



Donaldson Company, Inc.

# Supplier Code of Conduct

Donaldson Company Inc. and its global affiliates and subsidiaries (collectively “Donaldson”) share common Core Values of Integrity, Respect and Commitment. In keeping with our Core Values, we are committed to applying high standards of ethics and business conduct in every country in which we operate and within every business relationship we have worldwide – this includes our business relationship with our suppliers (“Suppliers”).

Just as we expect our Employees to demonstrate our Core Values, we expect our Suppliers to conduct all business activities within the guidelines of Donaldson’s Supplier Code of Conduct at all times. These obligations are in addition to Supplier obligations contained in purchase orders or agreements with Donaldson. This Supplier Code of Conduct is in no way intended to conflict with or modify the terms and conditions of any existing contract. In the event of a conflict, Suppliers must first adhere to applicable laws and regulations, then the contract terms, followed by this Supplier Code of Conduct.

I. We expect our Suppliers to fully cooperate with our compliance requests and to develop their own due diligence processes to meet these obligations pursuant to the Ethics Program Expectations set forth in Section VII and reserve all rights, by way of example, to cease any business relationship due to non-compliance with this Supplier Code of Conduct or Donaldson’s Code of Conduct and to conduct any, in person or remote, investigation and/or audit to verify compliance with this Supplier Code of Conduct or Donaldson’s Code of Conduct.

II. Compliance with Laws:

We expect our Suppliers to maintain full compliance with all laws and regulations applicable to their business. When conducting international business, or if their primary place of business is outside the United States, Suppliers must comply with local laws and regulations. Suppliers performing as covered U.S. government contractors, as that term is defined under applicable law, must complete a subcontractor compliance certification pursuant to FAR 52.222-50 prior to the award of any supplier contract and annually, as applicable, thereafter.

III. Maintain Accurate Records:

We expect Suppliers to create accurate and verifiable records, and not alter any record entry to conceal or misrepresent the underlying transaction represented by it. All records, regardless of format, made or received as evidence of a business transaction must fully and accurately represent the transaction or event being documented. When a record is no longer needed to conduct current business, records should still be retained based on the applicable retention requirements. Suppliers performing as covered U.S. government contractors, as that term is defined under applicable law, must comply with the requirements in FAR 4.703. Suppliers that are performing or fulfilling a U.S. government role in their prescribed work must comply with the records requirements of the affected agency and any relevant National Archives and Records Administration (NARA) requirements that apply to that agency.

IV. Ethical Sourcing:

We expect Suppliers to treat all people with respect and dignity, encourage diversity, remain receptive to diverse opinions, promote equal opportunity for all, and foster an inclusive and ethical culture. These ethical sourcing items below provide a non-exhaustive list of those behaviors that we oppose and our expectations.

- a. Child Labor: We expect our Suppliers to ensure that illegal child labor is not used in the performance of their work. The term “child” refers to any person under the minimum legal age for employment under applicable law where the work is performed and, as applicable, the type of work being performed by the Supplier.
- b. Slavery, Human Trafficking, and Forced Labor: We believe that the employment relationship should be voluntary, and the terms of employment must comply with applicable laws and regulations. We are therefore opposed to slavery, human trafficking, and forced labor and are committed to complying with applicable laws prohibiting such exploitation. We expect our Suppliers to refrain from violating the rights of others, adhere to regulations prohibiting slavery, human trafficking and forced labor, and comply with all applicable local laws in the country or countries in which they operate.

- c. Conflict Minerals: Suppliers must adhere to federal laws and regulations requiring reporting companies to make specialized disclosure and conduct due diligence concerning their use of conflict minerals that may have originated in the Democratic Republic of the Congo (DRC) or an adjoining country. Under the Securities Exchange Act of 1934, reporting companies that manufacture or contract to manufacture products that contain conflict minerals, as defined therein, must conduct due diligence on the source and chain of custody of the applicable conflict minerals, and file an annual report with the SEC.

