## Ecolab Inc. - Water Security 2022



W0. Introduction

### W0.1

(W0.1) Give a general description of and introduction to your organization.

Ecolab (NYSE: ECL) is the global leader in water, hygiene and energy technologies and services. Around the world, businesses in food service, food processing, hospitality, healthcare, industrial, and oil and gas markets choose Ecolab products and services to keep their environment clean and safe, operate efficiently and achieve sustainability goals. Founded in 1923 and headquartered in St. Paul, Minnesota, Ecolab's global workforce of 47,000 associates help make the world cleaner, safer and healthier by delivering comprehensive solutions and on-site service to promote safe food, maintain clean environments, optimize water and energy use, and improve operational efficiencies for customers at nearly three million locations in more than 170 countries. Ecolab's ultimate competitive advantage is found in our industry-leading sales-and-service. Every customer challenge is unique, which is why our 25,000 field associates partner with customers in their facilities, providing on-the-ground consultation and service. Our experts employ a rigorous process to gather data, apply advanced technology, rethink processes and provide solutions to address our customers' unique economic, social and environmental challenges. Behind every field representative is a team of researchers, scientists, engineers, regulatory specialists and other experts working diligently to tackle customer challenges, develop new solutions and meet emerging needs.

For over 99 years, Ecolab has been developing solutions to help sustain a healthy world for future generations. Every year, we measure our total impact using our<u>eROI</u> <u>Customer Impact Counter</u>, which measures the exponential value provided to customers from improved performance, operational efficiency, and sustainable impact by minimizing customers' use of natural resources and reducing waste. In 2021, we helped our customers conserve more than 215 billion gallons (780,000 cubic meters) of water and 45 trillion BTUs of energy, and avoid more than 3.6 million metric tonnes of C02 emissions and 84 million pounds of waste.

In 1928, we patented our first dispenser to provide the optimal amount of chemicals and reduce waste. In 1948, we introduced the first rinse additive, reducing energy needed to dry dishes by speeding up the drying process. In 1978, we eliminated ozone-depleting substances from our cleaning products, 11 years before the Montreal Protocol went into effect. In 2021, we delivered increased sales growth while also maintaining our combined investments in R&D, systems and field technology. Always striving to do better, we have set bold environmental performance goals that align with our business growth strategy as we continue to decouple resource use from growth. We have committed to reducing our overall water impact by 40% by 2030 from a 2018 baseline. To achieve this, we will: 1) Reduce water withdrawal by 40% per unit of production across our enterprise, 2) Restore greater than 50% of our water withdrawal, and 3) Achieve Alliance for Water Stewardship Standard (AWS) certification in high-risk watersheds in which we operate. Further, we have set a goal to help our customers conserve 300 billion gallons (1,140,000 cubic meters) of water per year by 2030, equivalent to the annual drinking needs of more than 1 billion people.

Our innovative products and services touch virtually every aspect of daily life. From the raw materials that are the building blocks of nearly every product, to production and manufacturing, to retail and service environments, Ecolab is behind the scenes working with many of the world's most recognizable brands to improve performance, meet increasing demand, and reduce environmental impact. Further information about Ecolab is available at <u>www.ecolab.com</u>.

The answers to the questions of the CDP prepared by Ecolab contain various forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These include statements concerning future events, future financial performance, plans, strategies, expectations, prospects, impact of climate change, laws and regulations, and supply and demand. These statements, which represent Ecolab's expectations or beliefs concerning various future events, are based on current expectations that involve a number of risks and uncertainties that could cause actual results to differ materially from those of such forward-looking statements. We caution that undue reliance should not be placed on such 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.

## W0.2

#### (W0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date
Reporting year	January 1 2021	December 31 2021

## W0.3

### (W0.3) Select the countries/areas in which you operate.

Algeria Antigua and Barbuda Argentina Australia Austria Bahamas Barbados Belgium Brazil Brunei Darussalam Canada Chile China Colombia Costa Rica Croatia Czechia Denmark Dominican Republic Egypt Fiji Finland France Germany Greece Guatemala Honduras Hong Kong SAR, China Hungary India Indonesia Ireland Israel Italy Jamaica Japan Kenya Malaysia Malta Mexico Morocco Netherlands New Zealand Nicaragua Norway Pakistan Panama Peru Philippines Poland Portugal Puerto Rico Republic of Korea Romania Russian Federation Saint Lucia Serbia Singapore Slovakia Slovenia South Africa Spain Sweden Switzerland Taiwan, China Thailand Trinidad and Tobago Turkey Uganda United Arab Emirates United Kingdom of Great Britain and Northern Ireland United Republic of Tanzania United States of America Uruguay Venezuela (Bolivarian Republic of) Viet Nam

## W0.4

(W0.4) Select the currency used for all financial information disclosed throughout your response. USD

## W0.5

(W0.5) Select the option that best describes the reporting boundary for companies, entities, or groups for which water impacts on your business are being reported.

Companies, entities or groups over which operational control is exercised

## W0.6

(W0.6) Within this boundary, are there any geographies, facilities, water aspects, or other exclusions from your disclosure? No

## W0.7

(W0.7) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization.	Provide your unique identifier
Yes, an ISIN code	US2788651006

