



First Quarter 2021 Teleconference Supplemental Data



Cautionary Statement

Forward-Looking Information This communication contains forward looking statements as that term is defined in the Private Securities Litigation Reform Act of 1995. These forward-looking statements include, but are not limited to, statements regarding COVID-19 pandemic trends, the global economic recovery, and our financial and business performance and prospects, including sales and earnings. These statements are based on the current expectations of management. There are a number of risks and uncertainties that could cause actual results to differ materially from the forward-looking statements. In particular, with respect to the pandemic, numerous factors will determine the extent of the impact on our business, including the severity of the disease, the duration of the outbreak, the distribution and efficacy of vaccines, the likelihood of a resurgence of the outbreak, actions that may be taken by governmental authorities intended to minimize the spread of the pandemic or to stimulate the economy and other unintended consequences.

Additional risks and uncertainties are set forth under Item 1A of our most recent Form 10-K, and our other public filings with the Securities and Exchange Commission (“SEC”), and include the effects and duration of the COVID-19 pandemic; the vitality of the markets we serve; the impact of economic factors such as the worldwide economy; our ability to execute key business initiatives; potential information technology infrastructure failures or breaches in data security; our ability to attract, retain and develop high caliber management talent to lead our business; our ability to innovate and to commercialize digital solutions; exposure to global economic, political and legal risks; difficulty in procuring raw materials or fluctuations in raw material costs; and other uncertainties or risks reported from time to time in our reports to the SEC. In light of these risks, uncertainties and factors, the forward-looking events discussed in this communication may not occur. We caution that undue reliance should not be placed on forward-looking statements, which speak only as of the date made. Ecolab does not undertake, and expressly disclaims, any duty to update any forward-looking statement, except as required by law.

Non-GAAP Financial Information This communication includes Company information that does not conform to generally accepted accounting principles (GAAP). Management believes that a presentation of this information is meaningful to investors because it provides insight with respect to ongoing operating results of the Company and allows investors to better evaluate the financial results of the Company. These measures should not be viewed as an alternative to GAAP measures of performance. Furthermore, these measures may not be consistent with similar measures provided by other companies. Reconciliations of our non-GAAP measures included within this presentation are included in the “Non-GAAP Financial Measures” section of this presentation.



1Q 2021 Overview

▲ Overview

- Sequentially improving underlying trends in Ecolab's first quarter, driven by further good new business wins, customer penetration gains, continued pricing and generally improving market conditions were negatively impacted by supply chain and customer disruptions from the Texas freeze.

▲ Sales:

- Reported sales from continuing operations -4%. Acquisition adjusted fixed currency sales -8%. The Texas freeze is estimated to have had a -1pp impact on sales growth.
- Strong growth in the Healthcare & Life Sciences segment was more than offset by a modest Industrial segment decrease and narrowed declines in the Institutional & Specialty and Other segments as markets continued to improve and picked up toward the end of the quarter.

▲ Operating Income:

- Reported operating income from continuing operations -21%.
- Adjusted fixed currency operating income from continuing operations -19%. The Texas freeze is estimated to have had a -9pp impact on operating income growth.
- Strong performances in the Healthcare & Life Sciences, Other and Industrial segments were offset by the COVID-19 impacted Institutional & Specialty segment.

▲ Earnings:

- Reported diluted EPS from continuing operations \$0.67, -33%.
- Adjusted diluted EPS from continuing operations, excluding special gains and charges and discrete tax items, were \$0.81, -18%. Adjusted diluted EPS included an estimated unfavorable \$0.10 (-10pp) per share from the Texas freeze supply chain and customer disruptions.
- The adjusted EPS decrease reflects COVID-19 related volume declines, Texas freeze impacts and unfavorable business mix which together more than offset cost savings and favorable pricing.



