DONALDSON COMPANY

FIRST QUARTER FISCAL YEAR 2024

NOVEMBER 2023

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, including natural disasters; effects of unavailable raw materials or material cost inflation; 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 to ESG; 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. 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, 2023. 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 free cash flow, EBITDA, adjusted EBITDA, adjusted operating expense, adjusted operating income, adjusted operating margin, adjusted net earnings, adjusted diluted EPS, net debt and net debt to adjusted EBITDA, 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.

First Quarter Fiscal Year 2024 Update and Overview

Key Updates

Strong Operational Performance Drives Solid Start to Fiscal Year

- ✓ Delivered **nearly decade-high gross margin**
- ✓ Robust **growth in Industrial Solutions**
- ✓ **Executing on strategic priorities** and operational efficiencies
- ✓ **Returned $84M to shareholders** in dividends and share repurchases

First Quarter Financials

Sales and Adjusted EPS[1,2] flat YoY

- ✓ **Sales of $846M** flat year over year; down 1.6% on a constant currency basis
  - Pricing benefit of ~3%
- ✓ **EPS of $0.75,** flat compared with 2023
  - Gross margin increase of 170 bps
  - Adjusted operating margin[2] decrease of 30 bps
- ✓ **Above-average free cash flow conversion[3]** of 125%

FY 2024 Guidance

Reaffirming Record Fiscal 2024 Guidance

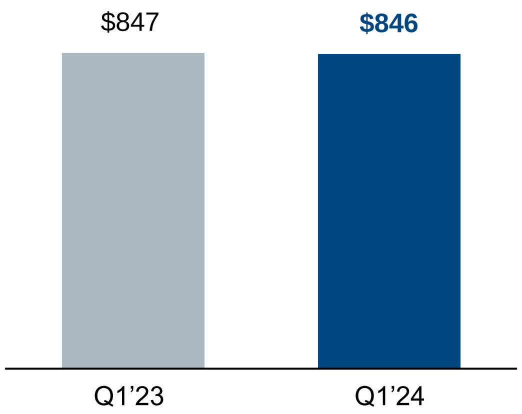
- ✓ **Sales** growth of **3% to 7% growth**
- ✓ **EPS** guidance within a range of **$3.14 to $3.30**
- ✓ **Operating margin** between **14.7% and 15.3%,** driven by gross margin expansion

[1] All EPS figures refer to diluted EPS.
[2] Q1'23 adjusted figures exclude $7.6 million of restructuring and other charges largely related to the Company's organization redesign. See the reconciliation of Non-GAAP Financial measures appendix for additional information.
3 Free cash flow = cash from operations minus capital expenditures; Adjusted free cash flow conversion = free cash flow / adjusted net earnings.

First Quarter FY24 Overview & Highlights

Sales ($M)

Down 1.6% YoY Constant Currency Basis

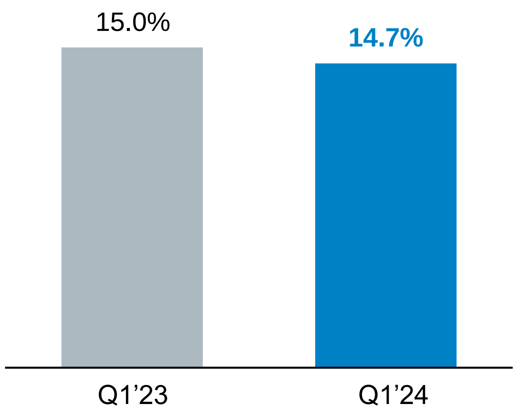


Highlights

- ~3% YoY contribution from price
- Segment Performance YoY:
  - Industrial Solutions +7%
  - Mobile Solutions -3%
  - Life Sciences -4%

Adjusted Operating Margin[1]

