



DONALDSON COMPANY

# INVESTOR PRESENTATION

MARCH 2026



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FILTRATION SOLUTIONS

## Forward-Looking Statement Safe Harbor

Statements in this presentation regarding future events and expectations, such as forecasts, plans, trends, and projections relating to the Company's business and financial performance, are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 and are identified by words or phrases such as "will likely result," "are expected to," "will continue," "will allow," "estimate," "project," "believe," "expect," "anticipate," "forecast," "plan" and similar expressions. These forward-looking statements speak only as of the date such statements are made and are subject to risks and uncertainties that could affect the Company's performance and could cause the Company's actual results for future periods to differ materially from any opinions or statements expressed. These factors include, but are not limited to, challenges in global operations; impacts of global economic, industrial and political conditions on product demand; impacts from unexpected events; effects of unavailable raw materials, significant demand fluctuations or material cost changes; inability to attract and retain qualified personnel; inability to meet customer demand; inability to maintain competitive advantages; threats from disruptive technologies; effects of highly competitive markets with pricing pressure; exposure to customer concentration in certain cyclical industries; inability to manage productivity improvements; inability to achieve commitments related to sustainability; results of execution of any acquisition, divestiture and other strategic transactions; vulnerabilities associated with information technology systems and security; inability to protect and enforce intellectual property rights; costs associated with governmental laws and regulations; impacts of foreign currency fluctuations; and effects of changes in capital and credit markets; and ability to close and recognize the expected benefits of the Facet acquisition. These and other factors are described in Part I, Item 1A, "Risk Factors" of the Company's Annual Report on Form 10-K for the fiscal year ended July 31, 2025. 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. The results presented herein are preliminary, unaudited and subject to revision until the Company files its results with the United States Securities and Exchange Commission on Form 10-Q.

### **Non-GAAP Financial Measures**

This presentation contains non-GAAP financial measures, such as adjusted diluted EPS, adjusted gross margin, adjusted operating expense, adjusted EBITDA, adjusted operating income, adjusted operating margin, and free cash flow, which exclude the impact of certain matters not related to ongoing operations. See the Reconciliation of Non-GAAP Financial Measures schedules in the appendix for additional information.



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## Key Investment Points

1

**Leader in filtration** with long history of solving the most difficult filtration problems and forming mission critical partnerships across global customer base

2

**Best-in-class technology** and strategic organizational redesign strengthens ability to drive long-term profitable growth

3

**Enablers of a greener modern economy** by helping customers achieve their sustainability goals through advanced filtration

4

**Clear strategic and balanced growth strategy** focused on expanding leadership position in legacy markets and further penetrating new markets

5

**Progress towards Life Sciences market leadership** and exposure to mega trends provides significant addressable market and long-term profitable growth potential



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# Donaldson Company Overview (NYSE: DCI)

## Key Statistics

**1915**  
Year Founded

**~14,000**  
Employees

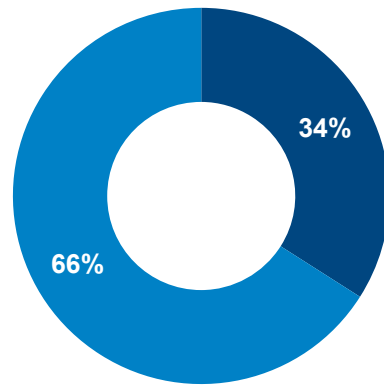
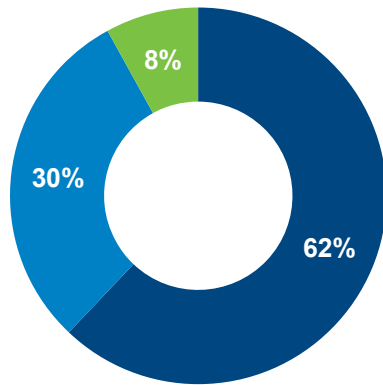
**~150**  
Locations