### W1. Current state

## W1.1

### (W1.1) Rate the importance (current and future) of water quality and water quantity to the success of your business.

	importance	Indirect use importance rating	Please explain
Sufficient amounts of good quality freshwater available for use	Vital	Vital	Although our direct operations are not water intensive, having sufficient amounts of good quality freshwater is vital to our operations, products and services. Our direct operations withdraw from surface water, groundwater, and municipal water resources, and a portion of our facilities source water from water-stressed areas. Our primary use of freshwater is for washout procedures, and we also use freshwater to make the raw materials that go into our products. Therefore, the sustainable management of water resources is vital to the success of our business. In terms of indirect operations, we also depend on the use of water to deliver our primary products and services to customers as water is the essential delivery mechanism to enable the outcomes our customers expect from us: cleaning, sanitation, heating and cooling. For example, our cleaning and sanitation solutions, water additives, water treatment systems, and many other technologies rely upon freshwater and many of our customers' operations are sensitive to water quality, quantity and availability. We expect that our direct and indirect freshwater use and dependency will not change, remaining vital into the future as we do not expect the way we use water, or the way our customers use water, will change in terms of how we make our products and delivering our services to customers.
Sufficient amounts of recycled, brackish and/or produced water available for use	Important	Important	We don't use brackish or produced water in our direct or indirect operations and don't expect to in the future. Use of recycled water is important to our direct and indirect operations. We use it where appropriate/available and report for 100% of our sites under operational control. We don't require recycled water as a direct input & have selected this aspect as 'important'. Our direct operations are not water intensive and our water risk assessments have not identified risks with the potential to have a substantive financial/strategic impact. Therefore, we do not currently use a substantial amount of recycled water. However, we do recycle/reuse water directly in some operations, such as cooling towers, and pursue projects that increase our use of reused/recycled water. In 2021, we began a large wastewater recycle project at our Chalon, France plant. The project was commissioned to upgrade our wastewater treatment plant and we identified an opportunity to use Nalco Water technology to treat the wastewater for reuse. This project will reduce our discharge to the city sewer by 96% and our groundwater withdrawal by 70% when the project is completed in 2022. We continue to assess the potential for large water recycling projects at facilities that are high users of water and/or are located in water stressed regions. We understand that our value chain's use of recycled water is important to their operations, as it is used to supplement freshwater withdrawals for cleaning, sanitation, heating and cooling. We manage more than 1 trillion gallons of water for our customers, and our expertise and solutions hey asplicitonally revuee, reuse and recycle water. We expect that our direct and indirect recycled water becomes a limited resource. We expect our customers to also experience this shift.

## W1.2

## (W1.2) Across all your operations, what proportion of the following water aspects are regularly measured and monitored?

	% of sites/facilities/operations	Please explain	
Water withdrawals – total volumes	100%	Total volume of water withdrawal is measured and reported for 100% of our sites over which operational control is exercised. This includes water withdrawal volume collected on a monthly basis using our internal database tools and utility provider data management solutions for manufacturing facilities and headquarters/RD&E facilities. We prioritize measurement, accounting and reporting for these sites, which comprise over 90% of our impact. In some cases, we lack the ability to collect actual water withdrawal data. In these cases, we estimate water withdrawal data based on square footage intensities by site type.	
Water withdrawals – volumes by source	76-99	We measure and monitor total volume of water withdrawal by source for all global manufacturing and headquarters/RD&E facilities. This includes water withdraw volume by source collected on a monthly basis using our internal database tools and utility provider data management solutions. We prioritize measurement, accounting and reporting for these sites, which comprise over 90% of our impact. In some cases, we lack the ability to collect actual water withdrawal data. In these cases, we estimate water withdrawal data based on square footage intensities by site type. We do not currently track withdrawal volume by source for ou Office, Distribution & Warehouse facilities. These facilities are not significant users of water, making up less than 10 percent of our total water withdrawal footpr based on estimated and actual sources.	
Entrained water associated with your metals & mining sector activities - total volumes [only metals and mining sector]	<not applicable=""></not>	<not applicable=""></not>	
Produced water associated with your oil & gas sector activities - total volumes [only oil and gas sector]	<not applicable=""></not>	<not applicable=""></not>	
Water withdrawals quality	100%	Water withdrawal quality data is measured and monitored for 100% of the sites over which operational control is exercised. This includes water withdrawal quality data collected on a monthly basis using our internal database tools and sourced by utility provider data management solutions for manufacturing facilities and headquarters/RD&E facilities. We prioritize measurement, accounting and reporting for these sites, which comprise over 90% of our impact. In some cases, we lack the ability to collect actual water withdrawal quality data. In these cases, we estimate water withdrawal quality data based on similar site types.	
Water discharges – total volumes	100%	We measure and monitor total volume of water discharge for 100% of sites over which operational control is exercised. This includes water discharge volume data collected on a monthly basis using our internal database tools and utility provider data management solutions for manufacturing facilities and headquarters/RD&E facilities. We prioritize measurement, accounting and reporting for these sites, which comprise over 90% of our impact. In some cases, we lack the ability to collect actual water discharge data. In these cases, we estimate water discharge data by assuming withdrawal = discharge.	
Water discharges – volumes by destination	76-99	We measure and monitor total volume of water withdrawal by source for all global manufacturing and headquarters/RD&E facilities. This includes water discharge by destination data collected on a monthly basis using our internal database tools and utility provider data management solutions. We prioritize measurement, accounting and reporting for these sites, which comprise over 90% of our impact. We do not currently track discharge volume by destination for our Office, Distribution & Warehouse facilities. These facilities are not significant users of water, less than 10 percent of our total discharge footprint based on estimated and actual sources.	
Water discharges – volumes by treatment method	76-99	Water discharge by treatment method data is measured at more than 76% of Ecolab manufacturing facilities and headquarters/RD&E facilities. Water discharge data by treatment method is collected on a monthly basis using our internal database tools. We prioritize measurement, accounting and reporting for manufacturing sites that make up the majority of our total water discharge. The majority of these manufacturing sites have wastewater permits per regulatory requirements. Sites that are not monitored do not generate material amounts of wastewater requiring treatment.	
Water discharge quality – by standard effluent parameters	76-99	Ecolab measures and reports biochemical oxygen demand (BOD) and total suspended solids (TSS) at relevant global supply chain manufacturing facilities on a monthly basis using our internal database tools and utility provider data management solutions. We prioritize measurement, accounting and reporting for sites where discharge quality issues have been identified. In 2021, 61% of supply chain manufacturing water discharge was represented in our total reported BOD volume, and 53% was represented in our total reported TSS volume. Sites that are not monitored do not have a material impact. In addition, we monitor the pH of our water effluent before discharging to third party destinations. This includes wastewater hauled off-site and water treated at industrial wastewater treatment plants, which comprise 82% of our water discharge by destination. Together, we measure water discharge quality by standard effluent parameters at more than 76% of our global sites.	
Water discharge quality – temperature	Not relevant	We do not monitor water discharge quality by temperature and do not expect to in the future as Ecolab facilities do not produce a material amount of thermal effluent and do not expect this water aspect to be relevant in the future.	
Water consumption – total volume	100%	We measure water consumption at 100% of Ecolab sites. Consumption is calculated as the difference between total (actual and estimated) water withdrawals and total (actual and estimated) water discharges. Most of our water consumption results from the incorporation of water into products, or water lost to the atmosphere through evaporation. Water withdrawal and discharge are tracked monthly at our global manufacturing and headquarters/RD&E facilities using our internal database tools and utility provider data management solutions, with the resulting difference calculated as actual water consumption. We prioritize measurement, accounting and reporting for these sites, which comprise >90% of our impact. In some cases, we lack the ability to collect actual withdrawal, discharge and consumption data, including at some Office, Distribution & Warehouse facilities, where water consumption is expected to be immaterial. In these cases we estimate consumption by assuming withdrawal = discharge.	
Water recycled/reused	100%	Water recycled and reused is measured and reported for 100% of the sites over which operational control is exercised. This includes data on water recycling and reuse that is collected on a monthly basis using our internal database tools and utility provider data management solutions for manufacturing facilities and headquarters/ RD&E facilities. We prioritize measurement, accounting and reporting for sites where we currently recycle and reuse water. In some cases, we lack the ability to collect actual water recycle/reuse data. In these cases, we do not include an estimate; we only report known instances of water recycling and reuse. In 2021 our volume of water recycled/reused equaled 6% of total withdrawal, a 28% increase over 2020.	
The provision of fully-functioning, safely managed WASH services to all workers	100%	Ecolab is committed to upholding the principles of water stewardship within 100% of our own operations, in alignment with the Alliance for Water Stewardship Standard: upholding good water governance, achieving a sustainable water balance, maintaining good water quality status, protecting or restoring important water- related areas, and providing safe water, sanitation, and hygiene (WASH) for all. We recognize the human right to water. We are committed to aligning with UN Sustainable Development Goal (SDG) #6 to "Ensure availability and sustainable management of water and sanitation for all" and have endorsed the UN Global Compact's CEO Water Mandate. As stated in Ecolab's Water Stewardship Position, we are committed to providing access to WASH facilities in local communities. We monitor the provision of fully-functioning, safety managed WASH services on an annual basis using our internal database tools.	

