply with local laws, rules and/or regulations or to facilitate the operation and administration of the Award and the Plan. Such requirements may include (but are not limited to) requiring the Participant to sign any agreements or undertakings that may be necessary to accomplish the foregoing.

(j) If the Participant is resident outside the United States, the grant of the Award is not intended to be a public offering of securities in the Participant's country of residence. Donaldson has not submitted any registration statement, prospectus or other filings with the local securities authorities (unless otherwise required under local law), and the grant of the Award is not subject to the supervision of the local securities authorities. Investment in shares of Common Stock involves a degree of risk. The Participant should consult with the Participant's personal advisor for professional investment advice.

(k) The Participant's country of residence may have insider trading and/or market abuse laws that may affect the Participant's ability to acquire or sell shares of Common Stock under the Plan during such times the Participant is considered to have "inside information" (as defined in the laws in Participant's country of residence). These laws may be the same or different from any Donaldson insider trading policy. The Participant acknowledges that it is the Participant's responsibility to be informed of and compliant with such regulations, and the Participant is advised to speak to his / her personal advisor on this matter.

(l) The invalidity or unenforceability of any provision of the Plan or this Agreement will not affect the validity or enforceability of any other provision of the Plan or

this Agreement, and each provision of the Plan and this Agreement will be severable and enforceable to the extent permitted by law.

4. Consent to Collection/Processing/Transfer of Personal Data. Pursuant to applicable personal data protection laws, Donaldson hereby notifies the Participant of the following in relation to the Participant's personal data and the collection, use, processing and transfer of such data in relation to Donaldson's grant of this Award and the Participant's participation in the Plan. The collection, use, processing and transfer of the Participant's personal data is necessary for Donaldson's administration of the Plan and the Participant's participation in the Plan, and the Participant's denial and/or objection to the collection, use, processing and transfer of personal data may affect the Participant's participation in the Plan. As such, the Participant hereby voluntarily acknowledges and consents (where required under applicable law) to the collection, use, processing and transfer of personal data as described in this paragraph.

Donaldson holds certain personal information about the Participant, including the Participant's name, home address, email address and telephone number, date of birth, social security number, passport number or other employee identification number, salary, nationality, job title, any shares of Common Stock or directorships held in Donaldson, details of all stock awards or any other entitlement to shares of Common Stock awarded, canceled, purchased, vested, unvested or outstanding in the Participant's favor, for the purpose of managing and administering the Plan ("Data"). Data may be provided by the Participant or collected, where lawful, from third parties, and Donaldson will process Data for the exclusive purpose of implementing, administering and managing the Participant's participation in the Plan. Data processing will take place through electronic and non-electronic means according to logics and procedures strictly correlated to the purposes for which Data are collected and with confidentiality and security provisions as set forth by applicable laws and regulations in the Participant's country of residence. Data processing operations will be performed minimizing the use of personal and identification data when such operations are unnecessary for the processing purposes sought. Data will be accessible within Donaldson's organization only by those persons requiring access for purposes of the implementation, administration and operation of the Plan and for the Participant's participation in the Plan.

Donaldson will transfer Data within the Donaldson organization as necessary for the purpose of implementation, administration and management of the Participant's participation in the Plan, and Donaldson may further transfer Data to any third parties assisting Donaldson in the implementation, administration and management of the Plan. These recipients may be located in the European Economic Area, or elsewhere throughout the world, such as the United States. The Participant hereby authorizes (where required under applicable law) them to receive, possess, use, retain and transfer Data, in electronic or other form, for purposes of implementing, administering and managing the Participant's participation in the Plan, including any requisite transfer of such Data as may be required for the administration of the Plan and/or the subsequent holding of shares of Common Stock on the Participant's behalf to a broker or other third party with whom the Participant may elect to deposit any shares of Common Stock acquired pursuant to the Plan.

The Participant may, at any time, exercise his or her rights provided under applicable personal data protection laws, which may include the right to (a) obtain confirmation as to the existence of Data, (b) verify the content, origin and accuracy of Data, (c) request the integration,

update, amendment, deletion, or blockage (for breach of applicable laws) of Data, and (d) to oppose, for legal reasons, the collection, processing or transfer of Data which is not necessary or required for the implementation, administration and/or operation of the Plan and the Participant's participation in the Plan. The Participant may seek to exercise these rights by contacting Donaldson Legal Department.

By execution of this Agreement as of the Grant Date, the Participant hereby accepts and agrees to be bound by all of the terms and conditions of this Agreement and the Plan.

PARTICIPANT:

SIGNED BY ELECTRONIC SIGNATURE*

* BY ELECTRONICALLY ACCEPTING THIS AWARD, THE PARTICIPANT AGREES THAT (i) SUCH ACCEPTANCE CONSTITUTES THE PARTICIPANT'S ELECTRONIC SIGNATURE IN EXECUTION OF THE AGREEMENT; (ii) THE PARTICIPANT AGREES TO BE BOUND BY THE PROVISIONS OF THE PLAN, THE AGREEMENT AND THE ADDENDUM TO THE AGREEMENT (IF ANY); (iii) THE PARTICIPANT HAS REVIEWED THE PLAN, THE AGREEMENT AND THE ADDENDUM TO THE AGREEMENT (IF ANY) IN THEIR ENTIRETY, HAS HAD AN OPPORTUNITY TO OBTAIN THE ADVICE OF COUNSEL PRIOR TO ACCEPTING THIS AWARD AND FULLY UNDERSTANDS ALL OF THE PROVISIONS OF THE PLAN, THE AGREEMENT AND THE ADDENDUM TO THE AGREEMENT (IF ANY); (iv) THE PARTICIPANT HAS BEEN PROVIDED WITH A COPY OR ELECTRONIC ACCESS TO A COPY OF THE U.S. PROSPECTUS FOR THE PLAN AND THE TAX SUPPLEMENT TO THE U.S. PROSPECTUS FOR EMPLOYEE'S COUNTRY, IF APPLICABLE; AND (v) THE PARTICIPANT HEREBY AGREES TO ACCEPT AS BINDING, CONCLUSIVE AND FINAL ALL DECISIONS OR INTERPRETATIONS OF THE HUMAN RESOURCES COMMITTEE UPON ANY QUESTIONS ARISING UNDER THE PLAN, THE AGREEMENT AND THE ADDENDUM TO THE AGREEMENT (IF ANY).