**3,000+**  
Active Patents

**~\$10.2B**  
Market Cap<sup>1</sup>

**~12%**  
Long-term  
Dividend CAGR

## Diversified Revenue Base (FY25 Sales)

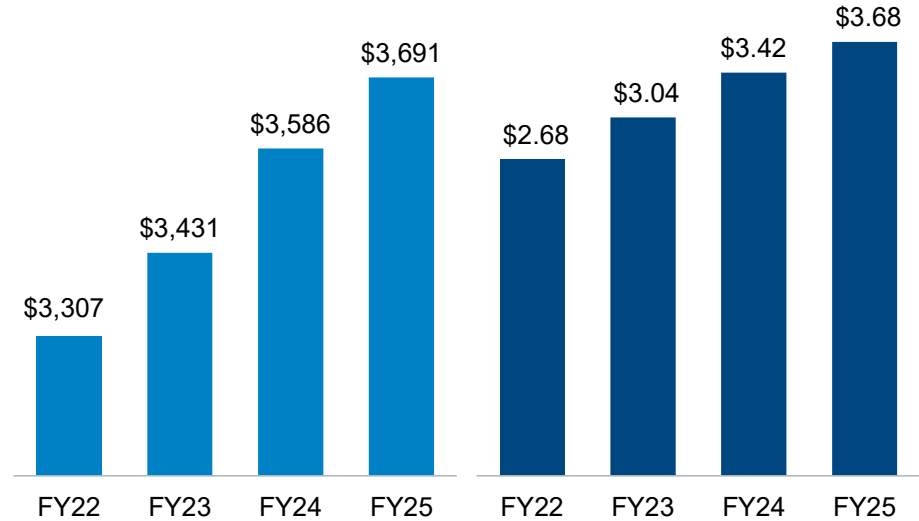


- Mobile Solutions
- Industrial Solutions
- Life Sciences

- First-Fit, New Products
- Replacement

## Generating Meaningful Results

### Revenue



### Adjusted EPS<sup>(2)</sup>

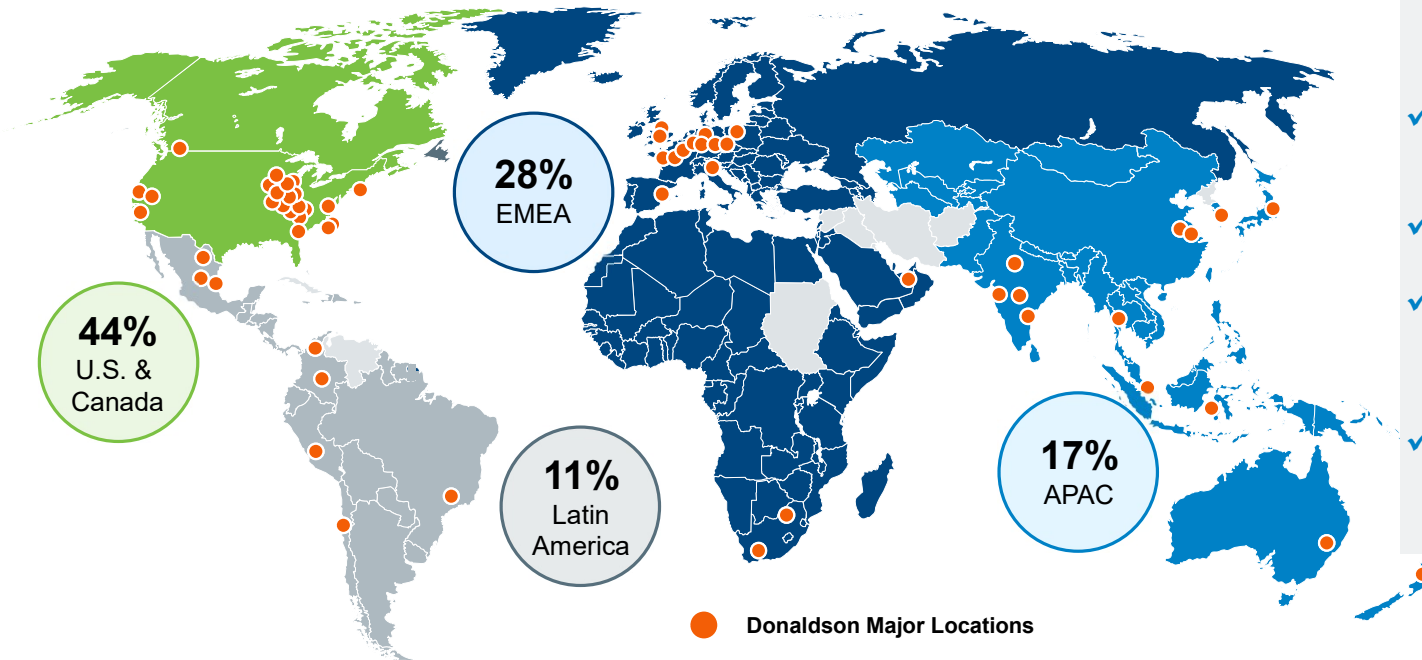
<sup>1</sup> As of December 31, 2025

<sup>2</sup> Adjusted EPS for fiscal 2025, 2024, 2023, and 2022 exclude pre-tax restructuring and other net charges of \$23.1 million, \$6.4 million, \$21.8 million, and \$3.4 million, respectively. Adjusted EPS for fiscal 2025 also excludes pre-tax impairment of intangibles charge of \$62 million.