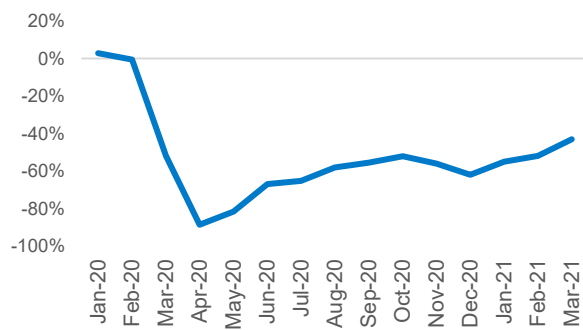
1Q 2021 Environment

▲ **Restaurants and lodging:** The prior recovering trends in restaurant, hotel, entertainment facility, etc. traffic continued to be negatively impacted in 1Q 2021 by increased restrictions outside the U.S. following the global resurgence of COVID-19 infections. Trends generally improved towards the end of the quarter our large U.S. market.

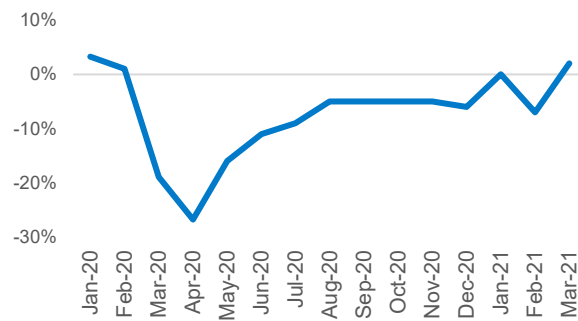
- U.S. full service in-unit traffic average 45% of 2019 levels in 1Q.
- U.S. quickservice traffic averaged 98% of 2019 levels.
- Europe foodservice trends significantly more negative than U.S.
- Global lodging room demand improvement in the U.S. and China was partially offset by softer Europe trends.
- Sanitizing use in these facilities continued above 2019 levels and partially offset the traffic-related declines in other cleaning categories.

Industry data

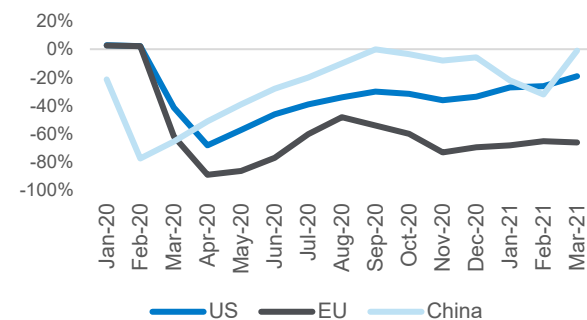
US Full Service Restaurant
In-unit Foot Traffic vs 2019



US Quickservice Restaurant
Traffic vs 2019



Lodging Rooms Sold vs 2019



March reflects estimated in-unit foot traffic

Sources: NPD/Crest, Smith Travel. QSR foot traffic includes take-out.



Please see Ecolab's news release dated April 27, 2021 for additional information, including discussion on the use of certain non-GAAP financial measures.

2021 Comment

The continued uncertain outlook regarding the timing and pace of global economic recovery from COVID-19's impact does not yet present an adequate basis for us to provide either quarterly or annual earnings forecasts.

We expect continued recovery in the full year 2021. Healthcare & Life Sciences segment sales are expected to moderately improve over the prior year's very strong gain, with good year-on-year sales growth from our Industrial and Other segments. We look for our Institutional & Specialty segment to show a significant year-on-year increase for the full year as it progressively recovers toward its pre-COVID peak 2019 levels.

We look for significant growth in the second quarter, primarily driven by strong year-on-year growth in our Institutional division as new business as well as improving trends in early-reopening U.S. states and continued U.S. vaccination progress more than offset a softer Europe and emerging market recovery. We expect robust consolidated gains in the second half, and continue to look for strong year-on-year growth for the full year 2021 with earnings per share above 2019 earnings per share from continuing operations excluding the estimated \$0.15 per share impact of the Texas freeze.