## W1.2b

# (W1.2b) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, and how do these volumes compare to the previous reporting year?

	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Total withdrawals	6749.72	About the same	Ecolab's total water withdrawals decreased by3% from 6,770.53 megaliters in 2020 to 6,749.72 megaliters in 2021. We consider this to be about the same as it is less than a 10% decrease from the previous year. We attribute this slight decrease in withdrawals to our continued efforts to improve to improve water efficiency across the business and expand the use of recycled water within our own operations as we track progress towards our 2030 water intensity target. This slight decrease in withdrawals to and a 4.7% increase in inflation-adjusted revenue. Ecolab is committed to reducing its total water withdrawals and has set a target to reduce water impact by 40% per unit of production across the enterprise by 2030 from a 2018 baseline. In 2021, we delivered on projects resulting in approximately 27 million gallons (~103,000 cubic meters) of water savings. One example of this work is the design of a new wastewater treatment station at our production facility in Châlons-en-Champagne, France. It uses water reuse technology supported by Nalco Water, Ecolab's water and process management business, to reduce water discharge to the city sever network by almost 80%. The treatment system may allow the facility to reuse up to 20 million gallons of water each year. Additionally in 2021, several other locations in 2022. In 2021, these initiatives saved over 5.2 million gallons of water at key manufacturing sites, with additional valves to be installed at several other locations in 2022. In 2021, these initiatives saved over 5.2 million gallons of water at the facility to reuse of molecular other locations in 2022. In 2021, these initiatives saved over 5.2 million gallons of water at the facility and advector be installed at several other locations in 2025. In 2021, these initiatives saved over 5.2 million gallons of water at the facility to reuse of these actions and others, in 2021, meter reuse projects in 2021, resulting in over 1.3 million of annual water savings. Because of these actions and others, in 2021 we reduced
Total discharges	4902.44	About the same	Ecolab's total water discharges increased by .7% from 4,868 megaliters in 2020 to 4,902 megaliters in 2021. We consider this to be 'About the same' as it is less than a 10% change from the previous year. Given that withdrawals remained about the same in 2021 versus 2020, reflecting company-wide efforts to limit withdrawal as we track progress towards our 2030 intensity target, we expected discharges to also remain about the same. The slight increase in discharge despite a slight decrease in withdrawal means Ecolab's rate of water consumption decreased in 2021, in alignment with our goal to limit our impact on our watersheds in which we operate. Ecolab is committed to reducing its total water withdrawals, which in turn will reduce total water discharges, and has set a target to reduce water impact by 40% per unit of production across the enterprise by 2030 from a 2018 baseline. Accordingly, we expect water discharge volumes to be lower in the future.
Total consumption	1847.28	About the same	We measure and monitor water consumption, defined by Ceres as "water used but not returned to its original source, including water that has evaporated, transpired, incorporated into products, crops or waste, consumed by man or livestock or otherwise removed from local source" at 100% of our sites. Consumption is calculated as the difference between total (actual &estimated) water withdrawals and total (actual & estimated) water discharges. Most water consumption is from the use of water in products, or water lost through evaporation. Water withdrawal & discharge is tracked monthly at our global manufacturing & headquarter/RD&E facilities using internal database tools and utility provider data management solutions, with resulting difference calculated as actual water consumption. In some cases we can't collect actual withdrawal, discharge & consumption data, including at some Office, Distribution & Warehouse facilities, where water consumption is likely immaterial. In these cases we estimate consumption by assuming withdrawal=discharge. With this approach, Ecolab's total water consumption decreased by 2.9% from 1,902 ML in 2020 to 1,847 ML in 2021. We consider this to be 'About the same' as it is a <10% decrease from the previous year. This decrease was expected given our continued efforts to improve water efficiency within our own operations as we progress towards our 2030 water intensity target. As we seek to limit our impact to watersheds in which we operate water consumption within water-stressed areas decreased by 11.7% from 2020 to 2021. Ecolab committed to achieving Alliance for Water Stewardship Standard certification in high-risk watersheds, achieving certification in two new watersheds in 2021. Ecolab is committed to achieving its total water withdrawals, reducing total consumption, and has set a target to reduce water impact by 40% per unit of production by 2030 from a 2018 baseline. We expect water consumption volumes to be lower in the future.