EXHIBIT D

DONALDSON COMPANY, INC.
COMPENSATION PLAN FOR NON-EMPLOYEE DIRECTORS

20___ ANNUAL RETAINER ELECTION FORM

Name: _____

Retainer Elections
Annual Retainer: I elect to receive my annual retainer for calendar year **20__** as follows (total must add up to 100%): % in Cash:_____% % in Deferred Stock:_____% % in Deferred Cash:_____%
Committee Retainer (including Committee Chair retainers): I elect to receive my Committee retainer as follows (total must add up to 100%): % in Cash:_____% % in Deferred Stock:_____% % in Deferred Cash:_____%

Deferred Stock Payment Election
I elect to receive my deferred stock account of shares of company stock beginning on (choose one): ☐ One year after I cease to be a director ☐ A Specified Date: _____ ☐ Specified Age: _____ **I elect to receive my deferred stock account of shares of company stock in the following form of payment:** ☐ Lump Sum ☐ Annual Installments for _____ years (maximum of 10 years)

Deferred Cash Payment Election
I elect to receive my deferred cash account beginning on (choose one): ☐ One year after I cease to be a director ☐ A Specified Date: _____ ☐ Specified Age: _____ **I elect to receive my deferred cash account in the following form of payment:** ☐ Lump Sum ☐ Annual Installments for _____ years (maximum of 10 years)

NOTE: Changes to this election may only be made under certain specific circumstances described in the Plan document.

Payments pursuant to this agreement shall be reduced for the amount of any applicable tax withholdings. I understand that this Agreement is covered by the terms of the Company's Compensation Plan for Non-Employee Directors and the 2019 Master Stock Incentive Plan. I understand that this Agreement form must be returned to the Company before the beginning of the calendar year in which I wish the Agreement to take effect. I understand that the deferral account shall not be held by the Company in a fiduciary capacity and that I or my representative has no right with respect to such account, except as a general unsecured creditor of the Company.

By: _____ Date: _____

Exhibit 10-AK

DONALDSON COMPANY, INC.
DEFERRED COMPENSATION AND 401(k) EXCESS PLAN
(2020 Restatement)

As Amended and Restated Effective as of January 1, 2020

DONALDSON COMPANY, INC.
DEFERRED COMPENSATION AND 401(k) EXCESS PLAN
(2020 Restatement)

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DONALDSON COMPANY, INC.
DEFERRED COMPENSATION AND 401(k) EXCESS PLAN
(2020 Restatement)

SECTION 1

HISTORY AND PURPOSE

1.1. **History**. Since December 21, 1997, Donaldson Company, Inc. has maintained an unfunded, nonqualified deferred compensation program for a select group of highly compensated employees, known as the "DONALDSON COMPANY, INC. DEFERRED COMPENSATION AND 401(k) EXCESS PLAN." The Plan, in its most current amended and restated form, is maintained under a document effective January 1, 2008, as amended. Effective as of January 1, 2020, Donaldson Company, Inc. hereby amends and restates the Plan in the manner hereinafter set forth to (i) discontinue notional investment of future Deferral Credits (other than deferrals of Performance Shares) and Company Credits into Stock Units or any other Company stock fund and (ii) make other miscellaneous changes.

1.2. **Purpose**. The purposes of this Plan are to enable the Company to supplement the benefits for a select group of management or highly compensated employees under the 401(k)-ESOP Plan which will be reduced because of the compensation limitation under section 401(a)(17) of the Code; to provide a means whereby certain amounts payable by the Company to a select group of management or highly compensated employees may be deferred to some future period; and to attract and retain certain executive employees of outstanding competence.

1.3. **Relation to Master Stock Plans**. All benefits provided by this Plan that are attributable to Performance Shares and Restricted Stock are subject to any applicable terms, conditions and restrictions required by the applicable Master Stock Plan pursuant to which the corresponding long-term incentive or restricted stock award was issued. Benefits attributable to Company Credits which are paid in the form of Common Stock are subject to any applicable terms, conditions and restrictions required by the Donaldson Company, Inc. 2019 Master Stock Incentive Plan if they are credited on or after November 22, 2019, the Donaldson Company, Inc. 2010 Master Stock Incentive Plan if they are credited on or after November 19, 2010 but before November 22, 2019, the Donaldson Company, Inc. 2001 Master Stock Incentive Plan if they are credited on or after November 16, 2001 but before November 19, 2010, or the Donaldson Company, Inc. 1991 Master Stock Compensation Plan if they are credited before November 16, 2001.

SECTION 2

DEFINITIONS

The following words and phrases shall have the following meanings, unless a different meaning is plainly required by the context. Any masculine terminology used in the Plan shall also include the feminine gender and the definition of any terms in the singular shall also include the plural.

2.1. **Account** - the deferred compensation account established under this Plan for a Participant pursuant to Section 6.1, which shall be a bookkeeping entry only and shall be utilized solely as a device for the measurement and determination of the amounts to be paid to a Participant (or designated Beneficiary) pursuant to this Plan, and shall including the following:

2.1.1. **Annual Deferral Account** - with respect to a Participant, each of the following entries on the records of the Company reflecting Deferral Credits of the Participant for a Plan Year, Incentive Cycle or other performance period as applicable:

(a) **Annual Base Salary Account** - that portion of a Participant's Base Salary that a Participant defers for any one Plan Year (without regard to whether such amounts are withheld and credited during such Plan Year), plus earnings, gains or losses credited or debited to such amounts pursuant to this Plan, less all distributions made to the Participant or his or her Beneficiary pursuant to this Plan that relate to the Account for such Plan Year.

(b) **Annual 401(a)(17) Excess Account** - that portion of a Participant's Base Salary or Performance Cash in excess of the dollar limit under section 401(a)(17) of the Code that a Participant defers for any one Plan Year pursuant to Section 4.3 (without regard to whether such amounts are withheld and credited during such Plan Year), plus earnings, gains or losses credited or debited to such amounts pursuant to this Plan, less all distributions made to the Participant or his or her Beneficiary pursuant to this Plan that relate to the Account for such Plan Year.

(c) **Annual Performance Cash Account** - that portion of a Participant's Performance Cash that a Participant defers for any one performance period (without regard to whether such amounts are withheld and credited during such performance period), plus earnings, gains or losses credited or debited to such amounts pursuant to this Plan, less all distributions made to the Participant or his or her Beneficiary pursuant to this Plan that relate to the Account for such performance period.

(d) **Annual Performance Share Account** - that portion of a Participant's Performance Shares that a Participant defers for any one Incentive Cycle

(without regard to whether such amounts are withheld and credited during such Incentive Cycle), plus earnings, gains or losses credited or debited to such amounts pursuant to this Plan, less all distributions made to the Participant or his or her Beneficiary pursuant to this Plan that relate to the Account for such Incentive Cycle.

(e) **Annual Restricted Stock Account** - that portion of a Participant's Restricted Stock award that a Participant deferred for any one Plan Year (without regard to whether such amounts are withheld and credited during such Plan Year) prior to January 1, 2008, plus earnings, gains or losses credited or debited to such amounts pursuant to this Plan, less all distributions made to the Participant or his or her Beneficiary pursuant to this Plan that relate to the Account for such Plan Year.

2.1.2. **Company Credit Account** - with respect to a Participant, all Company Credits entered on the records of the Company, plus earnings, gains or losses credited or debited to such amounts pursuant to this Plan, less all distributions made to the Participant or his or her Beneficiary pursuant to this Plan that relate to the Account for such Plan Year.