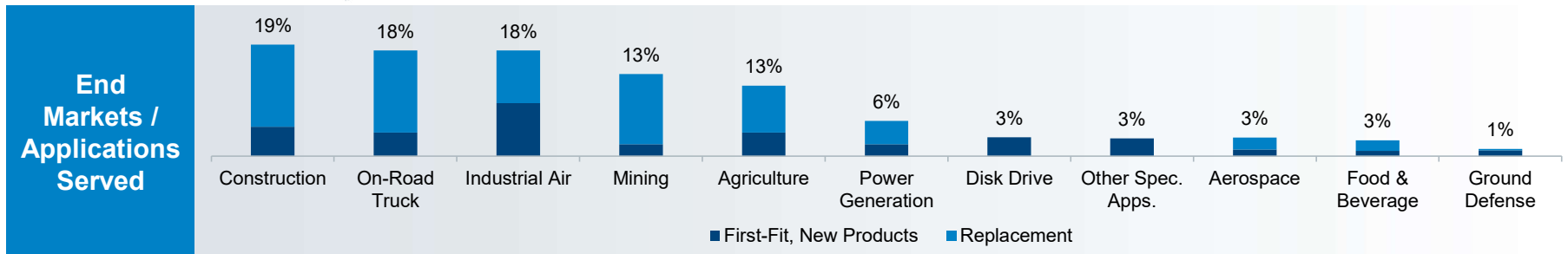
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# Diverse Product Offering Across Industries on a Global Scale



## Global Sales Reach with Local Touch

- ✓ Physical sales presence in +80% of countries in which business is conducted
- ✓ 75% of volume produced within region
- ✓ Ability to optimize manufacturing locations for efficiency and cost-effectiveness based on operational needs and market dynamics
- ✓ Global engineering and lab investments heavily align to regional revenue split

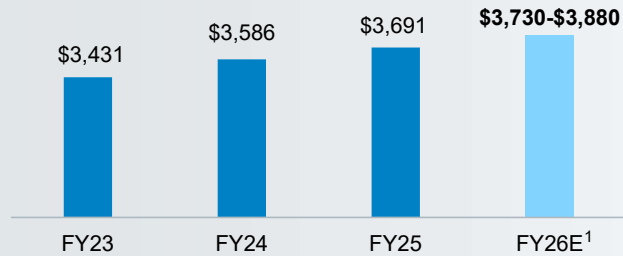


Percentage of FY25 revenue by geography



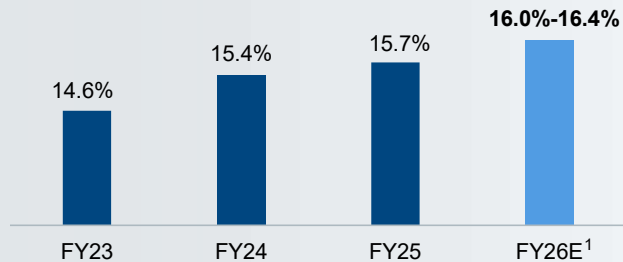
# Historical Financials Highlight Consistent EPS Growth

