



NEWS RELEASE

Ecolab Comments on Effects of Hurricane Ida

2021-09-13

ST. PAUL, Minn., Sept. 13, 2021 (GLOBE NEWSWIRE) -- Ecolab commented on the effects of Hurricane Ida, saying it expects the company will see a short-term impact on EPS due to higher delivered product costs, temporary customer closures as well as temporary disruption at one of its major production facilities. The company does not expect a material impact on its strong top line growth and sees this as a one-time event which should not have significant impact beyond year-end, though these supply chain issues are likely to partially offset continued strong fundamental sequential and year-on-year earnings improvement in its business through the second half of 2021.

Christophe Beck, Ecolab's president and chief executive officer, said, "We continue to expect strong year-on-year growth as well as further sequential sales and earnings per share improvements in 2021 led by a very successful Institutional recovery and continued improvements in the Industrial segment, as we remain focused on driving new business wins, product and service innovation, accelerating pricing, and investments in new hygiene and digital technologies. Further, we expect the strong underlying momentum to continue into 2022 as we build on these core business drivers.

"However, Hurricane Ida directly hit a key area for U.S. chemical production and is having a uniquely outsized impact on a number of companies, including us. We view this as another temporary impact to 2021 and remain confident in our fundamental business outlook as we continue to see improving year-over-year and sequential trends in our sales and earnings. We are undertaking the right actions to ensure our raw material supply, implement appropriate pricing for our products to reflect the higher input costs and to drive cost savings. While we are still assessing the situation and our corrective actions, we currently believe that the impact from Hurricane Ida will be close to the estimated \$0.15 negative impact from the Texas freeze, with a significant impact in the third quarter. Our fundamental business progress remains solid with expected 2021 adjusted diluted earnings per share showing strong double-digit growth over 2020, and we expect the business momentum to continue into

2022."

Ecolab will host its biennial investor day Sept. 14 beginning at 9:00 am ET. A webcast of the event, along with related materials, will be available to the public on Ecolab's website at www.ecolab.com/investor. A replay of the webcast and related materials will also be available at that site.

About Ecolab

A trusted partner at nearly three million commercial customer locations, Ecolab (ECL) is the global leader in water, hygiene and infection prevention solutions and services. With annual sales of \$12 billion and more than 44,000 associates, Ecolab delivers comprehensive solutions, data-driven insights and personalized service to advance food safety, maintain clean and safe environments, optimize water and energy use, and improve operational efficiencies and sustainability for customers in the food, healthcare, hospitality and industrial markets in more than 170 countries around the world. www.ecolab.com

Cautionary Statements Regarding Forward-Looking Information

This communication contains certain statements relating to future events and our intentions, beliefs, expectations and predictions for the future which are forward-looking statements as that term is defined in the Private Securities Litigation Reform Act of 1995. Words or phrases such as "will likely result," "are expected to," "will continue," "is anticipated," "we believe," "we expect," "estimate," "project," "may," "will," "intend," "plan," "believe," "target," "forecast" (including the negative or variations thereof) or similar terminology used in connection with any discussion of future plans, actions or events generally identify forward-looking statements. These forward-looking statements include, but are not limited to, statements regarding the effects of Hurricane Ida and the Texas freeze, our third quarter and full year 2021 results and our expectations regarding 2022. These statements are based on the current expectations of management of the company. There are a number of risks and uncertainties that could cause actual results to differ materially from the forward-looking statements included in this communication.

Additional risks and uncertainties that may affect operating results and business performance are set forth under Item 1A of our most recent Form 10-K, and our other public filings with the Securities and Exchange Commission (the "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, capital flows, interest rates, foreign currency risk, and reduced sales and earnings in our international operations resulting from the weakening of local currencies versus the U.S. dollar; our ability to execute key business initiatives, including restructurings and our Enterprise Resource Planning system upgrades; potential information technology infrastructure failures or breaches in data security; potential to incur significant tax liabilities or indemnification liabilities relating to the separation and split-off of our ChampionX business; our ability to attract, retain and develop high caliber management talent to lead our business

and successfully execute organizational change; our ability to successfully compete with respect to value, innovation and customer support; exposure to global economic, political and legal risks related to our international operations; difficulty in procuring raw materials or fluctuations in raw material costs; pressure on operations from consolidation of customers or vendors; the costs and effects of complying with laws and regulations, including those relating to the environment and to the manufacture, storage, distribution, sale and use of our products, as well as to the conduct of our business generally, including labor and employment and anti-corruption; restraints on pricing flexibility due to contractual obligations; our ability to acquire complementary businesses and to effectively integrate such businesses; changes in tax laws and unanticipated tax liabilities; potential loss of deferred tax assets; our indebtedness, and any failure to comply with covenants that apply to our indebtedness; public health outbreaks, epidemics or pandemics, such as the current outbreak of COVID-19; potential losses arising from the impairment of goodwill or other assets; potential chemical spill or release; the occurrence of litigation or claims, including class action lawsuits; the loss or insolvency of a major customer or distributor; repeated or prolonged government and/or business shutdowns or similar events; acts of war or terrorism; natural or man-made disasters; water shortages; severe weather conditions; and other uncertainties or risks reported from time to time in our reports to the SEC. In light of these risks, uncertainties, assumptions 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 whether as a result of new information, future events or changes in expectations, except as required by law.

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Source: Ecolab Inc