2.2. **Affiliate** - a business entity which is under "common control" with the Company or which is a member of an "affiliated service group" that includes the Company, as those terms are defined in sections 414(b), (c) and (m) of the Code. A business entity shall also be treated as an Affiliate if, and to the extent that, such treatment is required by regulations under section 414(o) of the Code. In addition to said required treatment, the Committee may, in its discretion, designate as an Affiliate any business entity which is not such a "common control" or "affiliated service group" business entity but which is otherwise affiliated with the Company, subject to such limitations as the Committee may impose.

2.3. **Base Salary** - the annual cash compensation relating to services performed during any calendar year, excluding distributions from nonqualified deferred compensation plans, bonuses, commissions, overtime, fringe benefits, profit sharing contributions, stock options, relocation expenses, incentive payments, non-monetary awards, tuition reimbursement and automobile and other allowances paid to a Participant for employment services rendered (whether or not such allowances are included in the Employee's gross income). Base Salary shall be calculated before reduction for compensation voluntarily deferred or contributed by the Participant pursuant to all qualified or nonqualified plans of any Employer and shall be calculated to include amounts not otherwise included in the Participant's gross income under Code Section 125, 402(e)(3), 402(h), or 403(b) pursuant to plans established by any Employer; provided, however, that all such amounts will be included in compensation only to the extent that had there been no such plan, the amount would have been payable in cash to the Employee. In no event shall Base Salary include any amounts payable to the Participant prior to the commencement of his or her participation in this Plan.

2.4. **Beneficiary** - any person or entity validly designated by the Participant in accordance with Section 5 to receive the benefits, if any, payable from the Participant's Account after the Participant's death. Designated persons or entities shall not be considered Beneficiaries until the death of the Participant.

2.5. **Board** - the Board of Directors of the Company.

2.6. **Change of Control** - the occurrence of a "change in the ownership," "change in effective control," and/or a "change in the ownership of a substantial portion of the assets," as defined under Treasury Regulation § 1.409A-3(i)(5), of the Affected Corporation. For this purpose, the "Affected Corporation" is the Participant's employer, or any corporation (including the Company) in a chain of corporations in which each corporation is a majority shareholder of another corporation in the chain, ending with the Participant's employer. A "majority shareholder" is a shareholder owning more than 50 percent of the total fair market value and total voting power of such corporation.

2.7. **Code** - the Internal Revenue Code of 1986, including applicable regulations for the specified section of the Code. Any reference in this Plan Statement to a section of the Code, including the applicable regulation, shall be considered also to mean and refer to any subsequent amendment or replacement of that section or regulation.

2.8. **Committee** - the Human Resources Committee of the Board of Directors of the Company.

2.9. **Common Stock** - shares of common stock of the Company.

2.10. **Company** - Donaldson Company, Inc. and, except in determining under Section 2.6 hereof whether or not any Change of Control has occurred, shall include any successor by merger, purchase or otherwise.

2.11. **Company Credit** - any amount credited to an Eligible Employee in accordance with Section 4.6.

2.12. **Deferral Credit** - any amount credited to an Eligible Employee in accordance with Section 4.1, 4.2, 4.3 or 4.4.

2.13. **Disability, Disabled** - the Participant:

(a) is, by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than twelve (12) months, receiving income replacement benefits for a period of not less than three (3) months under an accident and health plan covering employees of the Company; or

(b) is eligible to receive and is actually receiving (after the applicable waiting period) benefits under the federal Social Security Act as in effect at the time of the Disability.

Notwithstanding the foregoing, the terms Disability and Disabled shall at all times be interpreted in a manner so as not to violate section 409A of the Internal Revenue Code.

2.14. **Effective Date** - December 21, 1997, the original effective date of the Plan. Except as otherwise explicitly provided herein, this amended and restated Plan document is effective as of January 1, 2020.

2.15. **Eligible Employee** - unless the Committee determines otherwise, each individual described in (a) or (b) below shall be an Eligible Employee to the extent and subject to the limitations specified:

(a) **Officers**. Each person who has been designated as an officer of the Company by the Company's board of directors shall be an Eligible Employee until such person ceases to be such an officer (but excluding any officer who is not receiving any earned income which constitutes income from sources within the United States).

(b) **Executive Employees**. For purposes of Section 4.3 only, each executive employee of the Company or its Affiliates, other than an officer described in (a) above, whose compensation (as defined below) from November 1 through October 31 exceeds the annual compensation limit in effect under Code section 401(a)(17) as of such October 31 shall become an Eligible Employee beginning with the immediately following Plan Year. Once an executive has become an Eligible Employee under this paragraph (b), the executive shall remain an Eligible Employee under this paragraph (b) for each subsequent Plan Year until the executive is designated as an officer under paragraph (a) or incurs a Termination of Employment, death or Disability, whichever happens first. For purposes of this paragraph, "compensation" means (i) the executive's Recognized Compensation (as defined under the 401(k)-ESOP Plan) paid to the executive from November 1 through October 31, plus (ii) any voluntary deferred compensation that would have been included in Recognized Compensation during such period but for the deferral.

2.16. **ERISA** - the Employee Retirement Income Security Act of 1974, including applicable regulations for the specified section of ERISA. Any reference in this Plan to a section of ERISA, including the applicable regulation, shall be considered also to mean and refer to any subsequent amendment or replacement of that section or regulation.

2.17. **401(k)-ESOP Plan** - the tax-qualified, profit sharing and employee stock ownership plan known as the "Donaldson Company, Inc. Retirement Savings and Employee Stock Ownership Plan," as amended from time to time.

2.18. **Incentive Cycle** - the performance period applicable to a Performance Share.

2.19. **Master Stock Incentive Plan** - the Donaldson Company, Inc. 2019 Master Stock Incentive Plan, the Donaldson Company, Inc. 2010 Master Stock Incentive Plan, the Donaldson Company, Inc. 2001 Master Stock Incentive Plan, or the Donaldson Company, Inc. 1991 Master Stock Compensation Plan, as applicable.

2.20. **Participant** - an Eligible Employee or a former Eligible Employee of the Company or its Affiliates who has any amount credited to his or her Account in this Plan.

2.21. **Performance Cash** - any performance-based cash compensation (not including Base Salary) earned by a Participant under any Company's annual or long-term bonus and incentive plans for services rendered during a performance period of at least 12 months, as further specified on an election form approved by the Committee in its sole discretion.

2.22. **Performance Share** - any long-term performance share or share unit award granted under a Master Stock Incentive Plan.

2.23. **Plan** - the Donaldson Company, Inc. Deferred Compensation and 401(k) Excess Plan as set forth herein, and as the same may be amended from time to time.

2.24. **Plan Year** - the twelve (12) consecutive month period ending on any December 31.

