



Fourth 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, global economic recovery, delivered product and supply chain costs and supply chain disruptions, and our financial and business performance and prospects, including sales, earnings, pricing, innovation 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 acceptance, 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, including vaccination mandates, 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, including the impact of vaccination mandates; the vitality of the markets we serve; the impact of economic factors such as the worldwide economy; our ability to execute key business initiatives; 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.



Please see Ecolab's news release dated February 15, 2022 for additional information, including discussion on the use of certain non-GAAP financial measures.

4Q 2021 Overview

▲ Overview

- Continued strong sales growth, driven by new business wins, new products and accelerated pricing in an uneven market recovery, were partially offset by increased COVID-related effects on broad business activity and a near doubling of delivered product cost inflation and supply constraints compared to the third quarter.

▲ Sales:

- Reported sales from continuing operations +10%. Acquisition adjusted fixed currency sales +9%.
- Double-digit growth in the Institutional & Specialty and Other segments, along with strong gains in the Industrial segment, more than offset the Healthcare & Life Sciences segment's decline versus a very strong increase last year.

▲ Earnings:

- Reported diluted EPS from continuing operations \$1.04, flat versus last year.
- Adjusted diluted EPS from continuing operations, excluding special gains and charges, discrete tax items and the impact of the Purolite transaction, were \$1.28, +4%.
- The modest adjusted EPS increase reflects accelerated pricing and volume growth, along with favorable pension and interest expense, which were partially offset by substantially higher delivered product costs and comparison to lower variable compensation last year. As previously disclosed, unfavorable delivered product costs and supply constraints during the quarter resulted in an additional estimated unfavorable \$0.10 per share in the fourth quarter versus our initial expectations.

▲ Outlook:

- For the full year 2022, we expect further strong sales growth, robust new business wins, new innovation and increased pricing to compensate for the much higher supply costs and deliver low-teens adjusted EPS growth.
- For the first quarter, we look for healthy sales growth and a flattish year-over-year earnings per share comparison impacted by continued high raw material and freight costs.



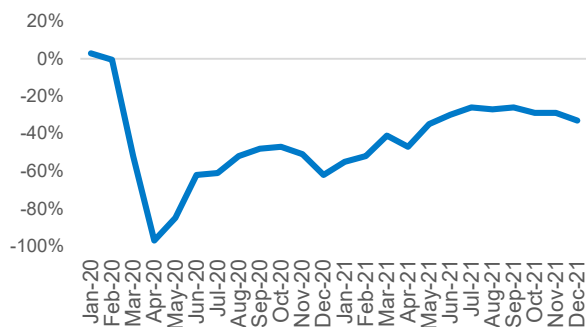
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4Q 2021 Environment

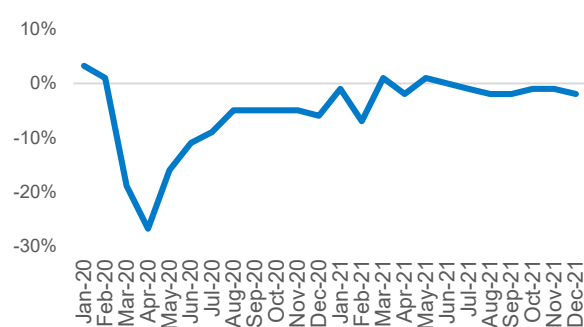
- Restaurants and lodging:** The recovery in U.S. and Europe restaurant and hotel traffic stalled versus the third quarter reflecting the increase in COVID variant infections.
 - U.S. full-service in-unit traffic averaged 70% of 2019 levels in 4Q, down slightly from 3Q levels.
 - U.S. quickservice traffic nearing 2019 levels.
 - Europe foodservice trends softened.
 - U.S. lodging room demand is approaching 2019 levels while demand in Europe has been slower to recover, though the mix for both is heavily leisure.

