

SASB REPORT

INDUSTRY: INDUSTRIAL MACHINERY AND GOODS

The Sustainability Accounting Standards Board (SASB) is an independent, standards-setting organization that promotes the disclosure of material sustainability information. Donaldson reports against the Industrial Machinery and Goods standards defined by SASB's Sustainable Industry Classification System (SICS). The information in the report is based on data for fiscal year 2022.

Topic	Metric	Units	Code	Response
Energy Management	Total Energy Consumed	Gigajoules (GJ)	RT-IG-130a.1	1,206,346 GJ
	Percentage grid electricity	Percentage (%)	RT-IG-130a.1	57%
	Percent renewable	Percentage (%)	RT-IG-130a.1	5%
Employee Health & Safety	Total Recordable Incident Rate (TRIR)	Rate	RT-IG-320a.1	TRIR = 1.45 ¹
	Fatality Rate	Rate	RT-IG-320a.1	Fatality Rate = 0 ¹
	Near Miss Frequency Rate (NMFR)	Rate	RT-IG-320a.1	Donaldson incorporates near-miss as a leading indicator within our sites locally and emphasizes the importance of reviewing all work-related health and safety incidents, including near misses.
Fuel Economy & Emissions In Use-Phase	Sales-weighted fleet fuel efficiency for medium- and heavy-duty vehicles	Gallons per 1,000 ton-miles	RT-IG-410a.1	Not applicable to Donaldson
	Sales-weighted fuel efficiency for non-road equipment	Gallons per hour	RT-IG-410a.2	Not applicable to Donaldson
	Sales-weighted fuel efficiency for stationary generators	Watts per gallon	RT-IG-410a.3	Not applicable to Donaldson
	Sales-weighted emissions of: (1) nitrogen oxides (NOx), and (2) particulate matter (PM) for: (a) marine diesel engines, (b) locomotive diesel engines, (c) on-road medium- and heavy-duty engines, and (d) other non-road diesel engines.	Grams per kilowatt-hour	RT-IG-410a.4	Not applicable to Donaldson
Remanufacturing Design & Services	Revenue from remanufactured products and remanufacturing services	Reporting currency	RT-IG-440b.1	Donaldson does not have revenue from the remanufacturing of its products.
Material Sourcing	Description of the management of risks associated with the use of critical materials	N/A	RT-IG-440a.1	

The principal raw materials Donaldson uses are steel, filter media and petrochemical-based products, including plastic, rubber and adhesive products. Purchased raw materials represent approximately 70% of our cost of sales. Donaldson faced multiple disruptions and near-miss line stops due to shortages (labor, material or logistics) throughout the COVID-19 pandemic. Based on the lessons learned, multiple steps were taken to strengthen the agility of the supply chain:

1. Shorter supply chains: Implemented multiple localization projects, especially in regions outside the U.S.
2. Dual source (Supplier, Tool, Facility): Introduced new suppliers as Plan B. Invested in redundant capacity/tools for critical applications.
3. Increased safety stock: Stock-piled critical components vulnerable to weather-related or macro-economic events (e.g., Texas freeze, gas shortage).
4. Strengthen relationships: Awarded strategic suppliers and eliminated non-performing ones.
5. Supply base sales and operations planning: Initiated regular forecast and capacity reviews with critical suppliers.

Activity Metric	Units	Code	Response
Number of units produced by product category	Number	RT-IG-000.A	Proprietary
Number of employees	Number	RT-IG-000.B	14,000 ² full-time employees

¹ Reflects employees and temporary employees.

² As of July 31, 2022.

ABOUT THIS REPORT

Donaldson's SASB Report was published on April 4, 2023, and reflects activities and initiatives in the fiscal year 2022 (August 1, 2021, through July 31, 2022). All quantitative company data, unless otherwise stated, reflects FY22. Unless noted, goals and other data in the report reflect our global operations as relevant. Additional information on Donaldson policies and governance can be found at www.donaldson.com and ir.donaldson.com.

TRADEMARKS

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