## W1.2d

(W1.2d) Indicate whether water is withdrawn from areas with water stress and provide the proportion.

	areas with water stress	withdrawn from	with previous	Identification tool	Please explain
Row 1	Yes	11-25	About the same	WRI Aqueduct	Ecolab conducts an annual water risk assessment to identify facilities that may operate within water stressed regions, both in the near- and long-term. The analysis is based on combining our operational water withdrawal, effluent footprint and production metrics with water risk inputs and financial cost valuations from the Smart Water Navigator to inform decisions at an operational level. Both tools are used based on their ability to evaluate current and future climate-related water risks against multiple climate scenarios (e.g. IPCC RCP 8.5). In 2021, our water risk assessment scope included 100% of our global withdrawal and effluent footprint. Defining water stressed as areas having high (40-80%) or extremely high (>80%) baseline water stress according to the WRI Aqueduct tool, we determined that 17.7% of our total withdrawal is from water stressed areas, a decrease from 18.1% in 2020. We consider this decrease to be "About the same" as it is less than a 10% change from the previous year. To further evaluate our water risk, we also evaluated sites in these areas against the following risk criteria: • Future baseline water stress is expected to remain the same or increase (based on RCP 8.5 climate scenario to 2030 in WRI's Aqueduct Water Risk Atlas) • Ten-year potential revenue at risk is greater than 10% (based on the Smart Water Navigator tool) • Production intensity (i.e. the percentage of each sites' production out of total production) is greater than 1%. Based on these criteria, only two sites representing 4.8% of total production volume and 1.9% of total water withdrawal have been identified as operating in river basins where production may be affected by water risk. Soth sites are working hard to mitigate this risk and are in scope of our 2030 Impact Goal to restore greater than 50% of water withdrawal and obtain AWS certification within high-risk watersheds. One of the sites, our City of Industry is watershed, the Colorado River Indian Tribes Systems Conservation Project within high-risk watersheds. On

## W1.2h

	Relevance		Comparison with previous reporting year	Please explain
Fresh surface water, including rainwater, water from wetlands, rivers, and lakes	Relevant	615.87	Higher	Fresh surface water, including rainwater, withdrawal is relevant because its a source we rely on for daily operations & manufacturing. It represents 9.1% of total withdrawal by source in 2021. Where municipal water is unavailable, we use fresh surface water. These withdrawals increased 18.4% from 2020- 2021, which we interpret as 'Higher' as it represents an increase of >10% and <20% from the previous year. This increase is primarily due to an increase in surface water as a share of total withdrawal at our Garyville, Louisiana site, where process water is pulled directly from the Mississippi River and treated on site. Our dependence on fresh surface water as a share of total withdrawals and has set a target to reduce water impact by 40% per unit of by 2030 from a 2018 baseline. Accordingly, we expect water withdrawal from fresh surface water to be lower in the future.
Brackish surface water/Seawater	Not relevant	<not applicable=""></not>	<not Applicable&gt;</not 	We do not source any of our water from brackish surface water/seawater in our direct or indirect operations due to our facility locations and our operational requirements to use freshwater. We do not anticipate that this source will become relevant to Ecolab in the future.
Groundwater – renewable	Relevant	827.42	Lower	Renewable groundwater withdrawal is relevant because we rely on it for daily operations & manufacturing and it represented 12.3% of total withdrawal by source in 2021. Where municipal water is unavailable we use groundwater and those withdrawals decreased by 10.7% from 2020-2021, which we interpret as 'Lower' as it is a >10% and <20% change from the previous year. This decrease is due to efforts to reduce withdrawal, as well as variability in production. Our dependence on renewable groundwater remained about the same from 2020-2021. We're committed to reducing total water withdrawal and have a target to reduce water impact by 40% per unit of production by 2030 from a 2018 baseline. We seek to reduce withdrawal and achieve AWS certification at our high-risk sites, such as our Lerma, Mexico, site, which depends on groundwater for a portion of its withdrawal and achieved certification in 2021. Accordingly, we expect water withdrawal from renewable groundwater to be lower in the future.
Groundwater – non-renewable	Not relevant	<not applicable=""></not>	<not Applicable&gt;</not 	We do not source any of our water from non-renewable groundwater sources. As per our Water Stewardship Position Statement, Ecolab is committed to the sustainable management of water resources and non-renewable water resources are not considered environmentally, socially or economically sustainable. We do not anticipate that this source will become relevant to Ecolab in the future.
Produced/Entrained water	Not relevant	<not applicable=""></not>	<not Applicable&gt;</not 	We do not source any of our water from produced/entrained sources as we do not have operations that produce water as a result of the extraction, processing, or use of raw materials. We do not anticipate that this source will become relevant to Ecolab in the future.
Third party sources	Relevant	5306.41	About the same	Third party municipal water is relevant because we rely on it for our daily operations & manufacturing. It represented 78.6% of our total withdrawal in 2021. Municipal water withdrawals decreased by .3% in 2021, which we interpret as 'About the same' as it represents a decrease of >10% from the previous year. Our dependence on third party sources remained about the same from 2020 to 2021. This slight decrease in withdrawals was realized despite an 11% increase in metric tons production and a 4.7% increase in inflation-adjusted revenue. We are committed to reducing total water withdrawals and has set a target to reduce water impact by 40% by 2030 from a 2018 baseline. Through our solutions like 3D TRASAR <sup>TM</sup> , Water Flow Intelligence and the Smart Water Navigator, we support smart water management practices to reduce demand & improve water quality while optimizing costs at the facility & organizational level. We expect withdrawal from third party municipal water to be lower in the future.