Industry data

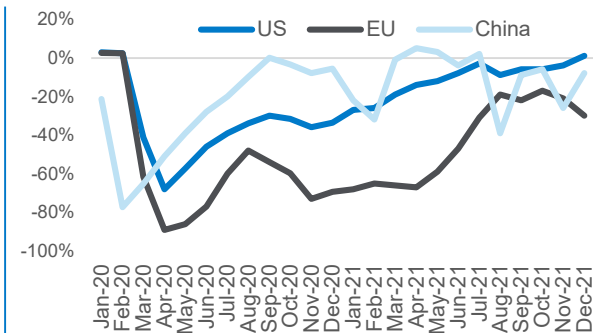
US Full Service Restaurant
In-unit Foot Traffic vs 2019



US Quickservice Restaurant
Traffic vs 2019



Lodging Rooms Sold vs 2019



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

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2022 Outlook

- We move into 2022 with strong business momentum. With very healthy sales growth, robust new business wins, new innovation and increased pricing, we expect to progressively compensate for higher delivered product costs and to drive strong earnings growth. While we expect a decent global economy, we also expect the COVID impacts to remain significant during the first half of the year, and we expect inflation to remain high before it progressively eases during the second half of the year.
 - **1Q 2022:** We expect the COVID and inflation impacts to remain especially strong in the first quarter of 2022, even slightly higher than those experienced in the fourth quarter. We look for the first quarter to show healthy sales growth and a flattish year-over-year earnings per share comparison impacted by continued high raw material and freight costs.
 - **Full year 2022:** We believe our sales, pricing and cost efficiency actions will enable us to deliver continued strong sales gains with adjusted diluted earnings per share growth reaching low-teens levels, assuming once again that inflation and supply constraints ease as the year progresses. We continue to expect the impact of Purolite, including its \$0.26 per share of transaction-related amortization, will be neutral to 2022 adjusted diluted earnings per share.



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4Q 2021 Results

Fourth Quarter Ended December 31

	Reported			Adjusted *		
(unaudited)	Public Currency Rates		%	Public Currency Rates		%
(millions, except per share)	2021	2020	Change	2021	2020	Change
Net sales	\$3,364.6	\$3,065.3	10 %	\$3,352.6	\$3,065.3	9 %
Operating income	387.7	416.1	-7 %	475.1	478.0	-1 %
NI from cont. ops. attributable to Ecolab	301.0	300.3	0 %	369.3	355.1	4 %
Diluted earnings per share						
NI from cont. ops. attributable to Ecolab	\$1.04	\$1.04	0 %	\$1.28	\$1.23	4 %
	Fixed Currency Rates *		%	Adjusted *		%
	2021	2020	Change	2021	2020	Change
Net sales	\$3,425.4	\$3,121.1	10 %	\$3,413.4	\$3,121.1	9 %
Operating income	398.3	426.4	-7 %	485.7	488.3	-1 %



*See "Non-GAAP Financial Measures" section of this presentation for corresponding reconciliations. Please see Ecolab's news release dated February 15, 2022 for additional information, including discussion on the use of certain non-GAAP financial measures.

4Q 2021 Sales Growth Detail

	Fixed Rate % Change	Acq./Div. Adj. % Change		% Change
<u>Global Industrial</u>			<u>Consolidated</u>	
Water	9%	8%	Volume & mix	6%
Food & Beverage	4%	4%	Pricing	3%
Downstream	9%	9%	Subtotal	9%
Paper	15%	15%	Acq./Div.	1%
Total Global Industrial	8%	7%	Fixed currency growth	10%
			Currency impact	0%
<u>Global Institutional & Specialty</u>			Total	10%
Institutional	26%	25%		
Specialty	4%	4%		
Total Global Institutional & Specialty	19%	19%		
<u>Global Healthcare & Life Sciences</u>				
Healthcare	-11%	-15%		
Life Sciences	-3%	-3%		
Total Global Healthcare & Life Sciences	-6%	-13%		
<u>Other</u>				
Pest Elimination	10%	10%		
Textile Care	18%	18%		
Colloidal Technologies	27%	27%		
Total Other	13%	13%		
Total	10%	9%		

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

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4Q 2021 Income Statement / Margins (cont. ops.)

