

DONALDSON COMPANY, INC.
CORPORATE GOVERNANCE GUIDELINES

Role of the Board of Directors

1. Effective Governance. The Board believes that its primary responsibility is to provide effective governance over the Company's affairs for the benefit of its shareholders. The Board is the ultimate decision-making body of the Company, except with respect to those matters reserved to the shareholders. It selects the Chairman of the Board and the CEO and monitors the performance of senior management to whom it has delegated the conduct of the business.
2. Management Succession and Development. The Board shall plan for succession to the position of Chairman of the Board and CEO. The Board shall also seek to assure that a satisfactory system is in effect for the education, development, and orderly succession of senior and mid-level managers throughout the Company.
3. Evaluation of the Chief Executive Officer. The Chairperson of the Human Resources Committee shall lead an annual performance review of the CEO by the Board, including a meeting in executive session.

Composition of the Board of Directors

1. Size of the Board. The bylaws of the Company provide that the size of the Board shall be not less than three nor more than fifteen Directors. The Corporate Governance Committee shall make recommendations to the Board concerning the appropriate size and needs of the Board.
2. Independence of the Board. The Board will consist of a significant majority of Non-Employee Directors who meet the independence requirements of the New York Stock Exchange (the "NYSE"). The Corporate Governance Committee is responsible for assessing the independence of the Board members and making recommendations to the Board on whether the Board members meet the independence requirements of the NYSE.
3. Director Selection and Qualification Standards. Directors should possess the highest personal and professional ethics, integrity, and values and be committed to representing the long-term interests of the stockholders. In recommending candidates for nomination by the Board as a Director, the Corporate Governance Committee will consider appropriate criteria including current or recent experience as a Chairman of the Board, CEO, or other senior Executive Officer; business expertise and diversity factors. Diversity is meant to be interpreted broadly. It includes race, gender, and national origin and also includes differences of professional experience, global experience, education, and other individual qualities and attributes. We will also consider general criteria such as independence, ethical standards, a proven record of accomplishment, and the ability to provide valuable perspectives and meaningful oversight.

The selection process for Directors will include identification of candidates by the Corporate Governance Committee based upon input from current Directors and nominations received from Stockholders. The Committee will work with one or more nationally recognized

search firms, who will assist in identifying strong Director candidates and will seek candidates who are minorities and/or women. The process includes interviews of candidates by the Chairperson of the Corporate Governance Committee and the Chairs of the Audit and Human Resources Committees. The Corporate Governance Committee reports to the Board on the selection process and ultimately makes a recommendation for formal nomination by the Board for inclusion in the slate of Directors at the Annual Meeting or appointment by the Board to fill a position.

Directors must be willing to devote sufficient time to carrying out their duties and responsibilities effectively and should be committed to serving on the Board for an extended period of time.

4. Chairman of the Board. The Board does not require the separation of the offices of the Chairman of the Board and CEO. The Board shall be free to choose its Chairman of the Board as it deems best for the Company at any given point in time.
5. Lead Independent Director. If the Chairman of the Board is not an Independent Director, the Company's Independent Directors will designate one of the Independent Directors on the Board to serve as a Lead Independent Director (the "Lead Independent Director"). If the Chairman of the Board is an Independent Director, then the duties of the Lead Independent Director described herein shall be a part of the duties of the Chairman of the Board. The Lead Independent Director's duties will include coordinating the activities of the Independent Directors, coordinating the agenda for and moderating executive sessions of the Board's Independent Directors, and facilitating communications between the other members of the Board.

In performing the duties described above, the Lead Independent Director is expected to consult with the Chairpersons of the appropriate Board Committees and solicit their participation in order to avoid diluting the authority or responsibilities of such Committee Chairperson.

6. Other Public Company Directorships. No Director may serve on the Board of Directors of more than five public companies, in addition to the Board. In addition, in recognition of the enhanced time commitments associated with membership on a public company's Audit Committee, the Board has adopted a policy that no member of the Audit Committee may serve simultaneously on the Audit Committees of more than two other public companies, unless the Board determines that such simultaneous service would not impair the ability of such Director to effectively serve on the Committee.
7. Director Terms and Retirement. A person shall not be nominated for election as a Director after attaining the age of 72, unless such requirement is waived by the Board upon the recommendation of the Corporate Governance Committee.

Non-Employee Directors shall not be re-nominated as a Director after serving six consecutive three-year terms, unless such requirement is waived by the Board upon the recommendation of the Corporate Governance Committee.

A Director shall be required to offer to resign at such time when there is a change in the Director's basic business or professional activity or affiliation, and the Board, upon the recommendation of the Corporate Governance Committee, shall determine whether to accept such offer. A Non-Employee Director need not offer such resignation in the event of normal retirement.