2.25. **Prior Plan Statement** - the series of documents pursuant to which the Plan was established effective December 21, 1997 and operated thereafter until the effective date of this restatement. Credits made to the Plan which relate entirely to services performed on or before December 31, 2005 shall continue to be governed under the terms of the Prior Plan Statement in order to preserve grandfathering from the application of section 409A of the Code.

2.26. **Profit Sharing Credit** - any amount credited to an Eligible Employee in accordance with Section 4.6(b).

2.27. **Restoration Matching Credit** - any amount credited to an Eligible Employee in accordance with Section 4.6(a).

2.28. **Restricted Stock** - time-based restricted stock awarded to an Eligible Employee under restricted stock awarded to an Eligible Employee under the Donaldson Company, Inc. 2001 Master Stock Incentive Plan, or any predecessor plan.

2.29. **Termination of Employment** - the separation from service (within the meaning of Treas. Regs. § 1.409A-1(h)) with the Company Controlled Group, voluntarily or involuntarily,

for any reason other than Disability or death. Whether a separation from service has occurred is determined under section 409A of the Code and Treasury Regulation 1.409A-1(h) (*i.e.*, whether the facts and circumstances indicate that the employer and the employee reasonably anticipated that no further services would be performed after a certain date or that the level of bona fide services the employee would perform after such date (whether as an employee or independent contractor) would permanently decrease to no more than twenty percent (20%) of the average level of bona fide services performed (whether as an employee or an independent contractor) over the immediately preceding thirty-six (36) month period (or the full period of services to the employer if the employee has been providing services to the employer less than thirty-six (36) months)). Separation from service shall not be deemed to occur while the employee is on military leave, sick leave or other bona fide leave of absence if the period does not exceed six (6) months or, if longer, so long as the employee retains a right to reemployment with any member of the Company Controlled Group under an applicable statute or by contract. For this purpose, a leave is bona fide only if, and so long as, there is a reasonable expectation that the employee will return to perform services for any member of the Company Controlled Group. Notwithstanding the foregoing, a twenty-nine (29) month period of absence will be substituted for such six (6) month period if the leave is due to any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of no less than six (6) months and that causes the employee to be unable to perform the duties of his or her position of employment. For this purpose, the "Company Controlled Group" is the Participant's employer and all persons with whom the employer would be considered a single employer under Code sections 414(b) and 414(c); provided that, in applying Code sections 1563(a)(1), (2) and (3) for purposes of determining a controlled group of corporations under Code section 414(b), the language "at least 50 percent" shall be used instead of "at least 80 percent" each place it appears therein, and in applying Treas. Regs. § 1.414(c)-2 for purposes of determining trades or businesses that are under common control for purposes of Code section 414(c), "at least 50 percent" shall be used instead of "at least 80 percent" each place it appears therein.

2.30. **Valuation Date** - each December 31 and each other day that the New York Stock Exchange is open and conducting business, or such other date or dates as the Committee may establish.

2.31. **Vested** - nonforfeitable.

SECTION 3

PARTICIPATION

3.1. **Eligibility Requirements**. Each Eligible Employee who is eligible to participate in the Plan shall commence participation in the Plan only after the Eligible Employee has met all enrollment requirements set forth in this Plan and required by the Committee, including returning all required documents to the Committee within the specified time period.

3.2. **Termination of Participation**. A person shall cease to be a Participant as soon as all amounts credited to the Participant's Account have been paid in full.

3.3. **Overriding Exclusion**. Notwithstanding anything apparently to the contrary in this Plan or in any written communication, summary, resolution or document or oral communication, no individual shall be a Participant in this Plan, develop benefits under this Plan or be entitled to receive benefits under this Plan (either for the employee or his or her survivors) unless such individual is a member of a select group of management or highly compensated employees (as that expression is used in ERISA). If a court of competent jurisdiction, any representative of the U.S. Department of Labor or any other governmental, regulatory or similar body makes any direct or indirect, formal or informal, determination that an individual is not a member of a select group of management or highly compensated employees (as that expression is used in ERISA), such individual shall not be (and shall not have ever been) a Participant in this Plan at any time. If any person not so defined has been erroneously treated as a Participant in this Plan, upon discovery of such error such person's erroneous participation shall immediately terminate *ab initio* and upon demand such person shall be obligated to reimburse the Company for all amounts erroneously paid to him or her.

SECTION 4

DEFERRED COMPENSATION AMOUNTS

4.1. **Minimum/Maximum Deferrals**. For each Plan Year, an Eligible Employee under Section 2.15(a) may elect to defer remuneration in the following minimum and up to the following maximum amounts for each deferral elected:

Cash Compensation	Deferral Amount
Base Salary	1% - 75%
Performance Cash	1% - 100%

Equity Compensation	Deferral Amount
Performance Shares	1% - 100%

If, prior to the beginning of a Plan Year, an Eligible Employee has made an election for less than the stated minimum amounts, or if no election is made, the amount deferred shall be zero. Notwithstanding the foregoing, with respect to an Eligible Employee who first becomes a Participant after the first day of a Plan Year, the maximum deferral shall be limited to the amount of compensation not yet earned by the Participant as of the date the Participant submits a deferral election to the Committee for acceptance.

4.2. **Enrollment and Election to Defer**. As a condition to participation, each Eligible Employee who is eligible to participate in the Plan under Section 2.15(a) shall complete, execute and return to the Committee an election form and a beneficiary designation form to the Committee. In addition, the Committee may establish from time to time such other enrollment requirements as it determines, in its sole discretion, are necessary.

(a) **First Plan Year of Eligibility**. If the Committee so allows, an Eligible Employee who first becomes eligible to participate in this Plan (including for this purpose all other voluntary deferral plans that would be required to be aggregated with this Plan under Treas. Regs. § 1.409A-1(c)(2)) after the first day of a Plan Year must submit a Base Salary deferral election within 30 days after he or she first becomes eligible to participate in the Plan, or within such other earlier deadline as may be established by the Committee in its discretion, in order to participate for that Plan Year. In such event, such person's participation in this Plan shall not commence earlier than 30 days after he or she first becomes eligible to participate in the Plan, and such person shall not be permitted to defer under this Plan any portion of his or her Base Salary that is paid with respect to services performed prior to his or her participation commencement date, except to the extent permissible under section 409A of the Code and related Treasury guidance or regulations thereunder. If the Participant is not

eligible to enter the Plan within a Plan Year under the aforementioned thirty (30) day rule (because, for example, the Participant was previously eligible to participate in the Plan or another voluntary deferral plan of the Company), then any Base Salary deferral election shall apply for the immediately following Plan Year and shall be made before the end of the Plan Year preceding such Plan Year.

(b) **Subsequent Plan Years**. For each succeeding Plan Year, an irrevocable Base Salary deferral election for that Plan Year, and such other elections as the Committee deems necessary or desirable under the Plan, shall be made by timely delivering a new election form to the Committee, in accordance with the terms of the Plan, before the end of the Plan Year preceding the Plan Year for which the election is made. The deferral election for the preceding Plan Year, if any, shall not automatically carry over and continue in effect for subsequent years; rather, an affirmative election for each year shall be required.