(\$ millions, unaudited)*	2021	% sales	2020	% sales	% change	Comments**
Gross Profit	\$1,321.5	39.3%	\$1,285.0	41.9%	3 %	Adjusted gross margins of 39.8% in 2021 and 42.0% in 2020 primarily reflected accelerated pricing that was more than offset by significantly higher delivered product costs and supply constraints.
SG&A	867.9	25.8%	809.6	26.4%	7 %	The ratio decreased 60 basis points as volume leverage and cost savings more than offset the comparison to lower variable compensation last year and investments in the business.
Op. Income at fixed FX						
Global Industrial	280.2	16.5%	323.4	20.6%	-13 %	Margins declined as accelerated pricing and higher volume were more than offset by significantly higher delivered product costs, unfavorable supply constraints and comparison to lower variable compensation last year.
Global Institutional & Specialty	158.7	14.9%	94.6	10.6%	68 %	The margin increase reflected increased volume and accelerated pricing that more than offset higher delivered product costs and the comparison to lower variable compensation last year.
Global Healthcare & Life Sciences	29.7	9.6%	56.3	17.2%	-47 %	Acquisition adjusted margins were 13.2% in 2021 and 17.2% in 2020. The margin decrease primarily reflected the comparison to the very strong sales volume last year (when operating income grew 65%) as well as the impact of fourth quarter 2021's unfavorable supply constraints; these were partially offset by favorable pricing and lower variable compensation.
Other	43.9	13.6%	44.4	15.5%	-1 %	Margins decreased reflecting accelerated pricing and volume growth that was more than offset by the comparison to lower variable compensation last year and higher delivered product costs.
Subtotal at fixed FX	512.5	15.1%	518.7	16.6%	-1 %	
FX	(10.6)		(10.3)			
Corporate						
Corp. Expense	(30.6)		(30.4)			Nalco intangible amortization.
Special Gains/(Ch.)	(83.6)		(61.9)			2021: Primarily reflected COVID-19 related charges and Purolite acquisition costs.
Total Corporate Exp.	(114.2)		(92.3)			
Consolidated Op. Inc.	\$387.7	11.5%	\$416.1	13.6%	-7 %	2021 acquisition adjusted fixed currency operating margins were 14.6% vs. 15.9%. The decrease reflects the accelerated pricing and volume growth, which were offset by significantly higher delivered product costs, unfavorable supply constraints and comparison to lower variable compensation last year.

* Public rates of exchange, except where noted.

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



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4Q 2021 Balance Sheet / Cash Flow

Summary Balance Sheet

	December 31			December 31	
(millions, unaudited)	2021	2020	(millions, unaudited)	2021	2020
Cash and cash eq.	\$359.9	\$1,260.2	Short-term debt	\$411.0	\$17.3
Accounts receivable, net	2,478.4	2,273.8	Accounts payable	1,384.2	1,160.6
Inventories	1,491.8	1,285.2	Other current liabilities	1,758.0	1,754.3
Other current assets	357.0	298.2	Long-term debt	8,347.2	6,669.3
PP&E, net	3,288.5	3,124.9	Pension/Postretirement	894.2	1,226.2
Goodwill and intangibles	12,288.0	8,983.9	Other liabilities	1,158.7	1,096.8
Other assets	942.8	899.8	Total equity	7,253.1	6,201.5
Total assets	\$21,206.4	\$18,126.0	Total liab. and equity	\$21,206.4	\$18,126.0

Selected Cash Flow items

	Twelve Months Ended December 31	
(millions, unaudited)	2021	2020
Cash from op. activities	\$2,061.9	\$1,741.8
Depreciation	604.4	594.3
Amortization	238.7	218.4
Capital expenditures	643.0	489.0

Selected Balance Sheet measures

	December 31	
(unaudited)	2021	2020
Total Debt/Total Capital	54.7%	51.9%
Net Debt/Total Capital	53.7%	46.7%
Net Debt/EBITDA(*)	3.4	2.4
Net Debt/Adjusted EBITDA(*)	3.1	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 the impacts of Purolite transaction 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.