1Q 2021 Results

First Quarter Ended March 31

(unaudited)
(millions, except per share)

	Reported			Adjusted *		
	Public Currency Rates		%	Public Currency Rates		%
	2021	2020	Change	2021	2020	Change
Net sales	\$2,885.0	\$3,020.6	-4 %	\$2,885.0	\$3,020.6	-4 %
Operating income	297.3	376.2	-21 %	329.7	401.2	-18 %
NI from cont. ops. attributable to Ecolab	193.6	292.0	-34 %	233.9	288.6	-19 %
Diluted earnings per share						
NI from cont. ops. attributable to Ecolab	\$0.67	\$1.00	-33 %	\$0.81	\$0.99	-18 %

	Reported			Adjusted *		
	Fixed Currency Rates *		%	Fixed Currency Rates		%
	2021	2020	Change	2021	2020	Change
Net sales	\$2,890.6	\$3,088.6	-6 %	\$2,890.6	\$3,088.6	-6 %
Operating income	297.8	384.0	-22 %	330.2	409.0	-19 %

1Q 2021 Sales Growth Detail

<u>Global Industrial</u>	Fixed Rate % Change	Acq./Div. Adj. % Change	<u>Consolidated*</u>	% Change
Water	0%	0%	Volume & mix	-10%
Food & Beverage	2%	-2%	Pricing	1%
Downstream	-17%	-17%	Subtotal	-8%
Paper	2%	2%	Acq./Div.	2%
Total Global Industrial	-2%	-3%	Fixed currency growth	-6%
			Currency impact	2%
			Total	-4%
<u>Global Institutional & Specialty</u>				
Institutional	-25%	-25%		
Specialty	-9%	-9%		
Total Global Institutional & Specialty	-21%	-21%		
<u>Global Healthcare & Life Sciences</u>				
Healthcare	13%	12%		
Life Sciences	18%	19%		
Total Global Healthcare & Life	14%	14%		
<u>Other</u>				
Pest Elimination	5%	5%		
Textile Care	-23%	-23%		
Colloidal Technologies	-6%	-6%		
Total Other	-3%	-3%		
Total	-6%	-8%		

Amounts in the tables above may reflect rounding. Acq./Div. Adj. excludes sales to ChampionX post-separation and Venezuela results.

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1Q 2021 Income Statement / Margins (cont. ops.)

(\$ millions, unaudited)*	2021	% sales	2020	% sales	% change	Comments**
Gross Profit	\$1,173.0	40.7%	\$1,300.4	43.1%	-10 %	Adjusted gross margins were 41.3% in 2021 and 43.4% in 2020, with a narrowing decrease primarily reflecting the impact of COVID-19 related volume declines, the Texas freeze and unfavorable business mix which together more than offset the benefits of pricing. The freeze is estimated to have had a -0.7pp impact on gross margins.
SG&A	862.9	29.9%	908.3	30.1%	-5 %	The ratio decreased as cost savings more than offset the impact of lower sales and investments in the business.
Operating Income (fixed FX)						
Global Industrial	219.2	15.3%	209.6	14.3%	5 %	The margin increase was driven by cost savings and favorable pricing that more than offset lower volume from the Texas freeze. The freeze is estimated to have had a -1.7pp impact on Industrial margins.
Global Institutional & Specialty	63.1	7.4%	183.7	16.9%	-66 %	The lower margin reflected the significant COVID-19 related volume decline and unfavorable business mix which more than offset cost savings and favorable pricing.
Global Healthcare & Life Sciences	45.6	15.5%	24.0	9.3%	90 %	Margins increased due to the strong volume gains, favorable pricing and cost savings.
Other	32.9	12.1%	21.8	7.8%	51 %	Margins increased due to cost savings, favorable pricing and favorable business mix which together more than offset lower volumes.
Subtotal at fixed FX	360.8	12.6%	439.1	14.2%	-18 %	
FX	(0.5)		(7.8)			
Corporate						
Corp. Expense	(30.6)		(30.1)			Nalco intangible amortization.
Special Gains/(Ch.)	(32.4)		(25.0)			2020: Primarily related to restructuring charges and COVID-19 related charges, including pay protection for certain employees impacted by COVID-19's effects (net of government subsidies), testing and related costs.
Total Corporate Exp.	(63.0)		(55.1)			
Consolidated Op. Inc.	\$297.3	10.3%	\$376.2	12.5%	-21 %	Margins declined due to COVID-19 related volume declines, the Texas freeze impact and unfavorable business mix which together more than offset cost savings and favorable pricing. The freeze is estimated to have had a -1.1pp impact on consolidated margins.