## V. Employment Practices

- a. Harassment: We expect Suppliers to ensure that their employees are afforded an employment environment that is free from physical, psychological, and verbal harassment, or other abusive conduct consistent with any and all applicable law.
- b. Non-discrimination: We expect Suppliers to provide equal employment opportunity to employees and applicants for employment, without regard to race, ethnicity, religion, color, sex, national origin, age, military veteran status, ancestry, sexual orientation, gender identity or expression, marital status, family structure, genetic information, or mental or physical disability, consistent with any and all applicable law.
- c. Substance Abuse: We expect Suppliers to maintain a workplace free from illegal use, possession, sale, or distribution of controlled substances consistent with any and all applicable law.

## VI. Anti-Corruption and Antitrust

- a. Anti-Corruption Laws: Suppliers must comply with the anti-corruption laws, directives and/or regulations that govern operations in the countries in which they do business, such as the U.S. Foreign Corrupt Practices Act and the U.K. Bribery Act. We require our Suppliers to refrain from offering or making any improper payments of money or anything of value to government officials, political parties, candidates for public office, or other persons. This includes a prohibition on facilitating payments intended to expedite or secure performance of a routine governmental action, even in locations where such activity may not violate local law. Personal safety payments are permitted where there is an imminent threat to health or safety. We expect our Suppliers to exert due diligence to prevent and detect corruption in all business arrangements, including partnerships, joint ventures, offset agreements, and the hiring of consultants.
- b. Illegal Payments: Suppliers must not offer any illegal payments to, or receive any illegal payments from, any customer, supplier, their agents, representatives or others. The receipt, payment, and/or promise of monies or anything of value, directly or indirectly, intended to exert undue influence or improper advantage is prohibited. This prohibition applies even in locations where such activity may not violate local law.
- c. Gifts/Business Courtesies: We expect our Suppliers to compete on the merits of their products and services. The exchange of business courtesies may not be used to gain an unfair competitive advantage. In any business relationship, our Suppliers must ensure that the offering or receipt of any gift or business courtesy is permitted by law and regulation, that these exchanges do not violate the rules and standards of the recipient's organization, are consistent with reasonable marketplace customs and practices, and will not adversely impact the reputation of Donaldson.
- d. Fair Competition: We expect Suppliers to compete honestly and fairly, comply with applicable antitrust and competition laws and never participate in anti-competitive practices. Suppliers must not fix prices or rig bids with their competitors. They must not exchange current, recent, or future pricing information with competitors. Our Suppliers must refrain from participating in a cartel.

## VII. Conflict of Interest:

We expect our Suppliers to avoid all conflicts of interest or situations giving the appearance of a potential conflict of interest in their dealings with Donaldson. We expect our Suppliers to provide notification to all affected parties in the event that an actual or potential conflict of interest arises. This includes a conflict between the interests of Donaldson and personal interests or those of close relatives, friends, or associates.

## VIII. Information Protection

- a. Confidential/Proprietary Information: We expect our Suppliers to properly handle sensitive information, including confidential, proprietary, and personal information. Information should not be used for any purpose (e.g., advertisement, publicity, and the like) other than the business purpose for which it was provided, unless there is prior authorization from the owner of the information.
- b. Intellectual Property: We expect our Suppliers to respect and comply with all laws governing intellectual property rights assertions, including protection against disclosure, patents, copyrights, and trademarks.
- c. Information Security: Suppliers must protect the confidential and proprietary information of others, including personal information, from unauthorized access, destruction, use, modification, and disclosure, through appropriate physical and electronic security procedures. Suppliers must comply with all applicable data privacy laws. Suppliers shall assure extension of this requirement to all sub-tier sources they employ.

## IX. Environment, Health, and Safety:

We expect our Suppliers to operate in a manner that actively manages risk, conserves natural resources, and protects the environment. We expect our Suppliers to apply environmental management system principles in order to establish a systematic approach to the management of risks/hazards and opportunities associated with the environment, including potential risk from regulatory non-compliance, reputational loss, and opportunities for business growth through operational and product stewardship. We expect our Suppliers to comply with all applicable environmental, health and safety laws, regulations, and directives including but not limited to REACH, RoHS, ISPM 15, anti-lead, Transportation HazMat/Dangerous Goods regulations, and their global equivalents. Suppliers should protect the health, safety, and welfare of their people, visitors, and others who may be affected by their activities.