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Non-GAAP Financial Measures

(unaudited) (millions, except percent)	Fourth Quarter Ended December 31		Twelve Months Ended December 31	
	2021	2020	2021	2020
Net sales				
Reported GAAP net sales	\$3,364.6	\$3,065.3	\$12,733.1	\$11,790.2
Impact of Purolite on net sales	12.0	-	12.0	-
Non-GAAP adjusted net sales	3,352.6	3,065.3	12,721.1	11,790.2
Effect of foreign currency translation	60.8	55.8	111.7	332.1
Non-GAAP adjusted fixed currency sales	3,413.4	3,121.1	12,832.8	12,122.3
Effect of acquisitions and divestitures	(57.6)	(41.4)	(252.0)	(138.9)
Non-GAAP acquisition adjusted fixed currency sales	\$3,355.8	\$3,079.7	\$12,580.8	\$11,983.4
Cost of Sales				
Reported GAAP cost of sales	\$2,043.1	\$1,780.3	\$7,615.8	\$6,905.8
Special (gains) and charges	17.7	2.6	93.9	48.2
Impact of Purolite on cost of sales	7.6	-	7.6	-
Non-GAAP adjusted cost of sales	\$2,017.8	\$1,777.7	\$7,514.3	\$6,857.6
Gross Margin				
Reported GAAP gross margin	39.3 %	41.9 %	40.2 %	41.4 %
Non-GAAP adjusted gross margin	39.8 %	42.0 %	40.9 %	41.8 %
Operating income				
Reported GAAP operating income	\$387.7	\$416.1	\$1,598.6	\$1,395.7
Effect of foreign currency translation	10.6	10.3	18.9	52.8
Non-GAAP fixed currency operating income	398.3	426.4	1,617.5	1,448.5
Special (gains) and charges	83.6	61.9	196.5	227.8
Impact of Purolite on operating income	3.8	-	3.8	-
Non-GAAP adjusted fixed currency operating income	485.7	488.3	1,817.8	1,676.3
Effect of acquisitions and divestitures	3.6	(0.1)	5.2	(2.8)
Non-GAAP acquisition adjusted fixed currency operating income	\$489.3	\$488.2	\$1,823.0	\$1,673.5
Operating Income Margin				
Reported GAAP operating income margin	11.5 %	13.6 %	12.6 %	11.8 %
Non-GAAP adjusted fixed currency operating income margin	14.2 %	15.6 %	14.2 %	13.8 %
Non-GAAP acquisition adjusted fixed currency operating income margin	14.6 %	15.9 %	14.5 %	14.0 %



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Non-GAAP Financial Measures

(unaudited)	Fourth Quarter Ended		Twelve Months Ended	
(millions, except percent and per share)	December 31		December 31	
	2021	2020	2021	2020
Interest expense, net				
Reported GAAP interest expense, net	\$44.6	\$48.4	\$218.3	\$290.2
Special (gains) and charges	0.8	-	33.1	83.8
Impact of Purolite on interest expense	3.5	-	3.5	-
Non-GAAP adjusted interest expense, net	\$40.3	\$48.4	\$181.7	\$206.4
Other (income) expense				
Reported GAAP other (income) expense	(\$6.4)	(\$10.3)	(\$33.9)	(\$55.9)
Special (gains) and charges	10.6	0.4	37.2	0.4
Non-GAAP adjusted other (income) expense	(\$17.0)	(\$10.7)	(\$71.1)	(\$56.3)
Net Income from continuing operations attributable to Ecolab				
Reported GAAP net income from continuing operations attributable to Ecolab	\$301.0	\$300.3	\$1,129.9	\$967.4
Special (gains) and charges, after tax	74.4	53.8	213.5	254.1
Discrete tax net expense (benefit)	(11.7)	1.0	5.8	(55.8)
Impact of Purolite on net income	5.6	-	5.6	-
Non-GAAP adjusted net income from continuing operations attributable to Ecolab	\$369.3	\$355.1	\$1,354.8	\$1,165.7
Diluted EPS from continuing operations attributable to Ecolab				
Reported GAAP diluted EPS from continuing operations	\$1.04	\$1.04	\$3.91	\$3.33
Special (gains) and charges, after tax	0.26	0.19	0.74	0.88
Discrete tax net expense (benefit)	(0.04)	-	0.02	(0.19)
Impact of Purolite on diluted EPS	0.02	-	0.02	-
Non-GAAP adjusted diluted EPS from continuing operations	\$1.28	\$1.23	\$4.69	\$4.02
Provision for Income Taxes				
Reported GAAP tax rate	12.6 %	19.3 %	19.1 %	15.2 %
Special gains and charges	2.0	(0.8)	0.1	0.7
Discrete tax items	2.6	(0.2)	(0.3)	3.8
Purolite tax impacts	0.1	-	0.0	-
Non-GAAP adjusted tax rate	17.3 %	18.3 %	18.9 %	19.7 %
EBITDA (trailing twelve months ended)				
Net income including non-controlling interest	\$1,144.0	\$984.8		
Provision for income taxes	270.2	176.6		
Interest expense, net	218.3	290.2		
Depreciation	604.4	594.3		
Amortization	238.7	218.4		
EBITDA	\$2,475.6	\$2,264.3		
Special (gains) and charges impacting EBITDA	233.7	228.2		
Impact of Purolite on EBITDA	(3.3)	-		
Adjusted EBITDA	\$2,706.0	\$2,492.5		