Down 30 bps YoY

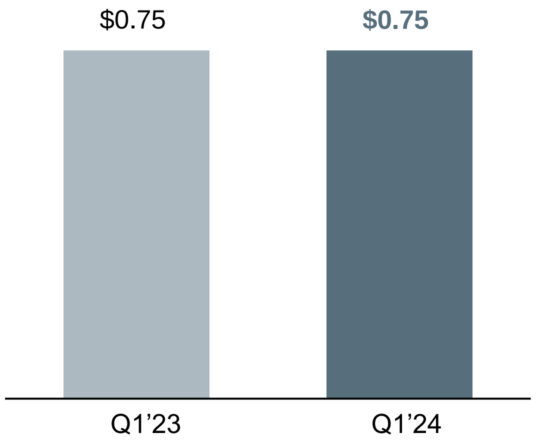


Highlights

- Gross margin increased 170 bps versus prior year driven largely by pricing benefits, followed by benefits from deflation of freight and select material costs, and mix
- Adjusted operating expenses as a percent of sales[1] up 190 bps YoY from hiring and Life Sciences' acquisition-related expenses

Adjusted Diluted EPS[1]

Flat YoY



Highlights

- Adjusted operating income[1] declined 2% YoY

[1] Q1'23 adjusted figures exclude $7.6 million of restructuring and other charges largely related to the Company's organization redesign. See the reconciliation of Non-GAAP Financial measures appendix for additional information.

Mobile Solutions Segment First Quarter FY24 Results

	Q1'24	Q1'23	YoY
Sales	**$540**	$555	-3%
EBT	**$92**	$80	+15%
% of sales	**17.1%**	14.5%	+260 bps

First Quarter Overview

Sales

- Total Sales YoY: -3% reported; -4% constant currency basis
  - Performance continued to be mixed
  - OEM customer destocking continued in response to normal global supply chain conditions
- Performance by region YoY:
  - US/CA -2%
  - EMEA -2%
  - APAC -2%
  - LATAM -7%
- China Sales YoY:
  - -14% reported and -11% constant currency basis
- Performance by end-market YoY:
  - Off-Road -9%
  - On-Road +5%
  - Aftermarket -2%

Margins and Key Updates

- Segment EBT margin +260 bps YoY driven by gross margin expansion resulting from pricing, freight and commodity deflation, and mix

EBT = earnings before income taxes

Industrial Solutions Segment First Quarter FY24 Results

	Q1’24	Q1’23	YoY
Sales	**$246**	$230	+7%
EBT	**$43**	$38	+15%
% of sales	**17.6%**	16.4%	+120 bps

First Quarter Overview

Sales

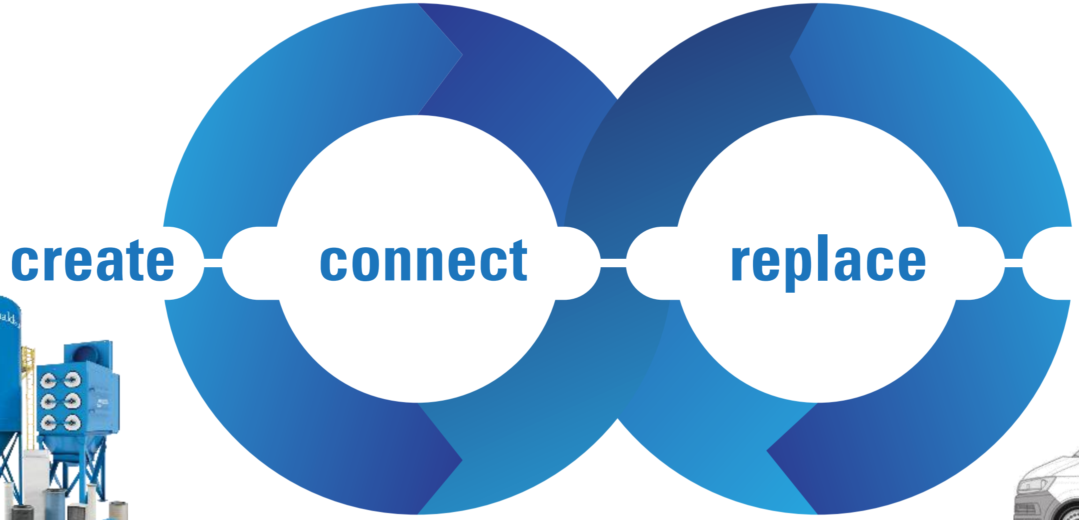
- Total Sales YoY: +7% reported; +6% constant currency basis
  - Sales growth driven by strong global demand and market share gains
- Performance by region YoY:
  - US/CA +9%
  - EMEA +12%
  - APAC -12%
  - LATAM +13%
- Performance by end-market YoY:
  - Industrial Filtration Solutions (IFS) +7%
  - Aerospace & Defense +6%