## Sales (\$M)



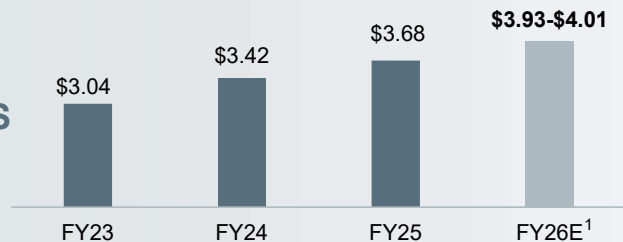
- FY23-FY25 **CAGR of ~4%** driven by strategic initiatives (e.g., innovative products, replacement parts, process filtration)
- Expect **FY26** YoY sales growth of **+1% to +5%** following record FY25 sales

## Adjusted Operating Margin (%)



- **YoY improvement expected in FY26** driven by sustained gross margin and improved operating expense leverage
- Strong and disciplined track record of proactive expense management and flexing production to meet demand

## Adjusted EPS



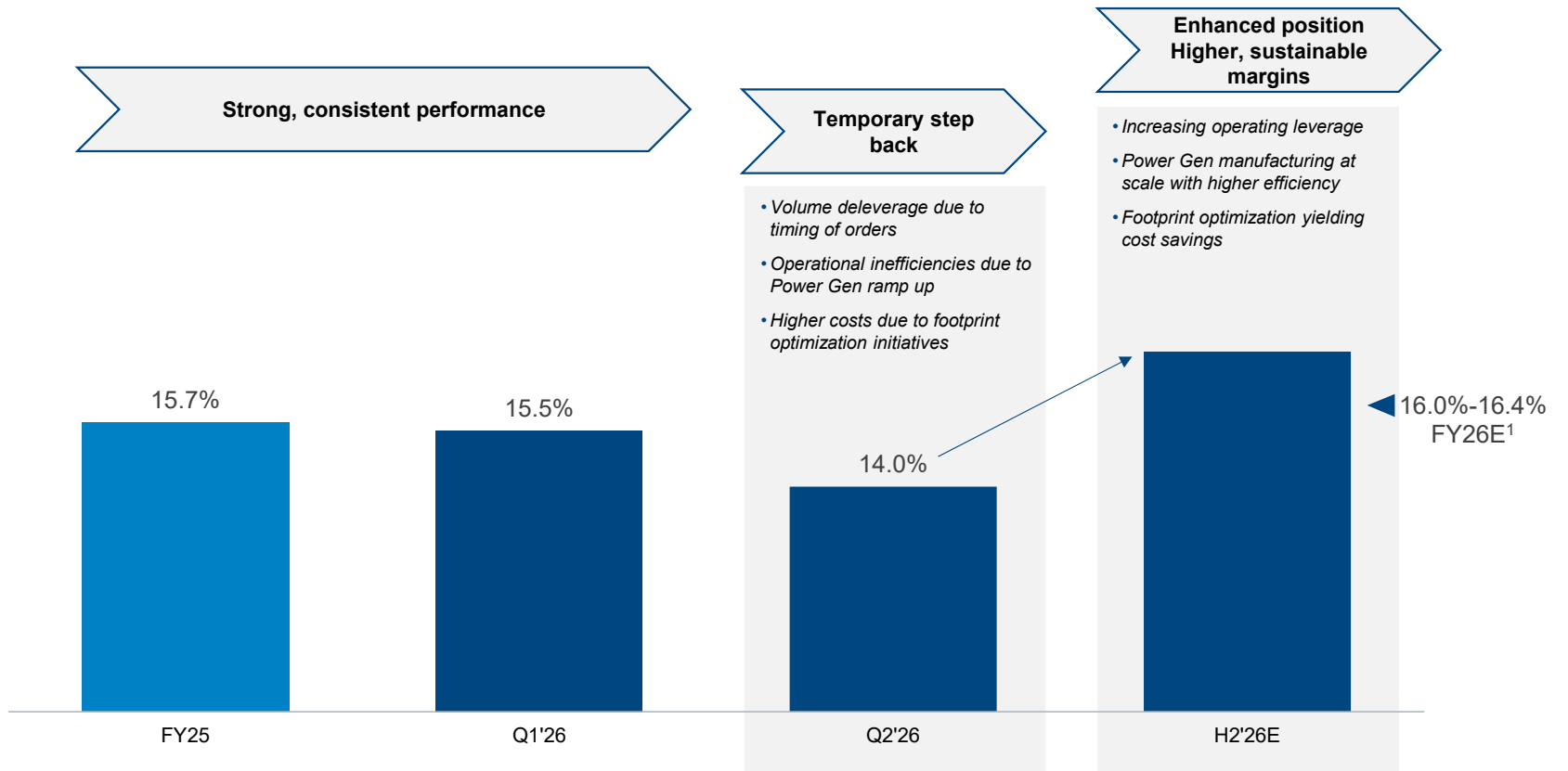
- FY23-FY25 adjusted **EPS CAGR of ~10%** exemplifies long track record of consistent growth
- Expect **continued improvement in FY26** with YoY growth of **~8%**, following an 8% YoY increase in FY25
- **Returned \$465M to shareholders** in form of dividends and share repurchases in FY25