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Non-GAAP Financial Measures

(unaudited)
(millions)

Fourth Quarter Ended December 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	\$1,695.2	(\$6.5)	\$1,688.7	\$1,571.8	\$0.0	\$1,571.8
Global Institutional & Specialty	1,064.2	(4.1)	1,060.1	894.4	-	894.4
Global Healthcare & Life Sciences	308.0	(23.7)	284.3	327.8	(0.3)	327.5
Other	322.7	-	322.7	286.0	-	286.0
Corporate	35.3	(35.3)	-	41.1	(41.1)	-
Subtotal at fixed currency rates	3,425.4	(69.6)	3,355.8	3,121.1	(41.4)	3,079.7
Currency impact	(60.8)			(55.8)		
Consolidated reported GAAP net sales	\$3,364.6			\$3,065.3		
Operating Income						
Global Industrial	\$280.2	(\$0.9)	\$279.3	\$323.4	\$0.0	\$323.4
Global Institutional & Specialty	158.7	0.4	159.1	94.6	-	94.6
Global Healthcare & Life Sciences	29.7	7.9	37.6	56.3	(0.1)	56.2
Other	43.9	-	43.9	44.4	-	44.4
Corporate	(30.6)	-	(30.6)	(30.4)	-	(30.4)
Subtotal at fixed currency rates	481.9	7.4	489.3	488.3	(0.1)	488.2
Special (gains) and charges	83.6			61.9		
Reported OI at fixed currency rates	398.3			426.4		
Currency impact	(10.6)			(10.3)		
Consolidated reported GAAP operating income	\$387.7			\$416.1		



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Non-GAAP Financial Measures

(unaudited)
(millions)

Twelve Months Ended December 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	\$6,304.9	(\$65.9)	\$6,239.0	\$6,048.2	(\$37.1)	\$6,011.1
Global Institutional & Specialty	3,978.2	(14.2)	3,964.0	3,629.0	-	3,629.0
Global Healthcare & Life Sciences	1,195.4	(44.5)	1,150.9	1,241.1	(1.2)	1,239.9
Other	1,226.9	-	1,226.9	1,103.4	-	1,103.4
Corporate	139.4	(139.4)	-	100.6	(100.6)	-
Subtotal at fixed currency rates	12,844.8	(264.0)	12,580.8	12,122.3	(138.9)	11,983.4
Currency impact	(111.7)			(332.1)		
Consolidated reported GAAP net sales	\$12,733.1			\$11,790.2		
Operating Income						
Global Industrial	\$1,031.0	(\$3.4)	\$1,027.6	\$1,123.1	(\$2.6)	\$1,120.5
Global Institutional & Specialty	556.9	2.2	559.1	324.0	-	324.0
Global Healthcare & Life Sciences	160.9	10.2	171.1	218.3	(0.2)	218.1
Other	187.3	-	187.3	132.8	-	132.8
Corporate	(122.1)	-	(122.1)	(121.9)	-	(121.9)
Subtotal at fixed currency rates	1,814.0	9.0	1,823.0	1,676.3	(2.8)	1,673.5
Special (gains) and charges	196.5			227.8		
Reported OI at fixed currency rates	1,617.5			1,448.5		
Currency impact	(18.9)			(52.8)		
Consolidated reported GAAP operating income	\$1,598.6			\$1,395.7		



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