## W1.2i

## (W1.2i) Provide total water discharge data by destination.

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Fresh surface water	Relevant	882.27	About the same	Fresh surface water discharge is relevant as it is a destination used for daily operations & manufacturing based on watersheds and utility infrastructure. It represents 18% of 2021 total water discharge. Sometimes we discharge to surface water when sewer to treatment facility processes are unavailable. Fresh surface water discharges increased 1.1% from 2020-2021, which we consider 'About the same' as it is <10% change. This slight increase is due to variability in production and an increase in surface water a share of total discharge by destination at our Garyville site, where onsite secondary treatment is applied. Surface water discharge remained a small portion of overall discharge in 2021. We've committed to reducing total water withdrawals which will reduce discharges, and have a target to reduce water impact 40% per unit of production by 2030 from a 2018 baseline. Accordingly, we expect discharge to fresh surface water to decrease in the future.
Brackish surface water/seawater	Not relevant	<not applicable=""></not>	<not Applicable&gt;</not 	Due to our facility locations and our operational requirements to use freshwater, we do not source any of our water from brackish surface water/seawater, and therefore do not discharge water into brackish surface water/seawater so this source is not relevant. We do not anticipate that this destination will become relevant to Ecolab in the future.
Groundwater	Not relevant	<not applicable=""></not>	<not Applicable&gt;</not 	Groundwater discharge, which Ecolab defines as deep well injection, is no longer relevant to Ecolab. Groundwater discharge was primarily associated with our Upstream Energy business. Ecolab completed the divestiture of its Upstream Energy business in 2020. With the completion of the divestiture, we do not anticipate that this destination will become relevant to Ecolab in the future.
Third-party destinations	Relevant	4020.16	About the same	Third-party destinations, including municipal destinations, wastewater hauled off-site and industrial wastewater treatment plants are relevant because they are the primary destination we rely on for our operations & manufacturing based on watersheds and utility infrastructure. In 2021, third-party destinations represented 92% of discharge by destination. Third-party discharge increased .6% from 2020-2021, which we consider 'About the same' as it is <10% increase. This slight increase is due to overall production variability, and the slight increase in third-party destination decrease in withdrawal means Ecolab's rate of water consumption decreased in 2021, in alignment with our goal to limit impact on watersheds in which we operate. We are committed to reducing withdrawals which will reduce discharges, and have a target to reduce water impact 40% per unit of production by 2030. Accordingly, we expect discharge to third party destinations to decrease in the future.

#### (W1.2j) Within your direct operations, indicate the highest level(s) to which you treat your discharge.

	Relevance of treatment level to discharge	Volume (megaliters/year)	Comparison of treated volume with previous reporting year	% of your sites/facilities/operations this volume applies to	Please explain
Tertiary treatment	Not relevant	<not applicable=""></not>	<not applicable=""></not>	<not applicable=""></not>	Ecolab does not conduct tertiary treatment of discharge within our direct operations.
Secondary treatment	Relevant	444.3	About the same	Less than 1%	Ecolab employs secondary treatment as the highest level of treatment at one site within our direct operations, our Garyville site, due to the nature of available utility infrastructure. This site discharges directly to surface water and complies with regulatory effluent standards.
Primary treatment only	Not relevant	<not applicable=""></not>	<not applicable=""></not>	<not applicable=""></not>	Ecolab does not have operations where primary treatment is the highest level of treatment applied to discharge.
Discharge to the natural environment without treatment	Relevant	438	About the same	Less than 1%	Ecolab employs discharge to the natural environment without treatment in select locations where sewer to treatment facility processes are unavailable. The primary location at which this occurs is our Biebesheim facility. This site withdraws freshwater for cooling water, discharging back to the source with negligible loss in quality.
Discharge to a third party without treatment	Relevant	4020.2	About the same	91-99	Ecolab discharges to a third party without treatment at the remaining sites within our direct operations. Manufacturing sites make up the majority of our total water discharge, and the majority of these manufacturing sites adhere to wastewater permits per regulatory requirements.
Other	Not relevant	<not applicable=""></not>	<not applicable=""></not>	<not applicable=""></not>	Ecolab does not employ other treatment methods as the highest level of treatment.

## W1.3

(W1.3) Provide a figure for your organization's total water withdrawal efficiency.

		Total water withdrawal volume (megaliters)	Total water withdrawal efficiency	Anticipated forward trend
Row 1	1273310 0000	6749.72	3848337	Through Ecolab solutions like 3D TRASAR™, Water Flow Intelligence and digital tools like the Smart Water Navigator, we support smart water management practices to reduce demand and improve water quality while optimizing costs at the facility and organizational level. In 2021, we reduced overall water impact intensity (cubic meters / MT of product produced) by 25% from a 2018 base year. Accordingly, we anticipate our total water withdrawal per unit revenue will decrease in the future.

## W1.4

#### (W1.4) Do you engage with your value chain on water-related issues? Yes, our suppliers

Yes, our customers or other value chain partners

## W1.4a

(W1.4a) What proportion of suppliers do you request to report on their water use, risks and/or management information and what proportion of your procurement spend does this represent?

#### Row 1

% of suppliers by number 1-25

#### % of total procurement spend

51-75

#### Rationale for this coverage

In 2021, Ecolab launched our first supplier sustainability survey to over 400 top suppliers, prioritized by spend, to assess their current carbon and water reduction targets. In addition to educating suppliers on GHG inventories and science-based target setting in support of our 2024 SBTI supplier engagement target, this survey collects information on suppliers' water inventory status, current or planned water withdrawal reduction targets, and the location of suppliers' top manufacturing facilities. We use this information to evaluate the water risk management maturity of our key suppliers, and to identify opportunities for Ecolab to help our suppliers increase their efficiency and reduce impacts in their processes via our products and services. Ecolab understands that climate and water are intrinsically linked (it requires energy to pump, heat, cool and treat water). By helping our top suppliers by emissions reduce their water consumption, we can also help them manage their emissions, thus reducing our S3 emissions and supporting progress towards our SBT. The rationale for coverage is approximately our top 400 suppliers by spend, representing 61% of procurement spend, as these suppliers represent the greatest opportunity to make progress towards our SBT. While the engagement is most critical to our own supply chain. These suppliers are incentivized to participate in reporting because they represent our key business partners and we offer resources, products and services to help them increase efficiency and reduce both their water and emissions impact. Many of our suppliers are also our customers creating additional incentives to report and collaborate.

