



Second 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 U.S. and global economic recovery, inflation, and our financial and business performance and prospects, including sales, earnings, pricing and new business. 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, including as a result of emerging variants, 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.



2Q 2021 Overview

▲ Overview

- Strong second quarter results showed significant year-on-year growth, driven by recovering markets, accelerating pricing and new business wins which more than offset increased delivered product costs and the slower pace of reopenings outside the U.S.

▲ Sales:

- Reported sales from continuing operations +18%. Acquisition adjusted fixed currency sales +12%.
- Strong growth in the Institutional & Specialty and Other segments, along with good growth in the Industrial segment more than offset the Healthcare & Life Sciences segment's modest decline versus a very strong gain last year.

▲ Operating Income:

- Reported operating income from continuing operations +133%.
- Adjusted fixed currency operating income from continuing operations +53%.
- Very strong performances in the Institutional & Specialty and Other segments more than offset declines in the Industrial and Healthcare & Life Sciences segments, which both compared to very strong year-ago results.

▲ Earnings:

- Reported diluted EPS from continuing operations \$1.08, +145%.
- Adjusted diluted EPS from continuing operations, excluding special gains and charges and discrete tax items, were \$1.22, +88%. Adjusted diluted EPS included an estimated unfavorable \$0.05 per share from the Texas freeze supply chain disruptions.
- The very strong increase in adjusted EPS reflects volume increases, accelerating pricing in excess of higher delivered product costs and lower bad debt expense which more than offset increased variable compensation and Texas freeze impacts.

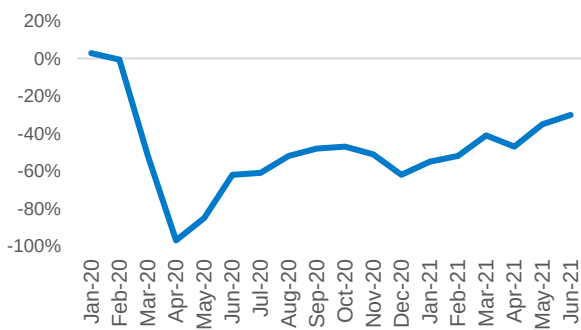
2Q 2021 Environment

▲ **Restaurants and lodging:** U.S. restaurant, hotel, entertainment facility traffic improved as vaccinations rolled out and restrictions eased. While Europe continues to lag, it is showing early signs of recovery and, along with the rest of the world, is expected to show improving trends over the balance of the year.

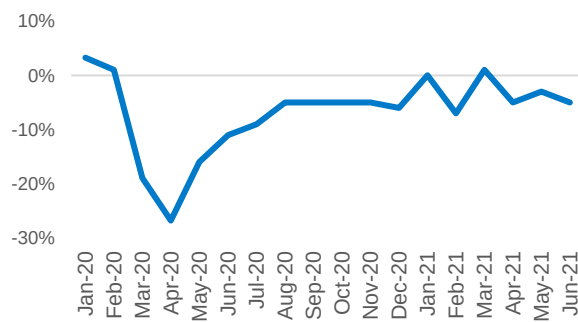
- U.S. full service in-unit traffic averaged 63% of 2019 levels in 2Q.
- U.S. quickservice traffic averaged 95% of 2019 levels.
- Europe foodservice trends are lagging the U.S. and remain depressed.
- Global lodging room demand improvement in the U.S. and Europe was partially offset by stabilizing China trends.