(c) **Performance-Based Compensation**. Notwithstanding the foregoing requirements as to the timing of deferral elections with respect to Base Salary, an irrevocable deferral election pertaining to Performance Cash or Performance Shares which qualify as "performance-based compensation" may be made by timely delivering an election form to the Committee, in accordance with the terms of the Plan, no later than six months before the end of the applicable performance period, provided that such compensation is not yet readily ascertainable. "Performance-based compensation" shall be compensation based on services performed over a period of at least twelve (12) months, in accordance with section 409A of the Code and related guidance. (For this purpose, restricted stock does not qualify as "performance-based compensation" unless subject to a performance-based vesting condition or as otherwise qualified under section 409A of the Code and related guidance.) If no such election form is timely delivered for a performance period (including a form canceling a prior election), the deferral election for the preceding performance period, if any, shall continue in effect.

4.3. **401(a)(17) Excess Deferral Credits**. An Eligible Employee under Section 2.15(a) or (b) may make a separate election (subject to the minimum and maximum limitations in Section 4.1 above) to defer only from the Participant's Base Salary and Performance Cash in excess of the annual compensation limit in effect for the Plan Year under section 401(a)(17) of the Code. (In the case of any Eligible Employee under 2.15(a), this election may be addition to or in lieu of a Base Salary or Performance Cash deferral election under Section 4.1.) Any excess deferral election under this Section 4.3 shall be made by timely delivering a new election form to the Committee, in accordance with the terms of the Plan, before the end of the Plan Year preceding the Plan Year for which the election is made. The deferral election for the preceding

Plan Year, if any, shall not automatically carry over and continue in effect for subsequent years; rather, an affirmative election for each year shall be required. If an Eligible Employee makes an election under this Section 4.3 for a Plan Year and earns no Base Salary and no Performance Cash in excess of the annual compensation limit for that year, then no excess deferrals shall be credited for that year.

4.4. **Share Deferral Credits**.

(a) **Stock Units**. After the end of the Incentive Cycle, the Participant's Account shall be credited with a number of Stock Units equal to the number of Performance Shares deferred by the Participant under any Company long-term incentive program. Since January 1, 2008, deferral elections made with respect to time-based Restricted Stock are no longer accepted; provided, that any Stock Units credited pursuant to elections made prior to January 1, 2008 remain subject to the provisions of this Plan.

(b) **Adjustment**. In the event of any change in the outstanding shares of Common Stock by reason of any stock split or stock dividend in the form of a split, the Committee shall adjust the number of Stock Units in a Participant's Account in accordance with the terms of the applicable Master Stock Incentive Plan under Section 1.3.

(c) **Dividend Units**. Each time a dividend is paid on shares of Common Stock, the Participant shall receive a credit to his or her Account equal to that number of shares of Common Stock (rounded to the nearest whole share) having a fair market value on the dividend payment date equal to the amount of the dividend payable on the number of Stock Units credited to the Participant's Account on the dividend record date. The fair market value of each share of Common Stock shall be equal to the closing price of one share of Common Stock on the New York Stock Exchange Composite Transactions on the credit date as of which Stock Units are credited to the Participant's Account.

(d) **No Actual Shares Prior to Distribution**. No actual shares of Common Stock shall be issued until the distribution date(s) described below. The Stock Units shall not be considered issued and outstanding shares for purposes of stockholder voting rights.

4.5. **Company Credits.**

(a) **Restoration Matching Credits**. An Eligible Employee's Restoration Matching Credits for any Plan Year shall be the amount necessary to make up for the lost share, if any, of fixed matching contributions (but not elective deferred contributions) under Section 3.2 of the 401(k)-ESOP Plan attributable to the Eligible Employee's Base Salary and Performance Cash deferrals under this Plan if they would have otherwise been allocated to the account of the Participant under the 401(k)-ESOP

Plan for such Plan Year, without regard to the annual compensation limit then in effect under section 401(a)(17) of the Code. The amount so credited to a Participant under this Plan for any Plan Year (i) may be smaller or larger than the amount credited to any other person and (ii) may differ from the amount credited the Eligible Employee in the preceding Plan Year. Restoration Matching Credits, if any, shall be credited to the Participant's Annual Account generally when fixed matching contributions are made to the 401(k)-ESOP throughout the Plan Year (but in all events no later than as soon as administratively practicable after the amount can determined for the applicable Plan Year).

(b) **Profit Sharing Credits**. The Board may, in its sole discretion, cause the Account of an Eligible Employee to be credited with Profit Sharing Credits for a Plan Year. Such Profit Sharing Credits shall not exceed the amount necessary to make up for the lost share, if any, of profit sharing contributions under Section 3.4 of the 401(k)-ESOP Plan attributable to the Eligible Employee's Base Salary and Performance Cash deferrals under this Plan and the annual compensation limit then in effect under Code section 401(a)(17). The Profit Sharing Credit, if any, shall be credited to the Participant's Annual Account for the applicable Plan Year as soon as administratively practicable after the amount can determined for the applicable Plan Year.

4.6. **Vesting**. Subject to the forfeiture provisions of Section 8, the Accounts of all Participants shall be 100% Vested at all times.

4.7. **Reduction for Tax Withholding**. Notwithstanding anything in Section 4.4 to the contrary, the number of Stock Units credited pursuant to those sections shall be reduced by the number of shares whose aggregate fair market value on the crediting date equals the amount of any taxes that must be withheld at the time of crediting due to the Eligible Employee's deferral election.

SECTION 5

TIME AND MANNER OF PAYMENTS

5.1. **Time of Payment**. Payment of a Participant's Annual Deferral Accounts and Company Credit Account under the Plan will commence as soon as administratively feasible after (but not later than December 31 of the Plan Year in which occurs, or if later, sixty (60) days following) the earliest of the following events:

(a) the Participant's death;

(b) the Participant's Disability;

(c) the date that is twenty-four (24) months following the Participant's Termination of Employment; or

(d) a date of distribution selected by the Participant on a form prescribed by the Committee (1) for each Annual Deferral Account at the time a deferral election is made, and (2) for the Company Credit Account at the time the Participant first becomes eligible to participate in the Plan, which may be:

(i) January 1 of a specified year (for 2020 or later elections; 2019 and earlier elections may contain a specify a date certain); or

(ii) a date that is a specified number of months after the Participant's Termination of Employment (not to exceed twenty-four (24) months); provided, however, that where payment under this paragraph (d)(ii) is made to any "specified employee" (as defined under section 409A of the Code) on account of Termination of Employment, such payment shall commence no earlier than six (6) months following a Termination of Employment (or upon the death of the employee, if earlier) if required to comply with section 409A of the Code.