<sup>1</sup> FY26E based on guidance provided on February 26, 2026.



# Optimization and Expansion Actions Position for Higher Margins Exiting FY26

## Adjusted Operating Margin



<sup>1</sup> FY26E based on guidance provided on February 26, 2026.



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# Filtration Leader with Durable Competitive Advantages

## Long History of Filtration Technology Leadership



- Over 100 years of filtration innovation
- Invented the first engine air filter
- Expanding filtration and separation market opportunities in Life Sciences

## Deep Customer Relationships



- Solve mission critical needs with differentiated solutions
- Protect and build brands with equipment-enhancing offerings
- Connected services solutions monitor equipment to avoid costs associated with unplanned downtime
- Strong e-commerce channel with improved data integration and product navigation

## Industry Leader in Advanced Filtration & Operational Excellence



- Advanced filtration solutions enhance efficiency and optimize resource use
- Products enable adoption of alternative power solutions

## Diversified Business with Global Scale



- Investments in every major region to support production and distribution of innovative and high-growth products
- Broad geographic reach and presence to serve global customer base

## High Aftermarket Retention



- Business model embeds Donaldson throughout the entire customer product lifecycle
- Full-suite of proprietary products to accommodate customer needs
- Strong OEM relationships driven by deep technical expertise and product compatibility

## Best-in-class Operations



- Perpetual productivity improvements including automation
- Lean manufacturing
- Continuous culture of enhancing profitability: supply chain refinement, footprint optimization, strategic sourcing



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# Better Positioned to Address a Portfolio of Opportunities Across All Segments

## MOBILE SOLUTIONS



- Growing customer need for higher performance solutions
- Utilizing technology to improve efficiencies and fuel economies in all end markets
- Increased activity in construction, agriculture, and mining markets driven by expansion in living standards

## INDUSTRIAL SOLUTIONS



- Complementing automation trends through expanded connectivity applications
- Industrial Solutions equipment designed to enhance efficiency, reduce operating costs, and lower carbon footprints
- Growing operational efficiency needs to reduce costs associated with maintenance and downtime