Industry data

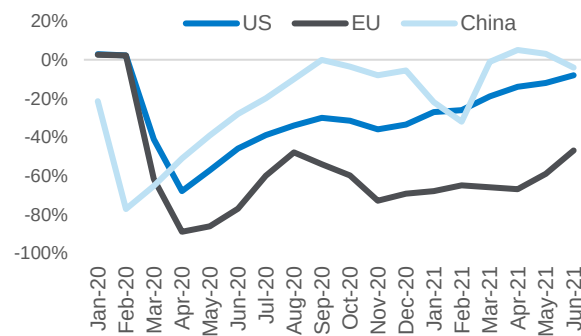
US Full Service Restaurant
In-unit Foot Traffic vs 2019



US Quickservice Restaurant
Traffic vs 2019



Lodging Rooms Sold vs 2019



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

2021 Outlook

We expect the U.S. recovery to continue, Europe to reopen as forecasted, the rest of the world to follow soon after, and a continued higher cost environment. We have implemented strong pricing actions in 2021 that remain ahead of input costs, and pricing will provide further coverage as it builds through the second half. Our new business and innovation pipelines are at record levels; new focus areas, including life sciences, data centers and animal health, are well-positioned to drive growth and global leadership; and our leading digital capabilities are continuing to broaden, develop and add competitive advantages.

We expect continued strong year-on-year performance in the second half of 2021, with attractive sequential earnings improvement in the third quarter and more significant comparative gains in the fourth quarter as pricing actions have an increasing benefit. We continue to look for full year 2021 diluted earnings per share to exceed 2019 diluted earnings per share from continuing operations, excluding the \$0.15 per share impact from the Texas freeze.

Our strong business momentum, along with our leading world-class solutions that help customers solve their operating problems and achieve their ESG ambitions, provide us with the confidence that Ecolab will continue delivering strong, consistent growth for many years to come.



2Q 2021 Results

Second Quarter Ended June 30						
(unaudited) (millions, except per share)	Reported			Adjusted *		
	Public Currency Rates		% Change	Public Currency Rates		% Change
	2021	2020		2021	2020	
Net sales	\$3,162.7	\$2,685.7	18 %	\$3,162.7	\$2,685.7	18 %
Operating income	447.8	192.0	133 %	469.1	288.4	63 %
NI from cont. ops. attributable to Ecolab	310.8	128.9	141 %	352.6	189.7	86 %
Diluted earnings per share						
NI from cont. ops. attributable to Ecolab	\$1.08	\$0.44	145 %	\$1.22	\$0.65	88 %
	Fixed Currency Rates *			Adjusted *		
	Fixed Currency Rates *		% Change	Fixed Currency Rates		% Change
	2021	2020		2021	2020	
Net sales	\$3,179.4	\$2,814.3	13 %	\$3,179.4	\$2,814.3	13 %
Operating income	450.1	211.5	113 %	471.4	307.9	53 %

2Q 2021 Sales Growth Detail

<u>Global Industrial</u>	Fixed Rate % Change	Acq./Div. Adj. % Change	<u>Consolidated</u>	% Change
Water	7%	7%	Volume & mix	10%
Food & Beverage	2%	1%	Pricing	2%
Downstream	-6%	-6%	Subtotal	12%
Paper	10%	10%	Acq./Div.	1%
Total Global Industrial	4%	3%	Fixed currency growth	13%
			Currency impact	4%
			Total	18%
<u>Global Institutional & Specialty</u>				
Institutional	61%	61%		
Specialty	-6%	-6%		
Total Global Institutional & Specialty	34%	33%		
<u>Global Healthcare & Life Sciences</u>				
Healthcare	-3%	-6%		
Life Sciences	-17%	-17%		
Total Global Healthcare & Life Sciences	-6%	-8%		
<u>Other</u>				
Pest Elimination	21%	21%		
Textile Care	34%	34%		
Colloidal Technologies	25%	25%		
Total Other	23%	23%		
Total	13%	12%		

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

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



2Q 2021 Income Statement / Margins (cont. ops.)