Margins and Key Updates

- Segment EBT margin +120 bps YoY resulting from leverage on higher sales

EBT = earnings before income taxes

Delivering Growth in Industrial Solutions



- High-quality First-Fit engineered solutions
- Continuing to innovate
- Shipping with connected features

- YoY aftermarket sales growth from connected customers outpacing growth from non-connected customers
- Completing portfolio prototypes; releasing NextGen gateways and controllers

- EMEA One-Stop Shop
- Americas running pilots
- APAC structure in process
- Shared customer integration

- EMEA Service organization redesign
- One-Stop-Shop approach
- Integrating PAIS acquisition
- Adding infrastructure in NA

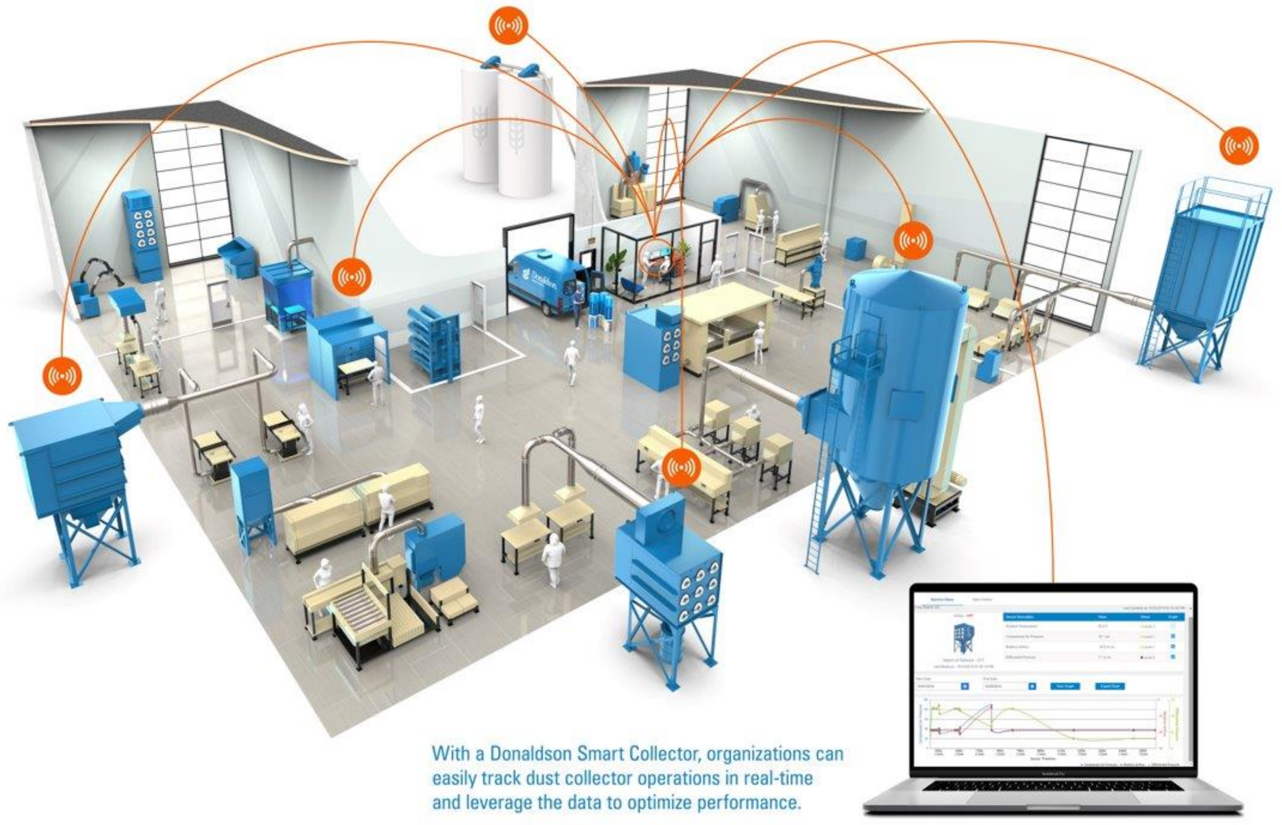
Recent Customer Wins

Continuing to penetrate key end markets and drive geographic expansion:

- Power generation
  - Large turbine projects in Asia, Middle East
- Aerospace & Defense
  - Cabin air filtration
  - Major OEM win
- Expanding relationships with existing customers
  - Connecting global facilities

Executing Growth Strategy and Winning Through Reliability, Quality, and Customer Support

Expanding Connected Solutions



Connected Model

- Strong YoY growth in new connections
- Supporting expansion with new customers in the Aftermarket
- Generating additional growth within our Service offerings
- Launched in India, Thailand and China in FY23
- Developing new solutions for hydraulics and industrial gases

High-growth Offering Providing Increased Efficiency and Performance for Customers

Life Sciences Segment First Quarter FY24 Results

	Q1'24	Q1'23	YoY
Sales	**$60**	$63	-4%
EBT	**-$4**	$11	NM
% of sales	**-7.0%**	17.2%	NM

First Quarter Overview

Sales

- Total Sales YoY: -4% reported; -7% constant currency basis
  - Lower sales driven by ongoing softness in Disk Drive market demand
- Performance by region YoY:
  - US/CA -8%
  - EMEA +13%
  - APAC -17%
  - LATAM +22%

Margins and Key Updates

- Segment EBT YoY margin contraction due to incremental investments in acquisitions and lower Disk Drive volumes
- Q1'24 EBT margin up sequentially versus -12.4% in Q4'23

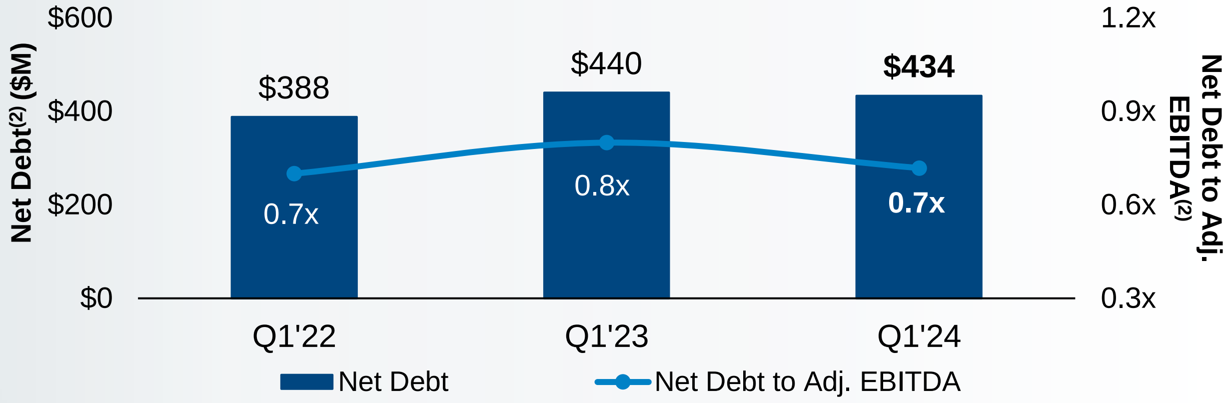
EBT = earnings before income taxes
NM = not meaningful

Balance Sheet and Cash Flow Overview

Highlights

- Free cash flow conversion of 125% in Q1’24
  - Above average conversion driven by operating performance and focused working capital management
- Returned $84 million to shareholders
  - $30 million in dividends
  - $54 million in share repurchases
- Strong balance sheet supports future growth and strategic investments

Net Debt and Financial Leverage



Consolidated Results ($M)

	Q1’24	Q1’23
Cash from Operations	$138	$118
Capital Expenditures	($23)	($28)
Free Cash Flow[2]	$115	$90
Dividends	($30)	($28)
Share Buybacks	($54)	($46)

[1] Q1’23 adjusted figures exclude $7.6 million of restructuring and other charges largely related to the Company’s organization redesign. See the reconciliation of Non-GAAP Financial measures appendix for additional information.
[2] Free cash flow = cash from operations minus capital expenditures; Free cash flow conversion = free cash flow / adjusted net earnings.