## X. Global Trade Compliance

- a. Security: When applicable, Suppliers are encouraged to implement practices and procedures to ensure the security of their supply chains in accordance with the Customs-Trade Partnership Against Terrorism initiative of the United States Department of Homeland Security.
- b. Country of Origin: We require Suppliers to identify the country of origin of each article (product/component) on both the product itself and on every level of packaging and to provide proper documentation on every shipment to comply with all applicable laws and regulations.
- c. Import: We expect our Suppliers to ensure that their business practices are in accordance with all applicable laws, directives, and regulations governing the import of parts, components, and technical data.
- d. Export: We expect our Suppliers to ensure that their business practices are in accordance with all applicable laws, directives, and regulations governing the export of parts, components, and technical data.
- e. Anti-Boycott: Our Suppliers must not participate in, cooperate with, or further the cause of any unsanctioned foreign economic boycott, in accordance with the 1977 Export Administration Act and the 1976 Tax Reform Act.
- f. Export Controlled Regulations: For all products supplied to a Donaldson facility, the Supplier shall provide the appropriate Export Control Classification Number (ECCN) if controlled by Department of Commerce's Bureau of Industry and Security and/or ITAR category if controlled by Department of State's Directorate of Defense Trade Controls.
- g. Prohibited Countries and Entities & Denied Party Screening: Donaldson prohibits any Supplier from selling to Donaldson anything manufactured or touched by a prohibited country or entity. Denied Party Screening is the process of screening those parties involved in an export transaction for the purpose of complying with the applicable standards of the U.S. government. Additional information can be found on the U.S. government's website, [www.export.gov](http://www.export.gov).

## XI. Quality and Counterfeit Parts:

**Suppliers must take due care to ensure their work product meets Donaldson's quality standards. We expect our Suppliers to have processes in place that ensure the delivery of a product whose quality meets or exceeds the contract requirements. Additionally controls and processes that enable Suppliers to identify defects and implement corrective actions must be in place. We expect our Suppliers to develop, implement, and maintain methods and processes appropriate to their products to prevent introducing counterfeit parts and materials into deliverable products. Effective processes should be in place to detect counterfeit parts and materials, provide notification to recipients of counterfeit product(s) when warranted, and exclude them from the delivered product.**

## XII. Ethics Program Expectations

- a. Suppliers shall take active steps, including audits and inspections, to ensure compliance with this Supplier Code of Conduct and applicable legal requirements. If a Supplier identifies areas of non-compliance, the Supplier agrees to notify Donaldson of the non-compliance as well as its corrective actions, including a timeline.
- b. Suppliers should report violations of this Supplier Code of Conduct or Donaldson's Code of Conduct via the following website: <http://donaldson.com/en/about-us/ethics-compliance.html>
- c. Donaldson or its representatives may engage in monitoring activities to confirm Supplier's compliance to this Supplier Code of Conduct, including on-site inspections of facilities, use of questionnaires, surveys or report cards, review of publicly available information, or other measures necessary to assess Supplier's performance.
- d. Whistleblower Protection: We expect our Suppliers to provide their employees with avenues for raising legal or ethical issues or concerns without fear of retaliation. We expect our Suppliers to take action to prevent, detect, and correct any retaliatory actions.
- e. Consequences for Violating Code: In the event of a violation of any of the above expectations, Donaldson may pursue corrective action to remedy the situation. In the case of a violation of law or regulation, Donaldson may be required to report those violations to proper authorities. Donaldson reserves the right to terminate our relationship with any Supplier under the terms of the existing procurement/purchasing contract.
- f. Ethics Policies: Commensurate with the size and nature of their business, we expect our Suppliers to have management systems in place to support compliance with laws, regulations, and the expectations related to or addressed expressly within this Supplier Code of Conduct. We expect our Suppliers to implement their own written code of conduct and to flow down the principles in this Supplier Code of Conduct to the entities that furnish them with goods and services.