*Public rates of exchange, except where noted.

**See "Non-GAAP Financial Measures" section of this presentation for corresponding reconciliations.



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1Q 2021 Balance Sheet / Cash Flow

Summary Balance Sheet

(millions, unaudited)	March 31		(millions, unaudited)	March 31	
	2021	2020		2021	2020
Cash and cash eq.	\$1,189.5	\$1,552.2	Short-term debt	\$24.3	\$1,035.2
Accounts receivable, net	2,272.0	2,409.9	Accounts payable	1,128.2	1,042.2
Inventories	1,347.0	1,121.2	Other current liabilities	1,699.7	1,776.3
Other current assets	341.5	334.3	Current liabilities of disc. ops.	-	403.7
Current assets of disc. ops.	-	1,019.5	Long-term debt	6,685.8	6,743.5
PP&E, net	3,078.7	3,202.5	Pension/Postretirement	1,207.8	1,066.9
Goodwill and intangibles	9,086.3	8,433.1	Other liabilities	1,142.2	1,116.9
Other assets	893.1	984.0	Long-term liabilities of disc. ops.	-	294.3
Long-term assets of disc. ops.	-	3,282.9	Total equity	6,320.1	8,860.6
Total assets	\$18,208.1	\$22,339.6	Total liab. and equity	\$18,208.1	\$22,339.6

Selected Cash Flow items

(millions, unaudited)	Three Months Ended March 31	
	2021	2020
Cash from op. activities	\$295.3	\$308.3
Depreciation	150.7	146.4
Amortization	64.5	52.3
Capital expenditures	102.1	147.7

Selected Balance Sheet measures

(unaudited)	March 31	
	2021	2020
Total Debt/Total Capital	51.5%	46.7%
Net Debt/Total Capital	46.6%	41.3%
Net Debt/EBITDA(*)	2.5	2.3
Net Debt/Adjusted EBITDA(*)	2.3	2.1

* EBITDA and Adjusted EBITDA are non-GAAP measures. EBITDA is defined as the sum of earnings before interest, taxes, depreciation and amortization. Adjusted EBITDA is defined as the sum of EBITDA and special (gains) and charges impacting EBITDA. The inputs to EBITDA reflect the trailing twelve months of activity for the period presented. See "Non-GAAP Financial Measures" section of this presentation corresponding reconciliations.

Please see Ecolab's news release dated April 27, 2021 for additional information, including discussion on the use of certain non-GAAP financial measures.

Appendix

Non-GAAP Financial Measures

(unaudited) (millions, except percent)	First Quarter Ended March 31	
	2021	2020
Net sales		
Reported GAAP net sales	\$2,885.0	\$3,020.6
Effect of foreign currency translation	5.6	68.0
Non-GAAP fixed currency sales	2,890.6	3,088.6
Effect of acquisitions and divestitures	(71.7)	(17.5)
Non-GAAP acquisition adjusted fixed currency sales	2,818.9	3,071.1
Cost of Sales		
Reported GAAP cost of sales	\$1,712.0	\$1,720.2
Special (gains) and charges	19.6	9.1
Non-GAAP adjusted cost of sales	\$1,692.4	\$1,711.1
Gross Margin		
Reported GAAP gross margin	40.7 %	43.1 %
Non-GAAP adjusted gross margin	41.3 %	43.4 %
Operating income		
Reported GAAP operating income	\$297.3	\$376.2
Effect of foreign currency translation	0.5	7.8
Non-GAAP fixed currency operating income	297.8	384.0
Special (gains) and charges	32.4	25.0
Non-GAAP adjusted fixed currency operating income	330.2	409.0
Effect of acquisitions and divestitures	(0.3)	(0.1)
Non-GAAP acquisition adjusted fixed currency operating income	\$329.9	\$408.9
Operating Income Margin		
Reported GAAP operating income margin	10.3 %	12.5 %
Non-GAAP adjusted fixed currency operating income margin	11.4 %	13.2 %
Non-GAAP acquisition adjusted fixed currency operating income margin	11.7 %	13.3 %