#### Impact of the engagement and measures of success

Our supplier sustainability survey collects information on suppliers' water inventory status, current or planned water withdrawal reduction targets, and the location of suppliers' top manufacturing facilities. We use this information to evaluate the water risk management maturity of our key suppliers, and to identify opportunities for Ecolab to help our suppliers increase their efficiency and reduce impacts in their processes via our products and services. Measures of success include the response rate to our sustainability survey (37% in 2021), suppliers' progress on water risk management maturity (e.g. the % of suppliers by procurement spend with withdrawal reduction targets), the number of suppliers joining the Water Resilience Coalition, and the number of projects per year & cumulative water and energy savings delivered by Ecolab to top suppliers.

#### Comment

(W1.4b) Provide details of any other water-related supplier engagement activity.

### Type of engagement

Innovation & collaboration

Details of engagement

Encourage/incentivize innovation to reduce water impacts in products and services

% of suppliers by number 1-25

% of total procurement spend 1-25

#### Rationale for the coverage of your engagement

Raw materials, Equipment & Packaging suppliers, inclusive of our Strategic Supplier Initiative suppliers representing 17% of raw material spend, are engaged on waterrelated issues including their risks, consumption and product development related information because these suppliers represent our systems engineering approach to providing unique chemistry solutions and services to our customers. They are selected for reporting through our procurement organization and are incentivized to participate in reporting because we co-innovate with them on projects, products, and services which reduce their operating costs and lower their environmental footprint. This is realized through our direct engagement process where we identify raw material purchasing needs and explore their manufacturing processes to identify opportunities to increase efficiency and reduce impacts in their processes. Many of these suppliers are also our customers creating additional incentives to collaborate.

#### Impact of the engagement and measures of success

Impacts of our engagement include the generation of new product launches, enabling more than 10% of our R&D pipeline. We collect product performance KPIs covering energy, water, emissions, as well as supplier operational impacts. This data is used by product R&D teams to inform efficiency projects with suppliers at the product development level and/or manufacturing level. Because our Strategic Suppliers are also key customers, customer account managers use this data to report savings from water and energy impacts in their operations. For example, Ecolab engaged with key suppliers Dow and BASF to deploy its 3D TRASAR technology for cooling water which reduced the water footprint for our purchased goods from these two suppliers by 3 billion gallons, a 71% reduction. Engagement success is measured by: the number of projects per year, and cumulative water and energy savings delivered from a base case, that we co-deliver. For example, we engaged with Dow, a key raw materials supplier, to identify solutions to reduce water consumption at a facility in Spain facing water stress. Through our co-innovation process, we evaluated their operational data through our supplier program and deployed solutions that enable Dow to now use 40% reclaimed water, reducing freshwater withdrawal by 22% and effluent discharge by 49%. In 2020 we launched our new product Trimeta pHreedom<sup>TM</sup> as a result of Strategic Supplier Initiative engagement. Customer benefits of the solution include more efficient cleaning, improved processing capabilities, water savings through reduced rinsing, and a significant reduction in chemical use. Ecolab partnered with BASF on this effort.

#### Comment

### W1.4c

#### (W1.4c) What is your organization's rationale and strategy for prioritizing engagements with customers or other partners in its value chain?

Customers: We use our eROI platform to engage customers on the value and impact of Ecolab solutions. In our Annual Business Reviews with customers, we ask them to quantify: Improved Performance, Operational Efficiency and Sustainable Impact. Our 25,000 field reps receive ongoing training on eROI and we report our total impact in our annual CR report. Our rationale for engagement is that our ability to deliver improved sustainability performance for customers is a competitive advantage. Sales growth by sector and by eROI product platform/ technology are success measures. Our 2030 Impact Goals include a goal to help customers conserve 300 billion gallons of water per year by 2030.

NGOs: We engage with NGOs to: 1) understand global trends; 2) advance responsible water management solutions; and 3) work with local water basin partners to address shared water challenges. We are signatories of the UNGC's CEO Water Mandate and members of the Corporate Eco Forum. In 2021 we supported global non-profit partners such as The Nature Conservancy, Project WET Foundation, Water.org and WRI to advance water stewardship in priority regions. We worked on shared water challenges as a founding member of the Water Resilience Coalition, member of the California Water Action Collaborative, and founding member of the Alliance for Water Stewardship (AWS) International Water Stewardship Standard, a framework to drive water stewardship and encourage collective action. We've achieved AWS certification at six of our facilities and worked with others to implement the Standard. Our rationale for engagement is to drive water stewardship through a stakeholder-inclusive process that involves site/catchment-based actions in priority watersheds. Success is measured by the number of facilities certified to the AWS standard, and number of AWS certified sites globally. By 2030, we aim to restore >50% of our absolute water withdrawal and achieve AWS certification in high-risk watersheds where we operate.

### W2. Business impacts

### W2.1

(W2.1) Has your organization experienced any detrimental water-related impacts? Yes

### W2.1a

#### (W2.1a) Describe the water-related detrimental impacts experienced by your organization, your response, and the total financial impact.

#### Country/Area & River basin

United States of America	Mississippi River

#### Type of impact driver & Primary impact driver

Acute physical	Cyclone, hurricane, typhoon

#### **Primary impact**

Other, please specify (Cost of damages and temporary site disruption)

### Description of impact

Hurricane Ida resulted in Ecolab shutting down operations at our Garyville Site 36 hours prior to landfall on August 29th. There were minimum physical damages including to the roof, and full power to the site was restored by September 9th and operations were up and running within 3 weeks. Business disruption was temporary and there was no permanent loss of business.