(\$ millions, unaudited)**	2021	% sales	2020	% sales	% change	Comments***
Gross Profit	\$1,318.7	41.7%	\$1,050.0	39.1%	26 %	The margin increase primarily reflected the impact of increased sales volume and accelerating pricing which more than offset increased delivered product costs, including Texas freeze impacts.
SG&A	853.3	27.0%	788.6	29.4%	8 %	The ratio decreased 240 bps as volume leverage, lower bad debt expense and cost savings more than offset higher variable compensation and investments in the business.
Op. Income (loss) at fixed FX						
Global Industrial	263.3	16.9%	287.8	19.2%	-9 %	Acquisition adjusted fixed currency operating income margins remain well above 2019 levels, though margins decreased as accelerating pricing offset increased delivered product costs in the quarter while volume growth was more than offset by higher variable compensation and Texas freeze impacts.
Global Institutional & Specialty	138.6	14.2%	(38.0)	*	*	Margins increased reflecting the significant volume improvement, favorable pricing and lower bad debt expense which more than offset higher variable compensation.
Global Healthcare & Life Sciences	48.3	15.9%	69.0	21.5%	-30 %	Margins decreased primarily reflecting the comparison to very strong sales volume last year when operating income grew 110%.
Other	51.3	16.7%	20.8	8.4%	147 %	Margins increased due to the strong volume growth.
Subtotal at fixed FX	501.5	15.9%	339.6	12.1%	48 %	
FX	(2.3)		(19.5)			
Corporate						
Corp. Expense	(30.1)		(31.7)			Nalco intangible amortization.
Special Gains/(Ch.)	(21.3)		(96.4)			2021: Primarily includes COVID-19 employee-related costs (net of government subsidies) and restructuring.
Total Corporate Exp.	(51.4)		(128.1)			
Consolidated Op. Inc.	\$447.8	14.2%	\$192.0	7.1%	133 %	Margins increased due to volume increases, accelerating pricing in excess of higher delivered product costs and lower bad debt expense which more than offset increased variable compensation and Texas freeze impacts.

* Not meaningful.

**Public rates of exchange, except where noted.

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



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2Q 2021 Balance Sheet / Cash Flow

Summary Balance Sheet

	June 30	
(millions, unaudited)	2021	2020
Cash and cash eq.	\$1,402.4	\$1,369.0
Accounts receivable, net	2,331.0	2,255.5
Inventories	1,418.5	1,228.7
Other current assets	335.5	313.0
PP&E, net	3,077.9	3,138.9
Goodwill and intangibles	9,097.8	8,779.1
Other assets	870.6	998.2
Total assets	\$18,533.7	\$18,082.4

	June 30	
(millions, unaudited)	2021	2020
Short-term debt	\$17.3	\$534.9
Accounts payable	1,213.3	1,087.7
Other current liabilities	1,649.7	1,605.1
Long-term debt	6,708.9	6,752.0
Pension/Postretirement	1,046.6	1,055.6
Other liabilities	1,161.6	1,156.9
Total equity	6,736.3	5,890.2
Total liab. and equity	\$18,533.7	\$18,082.4

Selected Cash Flow items

	Six Months Ended June 30	
(millions, unaudited)	2021	2020
Cash from op. activities	\$798.3	\$640.2
Depreciation	303.9	293.0
Amortization	116.7	103.2
Capital expenditures	245.6	250.6

Selected Balance Sheet measures

	June 30	
(unaudited)	2021	2020
Total Debt/Total Capital	50.0%	55.3%
Net Debt/Total Capital	44.1%	50.1%
Net Debt/EBITDA(*)	2.2	2.4
Net Debt/Adjusted EBITDA(*)	2.0	2.2