Non-GAAP Financial Measures

(unaudited)

(millions, except percent and per share)

	First Quarter Ended March 31	
	2021	2020
Net Income from continuing operations attributable to Ecolab		
Reported GAAP net income from continuing operations attributable to Ecolab	\$193.6	\$292.0
Special (gains) and charges, after tax	24.2	18.5
Discrete tax net expense (benefit)	16.1	(21.9)
Non-GAAP adjusted net income from continuing operations attributable to Ecolab	\$233.9	\$288.6
Diluted EPS from continuing operations attributable to Ecolab		
Reported GAAP diluted EPS from continuing operations	\$0.67	\$1.00
Special (gains) and charges, after tax	0.08	0.06
Discrete tax net expense (benefit)	0.06	(0.07)
Non-GAAP adjusted diluted EPS from continuing operations	\$0.81	\$0.99
Provision for Income Taxes		
Reported GAAP tax rate	25.2 %	13.7 %
Special gains and charges	0.0	0.8
Discrete tax items	(5.5)	6.0
Non-GAAP adjusted tax rate	19.7 %	20.5 %
EBITDA (trailing twelve months ended)		
Net income including non-controlling interest	\$885.0	\$1,483.6
Provision for income taxes	195.7	305.7
Interest expense, net	293.6	189.7
Depreciation	598.6	577.3
Amortization	230.6	207.7
EBITDA	\$2,203.5	\$2,764.0
Special (gains) and charges impacting EBITDA	235.6	150.1
Adjusted EBITDA	\$2,439.1	\$2,914.1

Non-GAAP Financial Measures

(unaudited)
(millions)

First Quarter Ended March 31						
	2021			2020		
	Fixed Currency	Impact of Acquisitions and Divestitures	Acquisition Adjusted	Fixed Currency	Impact of Acquisitions and Divestitures	Acquisition Adjusted
Net Sales						
Global Industrial	\$1,433.9	(33.1)	\$1,400.8	\$1,465.0	(17.2)	\$1,447.8
Global Institutional & Specialty	858.5	(2.9)	855.6	1,087.2	-	1,087.2
Global Healthcare & Life Sciences	293.7	(2.5)	291.2	256.8	(0.3)	256.5
Other	271.3	-	271.3	279.6	-	279.6
Corporate	33.2	(33.2)	-	-	-	-
Subtotal at fixed currency rates	2,890.6	(71.7)	2,818.9	3,088.6	(17.5)	3,071.1
Currency impact	(5.6)			(68.0)		
Consolidated reported GAAP net sales	\$2,885.0			\$3,020.6		
Operating Income						
Global Industrial	\$219.2	(1.3)	\$217.9	\$209.6	(0.1)	\$209.5
Global Institutional & Specialty	63.1	1.0	64.1	183.7	-	183.7
Global Healthcare & Life Sciences	45.6	-	45.6	24.0	-	24.0
Other	32.9	-	32.9	21.8	-	21.8
Corporate	(30.6)	-	(30.6)	(30.1)	-	(30.1)
Adjusted at fixed currency rates	330.2	(0.3)	329.9	409.0	(0.1)	408.9
Special (gains) and charges	32.4			25.0		
Reported OI at fixed currency rates	297.8			384.0		
Currency impact	(0.5)			(7.8)		
Consolidated reported GAAP operating income	\$297.3			\$376.2		



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