Primary response Improve monitoring

**Total financial impact** 4000000

#### **Description of response**

Ecolab has robust mitigation and remediation efforts instituted for extreme weather-related events in the future. In addition, all sites have emergency response protocols and proactive controls in place. Fire drills, flooding drills and tornado drills are proactively conducted on a periodic basis. After Hurricane Ida, Ecolab is going to improve monitoring of these weather events. Preseason weather prediction models will be built to improve preparedness. This can be done with data twins, Artificial Intelligence (AI), and sophisticated weather modeling.

Country/Area & River basin	

United States of America

Other, please specify (Garland River)

### Type of impact driver & Primary impact driver

Acute physical Heavy precipitation (rain, hail, snow/ice)
---

#### **Primary impact**

Reduction or disruption in production capacity

#### **Description of impact**

The winter freeze in Texas and the Gulf Coast region interrupted significant sources of supply and impacted certain larger customer locations, including refineries, as well as several of our own plants. The impact from supplier force majeures and product restrictions continued after the event. This was a short-term event that primarily impacted our Industrial segment, as raw materials supply was sharply reduced and certain customer operations were constrained. The Texas freeze was expected to have an unfavorable impact of \$0.15 per share in full year 2021.

#### **Primary response**

Amend the Business Continuity Plan

### **Total financial impact**

43365000

#### **Description of response**

As part of our Annual Business Significance Risks Assessment, Ecolab has developed a site selection process and an inventory of sites and locations with identified risks and management responses. We continue to diversify the locations of our facilities and consider risks of facilities that may be affected by extreme weather when determining where to expand or open new facilities. The findings from this Assessment are applied by our business units. For example, in the event of a natural disaster impacting our operations, we have various Crisis Management and Business Continuity Plans to mitigate business interruption. These plans were activated in our response to the 2021 Texas freeze, which impacted our Texas facilities.

## W2.2

(W2.2) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations? Yes, fines, enforcement orders or other penalties but none that are considered as significant

#### W2.2a

(W2.2a) Provide the total number and financial value of all water-related fines.

#### Row 1

**Total number of fines** 

2

Total value of fines

8760

% of total facilities/operations associated

0.2

Number of fines compared to previous reporting year Lower

#### Comment

We had two minor fines for water-related regulatory violations in 2021.

## W3. Procedures

## W3.3

(W3.3) Does your organization undertake a water-related risk assessment? Yes, water-related risks are assessed

## W3.3a

(W3.3a) Select the options that best describe your procedures for identifying and assessing water-related risks.

Value chain stage Direct operations

Coverage Full

### Risk assessment procedure Water risks are assessed as part of other company-wide risk assessment system

#### Frequency of assessment

Annually

How far into the future are risks considered? More than 6 years

#### Type of tools and methods used Tools on the market

International methodologies and standards

## Tools and methods used

Ecolab Water Risk Monetizer WRI Aqueduct Alliance for Water Stewardship Standard Other, please specify (External consultants)

## Contextual issues considered

Water availability at a basin/catchment level Water quality at a basin/catchment level Stakeholder conflicts concerning water resources at a basin/catchment level Water regulatory frameworks Status of ecosystems and habitats Access to fully-functioning, safely managed WASH services for all employees Other, please specify (Extreme precipitation events)

### Stakeholders considered

Customers Employees Investors Local communities NGOs Regulators Suppliers Water utilities at a local level Other water users at the basin/catchment level

## Comment

Value chain stage Supply chain

## Coverage

Full

## Risk assessment procedure

Water risks are assessed in an environmental risk assessment

### Frequency of assessment Annually

How far into the future are risks considered? More than 6 years

### Type of tools and methods used Tools on the market

Other

## Tools and methods used

Ecolab Water Risk Monetizer WRI Aqueduct Other, please specify (Internal company methods)

### Contextual issues considered

Water availability at a basin/catchment level Water quality at a basin/catchment level Implications of water on your key commodities/raw materials Other, please specify (Extreme precipitation events)

#### Stakeholders considered

Customers Investors Suppliers Other water users at the basin/catchment level

## Comment

Value chain stage Other stages of the value chain

Coverage Partial

### Risk assessment procedure Water risks are assessed in an environmental risk assessment

Frequency of assessment More than once a year

How far into the future are risks considered? More than 6 years

#### Type of tools and methods used Tools on the market Other

Tools and methods used Ecolab Water Risk Monetizer WRI Aqueduct Other, please specify (Internal company methods)

### Contextual issues considered

Water availability at a basin/catchment level Water quality at a basin/catchment level

## Stakeholders considered

Customers Investors Suppliers Other water users at the basin/catchment level

## Comment

## W3.3b

(W3.3b) Describe your organization's process for identifying, assessing, and responding to water-related risks within your direct operations and other stages of your value chain.

We conduct an annual water risk assessment, aligned with our Annual Enterprise Risk Assessment, of our potential physical and transition risks to our operations and suppliers, in the near- and long-term. Data inputs include withdrawal, effluent, and production metrics with risk inputs and financial cost valuations from the Smart Water Navigator. We use this tool because it is publicly available, global, uses best-in class local water basin datasets (WRI Aqueduct, etc.), and scientific methodologies to monetize water-specific business risks. Time horizons are based on the RCP 8.5 scenarios built into the tools on a current year (various risk criteria), 2030 and 2040 basis (e.g. change in future water stress), where 2030 is the year for our medium-term internal water target and customer impact water stewardship goal. This approach was selected so that we can demonstrate our own tools in assessing risk through scenario analysis on our own operations, supply chain and with customers. For our supply chain, additional data inputs include consideration of raw material volume, critical raw materials or non-substitutable formulas, and geographic diversification.

For our direct operations and supply chain, water availability and quality at a basin/catchment level is included in the assessment as freshwater is an essential raw material input into many of our products. For our customers, water is the essential delivery mechanism to enable the outcomes our customers expect from us: cleaning, sanitation, heating and cooling. For direct operations, stakeholder conflicts are included in our risk assessment given our dependence on water access and impact on water resources in areas in which we operate. We recognize our responsibility to practice good water management and collaborate with local communities to ensure the availability of water and sanitation for all. Water-related regulatory frameworks are included in our risk assessment for direct operations because such frameworks apply to some of our operations, including certain high-stressed areas. Regulatory risk is assessed at the watershed level. We evaluate the status of ecosystems and habitats within our direct operations risk assessment because having operations in environmentally sensitive or protected areas may lead to regulatory, operational and/or reputational risks, including risks related to wastewater permits. We investigate our global sites to determine if any are near protected areas. In 2021 Ecolab expanded its risk assessment to include water-related extreme weather events, assessing risk under three future climate scenarios (RCP Low 4.5, RCP High 4.5, and RCP 8.5) for direct operations and supply chain. Extreme precipitation was modeled because increased rainfall in watersheds that feed into streams and rivers could lead to flood events.