* 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 July 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)	Second Quarter Ended June 30		Six Months Ended June 30	
	2021	2020	2021	2020
Net sales				
Reported GAAP net sales	\$3,162.7	\$2,685.7	\$6,047.7	\$5,706.3
Effect of foreign currency translation	16.7	128.6	22.3	196.6
Non-GAAP fixed currency sales	3,179.4	2,814.3	6,070.0	5,902.9
Effect of acquisitions and divestitures	(71.0)	(32.0)	(142.6)	(49.6)
Non-GAAP acquisition adjusted fixed currency sales	3,108.4	2,782.3	5,927.4	5,853.3
Cost of Sales				
Reported GAAP cost of sales	\$1,844.0	\$1,635.7	\$3,556.0	\$3,355.9
Special (gains) and charges	3.7	27.0	23.3	36.1
Non-GAAP adjusted cost of sales	\$1,840.3	\$1,608.7	\$3,532.7	\$3,319.8
Gross Margin				
Reported GAAP gross margin	41.7 %	39.1 %	41.2 %	41.2 %
Non-GAAP adjusted gross margin	41.8 %	40.1 %	41.6 %	41.8 %
Operating income				
Reported GAAP operating income	\$447.8	\$192.0	\$745.1	\$568.2
Effect of foreign currency translation	2.3	19.5	2.8	27.3
Non-GAAP fixed currency operating income	450.1	211.5	747.9	595.5
Special (gains) and charges	21.3	96.4	53.7	121.4
Non-GAAP adjusted fixed currency operating income	471.4	307.9	801.6	716.9
Effect of acquisitions and divestitures	(0.4)	(2.4)	(0.6)	(2.5)
Non-GAAP acquisition adjusted fixed currency operating income	\$471.0	\$305.5	\$801.0	\$714.4
Operating Income Margin				
Reported GAAP operating income margin	14.2 %	7.1 %	12.3 %	10.0 %
Non-GAAP adjusted fixed currency operating income margin	14.8 %	10.9 %	13.2 %	12.1 %
Non-GAAP acquisition adjusted fixed currency operating income margin	15.2 %	11.0 %	13.5 %	12.2 %

Non-GAAP Financial Measures

(unaudited)
(millions, except percent and per share)

	Second Quarter Ended June 30		Six Months Ended June 30	
	2021	2020	2021	2020
Interest expense, net				
Reported GAAP interest expense, net	\$45.6	\$58.7	\$97.3	\$107.0
Special (gains) and charges, after tax	-	0.7	-	0.7
Non-GAAP adjusted interest expense, net	\$45.6	\$58.0	\$97.3	\$106.3
Other (income) expense				
Reported GAAP other (income) expense	\$2.5	(\$15.1)	(\$14.5)	(\$30.5)
Special (gains) and charges	19.6	-	19.6	-
Non-GAAP adjusted other (income) expense	(\$17.1)	(\$15.1)	(\$34.1)	(\$30.5)
Net Income from continuing operations attributable to Ecolab				
Reported GAAP net income from continuing operations attributable to Ecolab	\$310.8	\$128.9	\$504.4	\$420.9
Special (gains) and charges, after tax	34.1	83.3	58.3	101.8
Discrete tax net expense (benefit)	7.7	(22.5)	23.8	(44.4)
Non-GAAP adjusted net income from continuing operations attributable to Ecolab	\$352.6	\$189.7	\$586.5	\$478.3
Diluted EPS from continuing operations attributable to Ecolab				
Reported GAAP diluted EPS from continuing operations	\$1.08	\$0.44	\$1.75	\$1.44
Special (gains) and charges, after tax	0.12	0.29	0.20	0.35
Discrete tax net expense (benefit)	0.02	(0.08)	0.08	(0.15)
Non-GAAP adjusted diluted EPS from continuing operations	\$1.22	\$0.65	\$2.03	\$1.64
Provision for Income Taxes				
Reported GAAP tax rate	21.5 %	9.5 %	23.0 %	12.4 %
Special gains and charges	(0.4)	1.9	(0.3)	0.9
Discrete tax items	(1.8)	9.1	(3.2)	7.2
Non-GAAP adjusted tax rate	19.3 %	20.5 %	19.5 %	20.5 %
EBITDA (trailing twelve months ended)				
Net income including non-controlling interest	\$1,064.3	\$1,270.6		
Provision for income taxes	267.7	231.0		
Interest expense, net	280.5	199.2		
Depreciation	605.2	580.8		
Amortization	231.9	205.9		
EBITDA	\$2,449.6	\$2,487.5		
Special (gains) and charges impacting EBITDA	180.1	214.3		
Adjusted EBITDA	\$2,629.7	\$2,701.8		