5.2. **Manner of Payment**. A Participant's Annual Deferral Accounts and Company Credit Account will be paid to the Participant in either a single lump sum or in annual installments of not more than ten (10) years (for 2020 or later elections; 2019 and earlier elections may specify lump sum or annual installments of not more than twenty (20) years). The Participant must elect a manner of payment at the time the Participant elects his or her date of distribution pursuant to Section 5.1(d). Notwithstanding the foregoing, the following special rules shall apply:

(a) in the case of the Participant's death or Disability, payment shall be in a single lump sum;

(b) if the Participant's Account upon commencement of an installment distribution under Section 5.1 is less than the dollar limit then in effect under section 402(g) of the Code (*e.g.*, Nineteen Thousand Five Hundred Dollars ($19,500) in 2020), payment of the Participant's entire Account shall be in a single lump sum in accordance with the requirements of the cash-out rules under Treasury regulations issued under section 409A of the Code; and

(c) in the event no election was made by the Participant, payment shall be in a single lump sum.

Payment of the portion of a Participant's Account attributable to Deferral Credits other than Performance Shares and Restricted Stock shall be in cash. Payment to a Participant of the portion of the Participant's Account attributable to Performance Shares and Restricted Stock shall be made, net of withholding taxes, exclusively in shares of Common Stock. Payment to a Participant on or after the date certified in writing by the Committee or its delegate as the date on which distributions in stock of the portion of the Participant's Account attributable to Company Credits are administratively feasible shall be made, net of withholding taxes, exclusively in shares of Common Stock. Payment prior to that certified date of such portion of a Participant's Account shall be in cash. For purposes of determining any tax withholding on a payment, the value of Common Stock will be the market price of such Common Stock as of the close of business on the day prior to the date as of which the payment is made.

5.3. **Changes in Time and Manner of Payment**. Notwithstanding the foregoing, a Participant who is actively employed by the Company may make a new election that changes the time or form of payment selected pursuant to Section 5.1(d) and Section 5.2, subject to the following limitations:

(a) Such election must be submitted to and accepted by the Committee at least twelve (12) months prior to the date a distribution to the Participant would otherwise have been made or commenced;

(b) The election shall have no effect until at least twelve (12) months after the date on which the election is made;

(c) The election may change the time when payment shall commence but only if the new date selected by the Participant for commencement shall be a date that is at least five (5) years from the prior date of distribution selected by the Participant;

(d) The election may reduce or extend the number of installment payments (subject to the limitations in Section 5.2) so long as the initial installment

is delayed at least five (5) years from the date distribution would have otherwise commenced; and

(e) If the participant changes the time and/or form of payment under this Section 5.3, payment shall commence as soon as administratively feasible after (but not later than December 31 of the Plan Year in which occurs, or if later, sixty (60) days following) the earliest of the following events:

(i) the Participant's death;

(ii) the Participant's Disability; or

(iii) the new date selected by the Participant for commencement.

5.4. **Hardship Distributions**.

5.4.1. **When Available**. A Participant may receive a hardship distribution from the Deferral Credits in his or her Account if the Committee determines that such hardship distribution is for a purpose described in Section 5.4.2 and the conditions in this Section 5.4 have been fulfilled. To receive such a distribution, the Participant must file a written hardship distribution application with the Committee and furnish such documentation as the Committee may require. In the application, the Participant shall specify the basis for the distribution and the dollar amount to be distributed. If such hardship distribution is approved by the Committee, distribution shall be made as soon as administratively feasible (but no more than sixty (60) days) following the approval of a completed application by the Committee. Hardship distributions shall be made in a lump sum payment of either cash or Common Stock, as required by Section 5.2. The amount of each hardship distribution shall be taken from the portion of the Account attributable to the earliest enrollment (including related earnings) first.

5.4.2. **Purposes**. Hardship distributions shall be allowed under Section 5.4.1 only if the Participant establishes that the hardship distribution is to be made on account of an unanticipated emergency that is caused by an event beyond the control of the Participant that would result in severe financial hardship to the Participant resulting from (i) a sudden and unexpected illness or accident of the Participant, the Participant's spouse, or a dependent of the Participant, (ii) a loss of the Participant's property due to casualty, or (iii) such other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the Participant, all as determined in the sole discretion of the Committee.

5.4.3. **Suspension**. If the Committee approves a Participant's petition for payout, the Participant's deferrals under this Plan shall be suspended as of the date of such approval and the Participant shall receive a payout from the Plan within 60 days of the date of such approval.

5.4.4. **Limitations**. The amount of the hardship distribution shall not exceed the amount of the Participant's proven immediate and heavy financial need. A hardship distribution

shall not be made after the death of the Participant. The amount of approved hardship distribution shall not exceed the value of the Account. Notwithstanding the foregoing, the Committee, as applicable, shall interpret all provisions relating to suspension and/or payout under this Section 5.4 in a manner that is consistent with section 409A of the Code and other applicable tax law, including but not limited to guidance issued after the effective date of this Plan.

5.5. **Change of Control Distributions**. Notwithstanding any other provision of this Plan, in the event of a Change of Control, each Participant who incurs a Termination of Employment with the Company for any reason during the two (2) year period following such Change of Control shall receive within ten (10) business days after the date of termination a lump sum payment of the entire balance contained in the Participant's Account; provided, however, that with respect to any Participant who separated from service before the date of a Change of Control, the balance of the Participant's Account shall be paid at the time and in the manner as elected by the Participant under this Section 5 hereof (and shall not be commuted to a lump sum or otherwise accelerated by the Change of Control). Where payment under this Section 5.5 is made to any "specified employee" (as defined under section 409A of the Code) on account of Termination of Employment, such payment shall commence no earlier than six (6) months following a Termination of Employment (or upon the death of the employee, if earlier) if required to comply with section 409A of the Code.

5.6. **Death Benefit.** In the event of a Participant's death, the Company shall pay the amount of the Participant's Account as of the date of death (as adjusted from time to time pursuant to Section 6.2) in a lump sum to the Participant's designated Beneficiary as soon as administratively feasible after the Participant's death (but not later than December 31 of the Plan Year in which the Participant's death occurs, or if later, sixty (60) days following such death). Payment to a Participant's designated Beneficiary shall be in cash to the extent the Participant would have been paid in cash, and in Common Stock of the Company (and cash for fractional shares) to the extent the Participant would have been paid in Common Stock.

5.7. **Beneficiary Designation**. A Participant shall submit to the Company upon initial designation as an Eligible Employee in the Plan, and at such other times as the Participant desires, on a form provided by the Committee, a written designation of the beneficiary or beneficiaries to whom payment of the Participant's Account under the Plan shall be made in the event of the Participant's death. Beneficiary designations shall become effective only when received by the Company. Beneficiary designations first received by the Company after the Participant's death, and any designations in effect at the time a valid subsequent designation is received by the Company, shall be invalid and have no effect. If a Participant has not designated a Beneficiary, or if no designated Beneficiary is living on the date of distribution, the Participant's Account shall be distributed to those persons entitled to receive the Participant's benefit under the 401(k)-ESOP Plan.