Fiscal 2024 Financial Outlook

Total Company Sales Growth

+3% to 7%

Total Company Gross Margin

YoY expansion

Total Company Operating Margin

14.7% to 15.3%

Diluted EPS

$3.14 to $3.30

Capital Expenditures

$95M to $115M

FCF Conversion

95% to 105%

Segment Outlook

Mobile Solutions

Total Sales	**+1% to 5%**
Off-Road	**- Mid-single digits**
On-Road	**Flat**
Aftermarket	**+ Mid-single digits**

Industrial Solutions

Total Sales	**+3% to 7%**
Industrial Filtration Services	**+ Mid-single digits**
Aerospace & Defense	**+ Mid-single digits**

Life Sciences

Total Sales	**Approximately +20%**

Other Assumptions

- Tax rate of 24% to 26%
- Pricing benefit of approximately 2%
- Currency translation tailwind of roughly 1%
- FY24 interest expense approximately $23M
- Other income between $7M to $11M

Invest with Donaldson

1 Investing in **leading technologies** to accelerate growth across **several opportunities** including **sustainability trends**

2 Strengthening position across industries with **favorable megatrends** that provide **long-term growth tailwinds**

3 Increasing level of investment directed toward **higher-margin opportunities** to drive profitable growth and **shareholder value**

4 Committing to achieving **higher levels of profitability** on **higher sales** by executing on growth initiatives

5 Well positioned to **achieve or exceed** long-term financial targets

Appendix

Reconciliation of Non-GAAP Financial Measures

($ in millions, except per share amounts)
(Unaudited)

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES
(In millions)
(Unaudited)

	Three Months Ended October 31, 2023	Three Months Ended October 31, 2022
Net cash provided by operating activities	$ 138.0	$ 118.2
Net capital expenditures	(23.2)	(28.1)
Free cash flow	$ 114.8	$ 90.1
Net earnings	$ 92.1	$ 87.2
Income taxes	30.8	29.4
Interest expense	5.5	4.5
Depreciation and amortization	24.3	22.4
EBITDA	$ 152.7	$ 143.5
Adjusted net earnings	$ 92.1	$ 92.9
Adjusted income taxes	30.8	31.3
Interest expense	5.5	4.5
Depreciation and amortization	24.3	22.4
Adjusted EBITDA	$ 152.7	$ 151.1
Operating expense	$ 176.3	$ 167.9
Restructuring and other charges	—	(7.6)
Adjusted operating expense	$ 176.3	$ 160.3
Operating income	$ 124.6	$ 119.3
Restructuring and other charges	—	7.6
Adjusted operating income	$ 124.6	$ 126.9
Net earnings	$ 92.1	$ 87.2
Restructuring and other charges, net of tax	—	5.7
Adjusted net earnings	$ 92.1	$ 92.9
Diluted EPS	$ 0.75	$ 0.70
Restructuring and other charges per share	—	0.05
Adjusted diluted EPS	$ 0.75	$ 0.75

Reconciliation of Non-GAAP Financial Measures

($ in millions, except per share amounts)
(Unaudited)

	Three Months Ended October 31, 2023	Three Months Ended October 31, 2022
Diluted EPS	$ 0.75	$ 0.70
Restructuring and other charges per share	—	0.05
Adjusted diluted EPS	$ 0.75	$ 0.75

	October 31, 2023	October 31, 2022	October 31, 2021
Total debt	$ 651.4	$ 600.9	$ 589.3
Less: Cash and cash equivalents	(217.8)	(161.0)	(200.8)
Net debt	$ 433.6	$ 439.9	$ 388.5

	Twelve months ended October 31, 2023	Twelve months ended October 31, 2022	Twelve months ended October 31, 2021
Adjusted EBITDA	$ 603.4	$ 570.5	$ 526.3
Net debt to adjusted EBITDA	0.7x	0.8x	0.7x