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Non-GAAP Financial Measures

(unaudited) (millions)	Second Quarter Ended June 30					
	2021			2020		
	Fixed Currency	Impact of Acquisitions and Divestitures	Acquisition Adjusted	Fixed Currency	Impact of Acquisitions and Divestitures	Acquisition Adjusted
Net Sales						
Global Industrial	\$1,555.4	(\$26.2)	\$1,529.2	\$1,498.5	(\$19.5)	\$1,479.0
Global Institutional & Specialty	978.9	(3.2)	975.7	733.0	-	733.0
Global Healthcare & Life Sciences	303.5	(6.6)	296.9	321.4	(0.2)	321.2
Other	306.6	-	306.6	249.1	-	249.1
Corporate	35.0	(35.0)	-	12.3	(12.3)	-
Subtotal at fixed currency rates	3,179.4	(71.0)	3,108.4	2,814.3	(32.0)	2,782.3
Currency impact	(16.7)			(128.6)		
Consolidated reported GAAP net sales	\$3,162.7			\$2,685.7		
Operating Income						
Global Industrial	\$263.3	(\$1.2)	\$262.1	\$287.8	(\$2.3)	\$285.5
Global Institutional & Specialty	138.6	0.6	139.2	(38.0)	-	(38.0)
Global Healthcare & Life Sciences	48.3	0.2	48.5	69.0	(0.1)	68.9
Other	51.3	-	51.3	20.8	-	20.8
Corporate	(30.1)	-	(30.1)	(31.7)	-	(31.7)
Adjusted at fixed currency rates	471.4	(0.4)	471.0	307.9	(2.4)	305.5
Special (gains) and charges	21.3			96.4		
Reported OI at fixed currency rates	450.1			211.5		
Currency impact	(2.3)			(19.5)		
Consolidated reported GAAP operating income	\$447.8			\$192.0		

Non-GAAP Financial Measures

(unaudited) (millions)	Six Months Ended June 30					
	2021			2020		
	Fixed Currency	Impact of Acquisitions and Divestitures	Acquisition Adjusted	Fixed Currency	Impact of Acquisitions and Divestitures	Acquisition Adjusted
Net Sales						
Global Industrial	\$2,989.3	(\$59.3)	\$2,930.0	\$2,963.5	(\$36.7)	\$2,926.8
Global Institutional & Specialty	1,837.4	(6.0)	1,831.4	1,820.2	-	1,820.2
Global Healthcare & Life Sciences	597.2	(9.1)	588.1	578.2	(0.6)	577.6
Other	577.9	-	577.9	528.7	-	528.7
Corporate	68.2	(68.2)	-	12.3	(12.3)	-
Subtotal at fixed currency rates	6,070.0	(142.6)	5,927.4	5,902.9	(49.6)	5,853.3
Currency impact	(22.3)			(196.6)		
Consolidated reported GAAP net sales	\$6,047.7			\$5,706.3		
Operating Income						
Global Industrial	\$482.5	(\$2.4)	\$480.1	\$497.4	(\$2.4)	\$495.0
Global Institutional & Specialty	201.7	1.6	203.3	145.7	-	145.7
Global Healthcare & Life Sciences	93.9	0.2	94.1	93.0	(0.1)	92.9
Other	84.2	-	84.2	42.6	-	42.6
Corporate	(60.7)	-	(60.7)	(61.8)	-	(61.8)
Adjusted at fixed currency rates	801.6	(0.6)	801.0	716.9	(2.5)	714.4
Special (gains) and charges	53.7			121.4		
Reported OI at fixed currency rates	747.9			595.5		
Currency impact	(2.8)			(27.3)		
Consolidated reported GAAP operating income	\$745.1			\$568.2		