5.8. **Post-Termination Deferral Credits**. In the event of a Participant's Disability, death or Termination of Employment prior to the end of a performance or vesting period to which a

Performance Cash or Performance Share deferral relates, if the Participant becomes entitled to all or any portion of such award upon completion of the performance or vesting period, a Deferral Credit shall be made to the applicable Annual Deferral Account. Payment of such Annual Deferral Account shall commence in the form elected by the Participant under Section 5.2 as of the applicable distribution date under Section 5.1 (subject to any modifications under Section 5.3), or the date the Deferral Credit is made, if later. If payment commences upon the Deferral Credit Date (and thereby is delayed beyond the applicable distribution date), there shall be no "catch-up" payments.

SECTION 6

DEFERRED COMPENSATION ACCOUNT

6.1. **Participant Accounts**. The Committee shall cause a bookkeeping account to be kept in the name of each Participant which shall reflect the value of the Deferral Credits and Company Credits, and any earnings (including Dividend Units) thereon, credited to a Participant. Deferral Credits shall be credited to a Participant's Account as of the date the amounts deferred otherwise would have become due or payable. Company Credits shall be credited at such times as the Committee shall direct.

6.2. **Investment of Accounts**. Amounts credited to a Participant's Account (other than those described in Section 4.4) will be adjusted for gains and losses to the same extent that equal amounts would have been adjusted if they had been invested as directed by the Participant in the subfund or subfunds designated by the Committee; provided, that no amounts credited to a Participant's Account (other than those described in Section 4.4) for Plan Years beginning on and after January 1, 2020 may be credited to Stock Units or any other Company stock fund. Amounts described in Section 4.4 will be adjusted as set forth in that section.

6.3. **Assumption of Risk**. The Participant, by electing to make deferrals under this Plan, assumes all risk in connection with any decrease in value of the Participant's Account.

6.4. **Charges Against Accounts**. There shall be charged against each Participant's bookkeeping account any payments made to the Participant or the Participant's Beneficiary in accordance with Section 5.

SECTION 7

FUNDING

7.1. **Funding**. The Company and its Affiliates shall be responsible for paying all benefits due hereunder. For the purpose of facilitating the payment of benefits due hereunder, the Company may (but shall not be required to) establish and maintain a grantor trust pursuant to an Agreement between the Company and a trustee selected by the Company; provided, however, that any such grantor trust must be structured so that it does not result in any federal income tax consequences to any Participant until distributions under Section 5 are actually received. The Company may contribute to a grantor trust thereby created such amounts as it may from time to time determine.

7.2. **Corporate Obligation**. Neither the officers nor any member of the Board of Directors of the Company or any of its Affiliates in any way secures or guarantees the payment of any benefit or amount which may become due and payable hereunder to or with respect to any Participant. Each Participant and other person entitled at any time to payments hereunder shall look solely to the assets of the Company and its Affiliates for such payments as an unsecured, general creditor. Nothing herein shall be construed to give a Participant, Beneficiary or any other person or persons any right, title, interest or claim in or to any specific asset, fund, reserve, account or property of any kind whatsoever owned by the Company or in which it may have any right, title or interest now or in the future. After benefits shall have been paid to or with respect to a Participant and such payment purports to cover in full the benefit hereunder, such former Participant or other person or persons, as the case may be, shall have no further right or interest in the other assets of the Company and its Affiliates in connection with this Plan.

SECTION 8

FORFEITURE OF BENEFITS

All unpaid benefits under this Plan accrued under Section 4.6 shall be permanently forfeited if the Committee determines that the Participant, either before or after the Participant's Termination of Employment or Disability, or before the Participant's death:

(a) engaged in criminal or fraudulent conduct resulting in a hardship to the Company or an Affiliate; or

(b) breached the Participant's written employment agreement with the Company or an Affiliate.

In addition to the foregoing, all benefits accrued or paid under this Plan are subject to the Company's clawback and recoupment policy as the same may be amended from time to time.

SECTION 9

ADMINISTRATION

9.1. **Authority**. The Plan shall be administered by the Committee, which shall have full discretionary power and authority to administer and interpret the Plan and to determine all factual and legal questions under the Plan, including but not limited to the entitlement of Participants and Beneficiaries, and the amount of their respective interests. Except where necessary to comply with applicable corporate or securities law, or applicable rules of the New York Stock Exchange (e.g., with respect to executive officers), the Committee may delegate or redelegate to one or more persons, jointly or severally, and whether or not such persons are members of the committee or employees of the Company, such functions assigned to the Committee hereunder as it may from time to time deem advisable. Until withdrawn or redelegated by the Committee, all of the Committee's delegable power and authority under this Section 9.1 shall be deemed delegated to the Company's Vice President in charge of executive compensation, excluding only the power and authority to act in such a way as would materially increase the cost of the Plan.

9.2. **Liability**. No member of the Committee and no director or member of the management of the Company or its Affiliates shall be liable to any persons for any actions taken under the Plan, or for any failure to effect any of the objective or purposes of the Plan, by reason of insolvency or otherwise.

9.3. **Procedures**. The Committee may from time to time adopt such rules and procedures as it deems appropriate to assist in the administration of the Plan.

9.4. **Claim for Benefits**. No employee or other person shall have any claim or right to payment of any amount hereunder until payment has been authorized and directed by the Committee.

9.5. **Claims Procedure**. Until modified by the Committee, the claims procedure set forth in this Section 9.5 shall be the claims procedure for the resolution of disputes and disposition of claims arising under the Plan.

9.5.1. **Original Claim**. Any employee, former employee, or Beneficiary of such employee or former employee may, if the employee, former employee or Beneficiary so desires, file with the Committee a written claim for benefits under the Plan. Within ninety (90) days after the filing of such a claim, the Committee shall notify the claimant in writing whether the claim is upheld or denied in whole or in part or shall furnish the claimant a written notice describing specific special circumstances requiring a specified amount of additional time (but not more than one hundred eighty (180) days from the date the claim was filed) to reach a decision on the claim. If the claim is denied in whole or in part, the Committee shall state in writing:

(a) the specific reasons for the denial,

(b) the specific references to the pertinent provisions of this Plan on which the denial is based,

(c) a description of any additional material or information necessary for the claimant to perfect the claim and an explanation of why such material or information is necessary, and

(d) an explanation of the claims review procedure set forth in this Section.

9.5.2. **Claims Review Procedure**. Within sixty (60) days after receipt of notice that the claim has been denied in whole or in part, the claimant may file with the Committee a written request for a review and may, in conjunction therewith, submit written issues and comments. Within sixty (60) days after the filing of such a request for review, the Committee shall notify the claimant in writing whether, upon review, the claim was upheld or denied in whole or in part or shall furnish the claimant a written notice describing specific special circumstances requiring a specified amount of additional time (but not more than one hundred twenty (120) days from the date the request for review was filed) to reach a decision on the request for review.