## LIFE SCIENCES



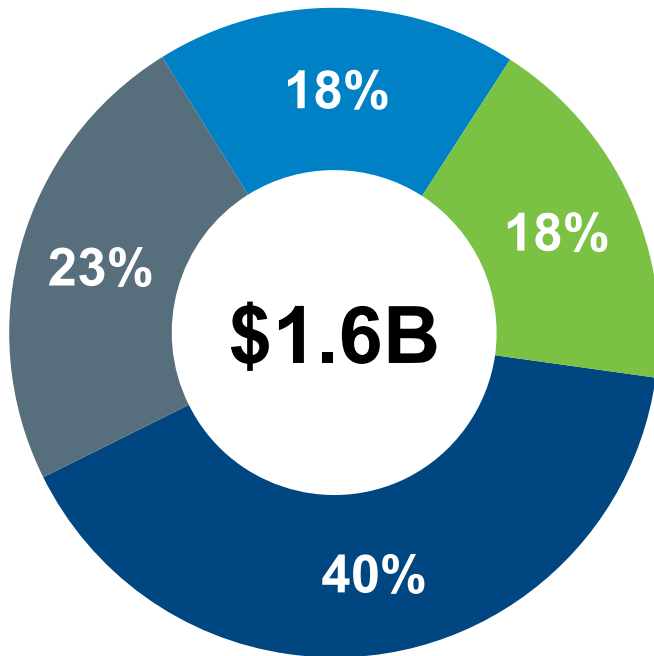
- Increasing need of cell and gene therapy as well as membrane applications for disease treatment and cures
- Demand for higher quality food and beverage drives filtration that optimizes resources, purity, and yield
- Continued cloud demand and growing automation trends play well to microelectronics and disk drive offering



# A Balanced Capital Allocation Framework

## Use of Cash Over Last 3-Years

**Organic Investment**  
2/3 Growth | 1/3 Maintenance



■ Share Repurchases ■ Dividends ■ Organic Investment ■ M&A

## Future Priorities

### Organic Investment

- Strategic footprint expansion focused on underserved markets and strengthening global presence
- Capex expected to be ~2% of sales going forward
- Maintenance capex focused on manufacturing facilities modernization to improve operational efficiencies

### M&A

- Announced agreement to acquire Facet, a leading fluid and filtration company, for ~\$820M
- Focus on additional opportunities that meet our strategic and financial criteria

### Dividends

- Committed to continuing long history of dividend growth

### Share Repurchases

- Target share repurchase to fully offset annual dilution, currently prioritizing debt repayment



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# Announced Acquisition of Facet



**Facet**  
Filtration Group®

High-performance fuel and fluid filtration for mission-critical applications

**\$108M**

Sales<sup>1</sup>

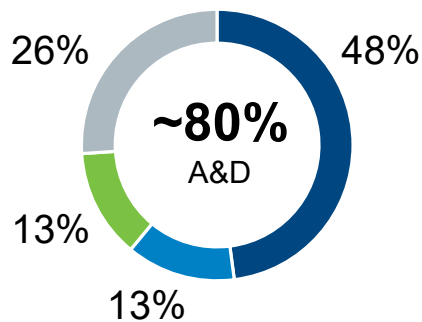
**38%**

EBITDA Margin<sup>1</sup>

**~70%**

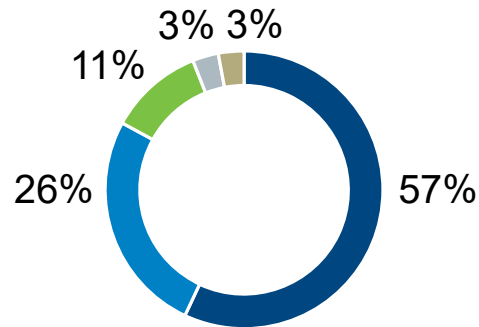
Consumables Sales

## Sales by End Market<sup>1</sup>



- Commercial Aviation
- Military Aviation
- Military Marine & Land
- Other

## Sales by Geography<sup>1</sup>



- North America
- Europe
- Asia
- South America
- Rest of World

## Highlights



Designs and manufactures filter elements, housings, and integrated systems



Trusted in applications where safety, compliance, and uptime are critical



236 employees in 7 countries



Manufacturing sites in Oklahoma and Spain



\$8B total addressable market across aerospace & defense, power generation, data centers, and other industrials



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Q&A