8. Director Compensation Director compensation will reflect the Company's intention to attract and retain outstanding individuals to serve on the Board. The Corporate Governance Committee will review Director compensation on an annual basis.
9. Donaldson Share Ownership of Directors and Executive Officers. The Board believes that a meaningful portion of Director and Executive Officer compensation should be paid in Company common stock to align Directors' and Officers' interests with the long-term interests of the shareholders. Executive Officers and Directors are required to be shareholders and to have stock ownership objectives.
10. Resignation Policy Relating to Majority Voting. A Director who fails to receive a majority of the votes cast at any meeting for the election of Directors in accordance with the bylaws of the Company will offer to resign. In addition, the Director whose resignation is under consideration will abstain from participating in any decision regarding that resignation. The Corporate Governance Committee and the Board may consider any factors they deem relevant in deciding whether to accept a Director's resignation. The Board will publicly disclose its decision regarding the resignation within ninety (90) days after the results of the election are certified.

Functioning of the Board of Directors

1. Board Meetings. Board meetings typically are scheduled in advance and are held at least six times per year. However, the number of scheduled Board meetings will vary with the circumstances. It is the responsibility of the Directors to attend meetings of the Board and to attend the Annual Meeting of Stockholders.
2. Executive Sessions. The Non-Employee Directors shall meet in executive session at each regular meeting of the Board without management. The Chairman of the Board, if an Independent Director, or the Lead Independent Director shall preside at such executive sessions, or in such Director's absence, another Independent Director designated by the Chairman of the Board or the Lead Independent Director, as applicable, shall preside at such executive sessions.
3. Board Committees. The Board may, from time to time, establish Committees to assist in the execution of its responsibilities. The Board currently has three standing Committees: the Audit Committee, the Human Resources Committee, and the Corporate Governance Committee.
4. Committee Charters. The Board approves a charter for each Committee. Committees are empowered to act on behalf of the Board for those areas which the Board has prescribed.

5. Committee Composition. The Audit, Corporate Governance, and Human Resources Committees are comprised entirely of Non-Employee Directors who meet the applicable legal, regulatory, and stock exchange requirements necessary for assignment to any such Committee. After consultation with the Chairman and the Lead Independent Director (if not the same person), the Corporate Governance Committee shall be responsible for making recommendations to the Board with respect to the assignment of Board members to various Committees and the selection of Committee Chairpersons. After reviewing the Corporate Governance Committee's recommendations, the Board shall be responsible for the appointment of the members and the Chairpersons to the Committees on an annual basis.
6. Meeting Agendas and Conduct. Each Board and Committee member is free to suggest the inclusion of items on the meeting agenda and to raise at any Board or Committee meeting subjects that are not on the agenda for that meeting. The Board believes it is appropriate that Board and Committee meetings be conducted in a manner that ensures open communication and objective and constructive participation.
7. Advance Distribution of Materials. Directors receive regular and timely information that is important to their understanding of the Company's business and their consideration of matters to be addressed by the Board or the Committees. Directors are responsible for reviewing and considering these materials in advance of all Board and Committee meetings.
8. Board Access to Management. Directors have access to the Company's senior management and management information. Management will be responsive to requests for information from Directors.
9. Board Access to Independent Advisors. The Board has complete access to outside counsel and other outside advisors of its choice with respect to any issues relating to its activities.
10. Ethics, Conflicts of Interest and Confidentiality. The Board expects Directors, as well as Officers and employees, to act ethically at all times and to acknowledge their adherence to the policies described in the Company's Code of Ethics and Business Conduct. If an actual or potential conflict of interest exists for a Director, the Director should promptly inform the Chairman of the Board. If a significant conflict exists and cannot be resolved, the Director should submit his or her resignation to the Board. Each Director has an obligation to keep confidential all non-public information that relates to the Company's business and not use such information for his or her own personal benefit or the benefit of persons or entities other than the Company.
11. Director Orientation and Continuing Education. New Directors will participate in an orientation program including briefings by the CEO and other members of senior management. The Company will provide the Directors with opportunities to attend appropriate continuing Director education programs consistent with NYSE requirements.
12. Annual Performance Evaluations. The Corporate Governance Committee conducts an annual performance evaluation of the Board's performance to review whether it and its Committees are functioning effectively. The Corporate Governance Committee is

responsible for developing evaluation tools and procedures. Each Committee shall conduct an annual evaluation of its own performance.

13. Director Communications. The Board believes that management speaks for the Company. Stockholders can communicate with the Board through the process set out in the Company's website at www.donaldson.com and in the Company's proxy statement.