9.5.3. **General Rules**.

(a) No inquiry or question shall be deemed to be a claim or a request for a review of a denied claim unless made in accordance with the claims procedure. The Committee may require that any claim for benefits and any request for a review of a denied claim be filed on forms to be furnished by the Committee upon request.

(b) All decisions on original claims shall be made by the Committee and requests for a review of denied claims shall be made by the Committee.

(c) The Committee may, in its discretion, hold one or more hearings on a claim or a request for a review of a denied claim.

(d) Claimants may be represented by a lawyer or other representative at their own expense, but the Committee reserves the right to require the claimant to furnish written authorization. A claimant's representative shall be entitled to copies of all notices given to the claimant.

(e) The decision of the Committee on an original claim or on a request for a review of a denied claim shall be served on the claimant in writing. If a decision or notice is not received by a claimant within the time specified, the claim or request for a review of a denied claim shall be deemed to have been denied.

(f) Prior to filing a claim or a request for a review of a denied claim, the claimant or the claimant's representative shall have a reasonable opportunity to review a copy of this Plan Statement and all other pertinent documents in the possession of the Company and its Affiliates.

9.6. **Legal Fees**. If the Company does not pay the benefits required under the terms of the Plan for reasons other than the insolvency of the Company, the Company agrees to reimburse any Participant for all legal fees incurred in enforcing his or her claim to benefits under the Plan. Notwithstanding the foregoing, to the extent required to comply with the provisions of section 409A of the Code, no reimbursement of expenses incurred by the Participant during any taxable year shall be made after the last day of the following taxable year.

9.7. **Errors in Computations**. The Committee shall not be liable or responsible for any error in the computation of any benefit payable to or with respect to any Participant resulting from any misstatement of fact made by the Participant or by or on behalf of any Beneficiary to whom such benefit shall be payable, directly or indirectly, to the Committee, and used by the Committee in determining the benefit. The Committee shall not be obligated or required to increase the benefit payable to or with respect to such Participant which, on discovery of the misstatement, is found to be understated as a result of such misstatement of the Participant. However, the benefit of any Participant which is overstated by reason of any such misstatement or any other reason shall be reduced to the amount appropriate in view of the truth (and to recover any prior overpayment).

SECTION 10

MISCELLANEOUS

10.1. **Not an Employment Contract**. This Plan is not and shall not be deemed to constitute a contract of employment between the Company and any employee or other person, nor shall anything herein contained be deemed to give any employee or other person any right to be retained in the Company's employ or in any way limit or restrict the Company's right or power to discharge any employee or other person at any time and to treat him without regard to the effect which such treatment might have upon the employee as a Participant in the Plan.

10.2. **Nontransferability**. A Participant's rights and interest under the Plan, including amounts payable, may not be assigned, alienated, pledged or transferred except, in the event of a Participant's death to his Beneficiary. No benefit payable under this Plan shall be subject to attachment, garnishment, execution following judgment or other legal process before actual payment to the Participant or Beneficiary.

10.3. **Tax Withholding**. The Company shall withhold the amount of any federal, state or local income tax or other tax required to be withheld by the Company under applicable law with respect to any amount payable under the Plan. Any cash payable in lieu of fractional shares shall be applied to the payment of tax withholding. The Participant shall not be liable for any tax withholding.

10.4. **Expenses**. All expenses of administering the Plan shall be borne by the Company.

10.5. **Governing Law**. Except to the extent that federal law is controlling, the Plan shall be construed and enforced in accordance with and governed by the laws of the State of Minnesota.

10.6. **Amendment and Termination**. The Company reserves the power to unilaterally amend this Plan at any time, either prospectively or retroactively or both by action of the Committee. The Committee may likewise terminate or curtail the benefits of this Plan both with regard to persons expecting to receive benefits in the future and persons already receiving benefits at the time of such action; provided, however, that the Committee may not amend or terminate the Plan with respect to benefits that have accrued and are vested pursuant to Section 4 in any manner that reduces the amount of such benefits or alters the effect of any participant election previously filed with the Company. No modification of the terms of this Plan shall be effective unless it is in writing and signed on behalf of the Company by a person authorized to execute such writing. No oral representation concerning the interpretation or effect of this Plan shall be effective to amend the Plan. To the extent permissible under section 409A of the Code and related Treasury regulations and guidance, including but not limited to such guidance and regulations as may be issued after the effective date of this Plan, if there is a termination of the Plan, the Company shall have the right, in its sole discretion, and notwithstanding any elections made by the Participant, to pay all benefits in a lump sum following such termination as soon as

practicable subject to the limitations prescribed under section 409A of the Code and the regulations thereunder.

10.7. **Rules of Interpretation**. The titles given to the various sections of this Plan are inserted for convenience of reference only and are not part of this Plan, and they shall not be considered in determining the purpose, meaning or intent of any provision hereof. This Plan shall be construed and this Plan shall be administered to create an unfunded plan providing deferred compensation to a select group of management or highly compensated employees so that it is exempt from the requirements of Parts 2, 3 and 4 of Title I of ERISA and qualifies for a form of simplified, alternative compliance with the reporting and disclosure requirements of Part 1 of Title I of ERISA.

Exhibit 31-A

Certification of Chief Executive Officer
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Tod E. Carpenter, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Donaldson Company, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: December 6, 2019

/s/ Tod E. Carpenter

Tod E. Carpenter
Chairman, President and Chief Executive Officer

Exhibit 31-B

Certification of Chief Financial Officer
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Scott J. Robinson, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Donaldson Company, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: December 6, 2019

/s/ Scott J. Robinson

Scott J. Robinson
Senior Vice President and Chief Financial Officer

Exhibit 32

Pursuant to 18 U.S.C. Section 1350, as created by Section 906 of the Sarbanes-Oxley Act of 2002, the following certifications are being made to accompany the Form 10-Q for the quarter ended October 31, 2019, for Donaldson Company, Inc.:

CERTIFICATION OF CHIEF EXECUTIVE OFFICER

I, Tod E. Carpenter, Chief Executive Officer of Donaldson Company, Inc., certify that:

1. The Form 10-Q of Donaldson Company, Inc. for the quarter ended October 31, 2019 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Donaldson Company, Inc.

Date: December 6, 2019

/s/ Tod E. Carpenter

Tod E. Carpenter
Chairman, President and Chief Executive Officer

CERTIFICATION OF CHIEF FINANCIAL OFFICER

I, Scott J. Robinson, Chief Financial Officer of Donaldson Company, Inc., certify that:

1. The Form 10-Q of Donaldson Company, Inc. for the quarter ended October 31, 2019 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Donaldson Company, Inc.

Date: December 6, 2019

/s/ Scott J. Robinson

Scott J. Robinson
Senior Vice President and Chief Financial Officer