Ecolab uses the WRI Aqueduct and Smart Water Navigator tools to evaluate water availability and quality at the local level for 100% of direct operations. We utilize WRI Aqueduct to identify facilities that may operate in water stressed regions, both in the near and long-term. Combining operational data with financial cost valuations and water risk inputs, we utilize the Smart Water Navigator's valuation of incoming and outgoing quantity risk and overall Revenue at Risk for sites facing water stress. We apply these tools to our critical suppliers via targeted engagement, while our supply chain procurement organization conducts reviews of all sourcing, which include a formal process that identifies critical suppliers (e.g. high volume suppliers, suppliers of critical raw materials, or those with non-substitutable formulas). Risk management plans including changes in source of supply and potential alternative raw materials formulations are in place for those suppliers that have identified potential water-related risks. Analysis of stakeholder conflicts and regulatory risk to our direct operations is augmented by Ecolab's corporate regulatory affairs organization. Impact of our direct operations on local ecosystems is managed through our global SH&E policies. For select sites in high-risk areas, obtaining Alliance For Water Stewardship certification supports the risk assessment and management process, including engagement with local stakeholders and authorities. We monitor WASH access for our operations via internal database tools managed by our Supply Chain organization. Our risk-response decision making process consider the results of this analysis and directly informs our business strategy to prioritize our water conservation and efficiency efforts across the business and with suppliers.

## W4. Risks and opportunities

## W4.1

(W4.1) Have you identified any inherent water-related risks with the potential to have a substantive financial or strategic impact on your business? No

## W4.1a

#### (W4.1a) How does your organization define substantive financial or strategic impact on your business?

When assessing water risk in our direct manufacturing operations, we measure the impact on our total production volume (MT) to determine substantive impacts on the business. We define risks that have a 'substantive financial or strategic impact' as having a total (isolated or combined) >10% production capacity impact on Ecolab's annual total production in our direct manufacturing operations. For example, if one or more sites experienced a prolonged shutdown due to a loss of operating capacity which could affect greater than 10% of our global production capacity for a product line with no alternative production means, this would be considered as substantive impact.

When assessing water risk in supply chain and more broadly across our corporate level Enterprise Risk Management (ERM) process, we define risks that have a 'substantive financial or strategic impact' as having an impact of greater than 5% of operating income, either as an isolated event or combination of factors that may impact our corporate strategy and business continuity. For example, if one or more of our suppliers experience a prolonged shutdown due to a loss of operating capacity and we were unable to source the same raw materials or the cost of which was equal to or greater than 5% of our operating income, this would be considered a substantive impact. This assessment and its criteria are reviewed annually and incorporated into our annual business risk assessment and reporting processes. Criteria that we consider in this assessment include, for example, the current baseline water stress as scored by the WRI Aqueduct tool and the future predicted change in baseline water stress using the business-as-usual IPCC RCP8.5 climate scenario to 2030.

## W4.2b

(W4.2b) Why does your organization not consider itself exposed to water risks in its direct operations with the potential to have a substantive financial or strategic impact?

	Primary reason	Please explain
Row 1	but no substantive impact anticipated	Ecolab conducts annual water risk assessments to identify facilities that may operate in water stressed regions, both near and long term. We combine operational water withdrawal, effluent footprint & production metrics with water risk inputs & financial cost valuations from the Smart Water Navigator to inform operational decisions, leveraging public water risk datasets developed by the WRI & WWF. We also consider incoming and outgoing water quality & quantity to provide a Risk Premium relative to the price of water score for each site, identifying whether any site(s) could expose the company to water risks (current and/or future) that may generate a substantive change to our business, operations, revenue or expenditure. Our 2021 scope included 100% of direct operations. We assessed all company locations representing 100% of global withdrawal & effluent footprint using risk criteria inputs provided by the WRI Aqueduct Water Risk Atlas & insights from our Smart Water Navigator. Using GRI's definition of water stress, 17.7% of our total withdrawal is from areas with "high" or "extremely high" baseline water stress. We also evaluated sites against the following criteria: Future baseline water stress expected to remain the same or increase; Ten-year potential revenue at risk greater than 10% (using Smart Water Navigator tool); revenue) to the business' share of water available in the water basin if water was allocated based on economic activity (contribution to basin-level GDP). Based on these criteria, two sites (4.8% of total production volume and 1.9% of total water withdrawal and obtain AWS certification within high-risk watersheds. Our City of Industry Jant in CA was certified in 2017. In 2021 we invested CO River Indian Tribes for conserving river water and shoring up declining water levels in Lake Mead. Our investment delivers a benefit of 19.2M gallons (~7.3,000 m3)/year our 20.30 were s.

## W4.2c

(W4.2c) Why does your organization not consider itself exposed to water risks in its value chain (beyond direct operations) with the potential to have a substantive financial or strategic impact?

	Primary reason	Please explain
Row 1	but no substantive impact anticipated	Based on our assessment, our supply chain is not exposed to significant physical, regulatory or any other water risks that could have a substantive financial or strategic impact, i.e. impact >5% of operating income. We purchase >10,000 raw materials with the largest single raw material representing <3% of raw material purchases. Our raw materials, except for a few specialized chemicals we manufacture, are generally purchased on an annual contract basis & are ordinarily available in adequate quantities from a diverse group of suppliers. Key commodities & raw material purchasing activities are included in the scope of both our company-wide Enterprise Risk Management process & Strategic Supplier Initiative (SSI) which includes engagement with 6 to pier chemical suppliers representing 17% of Raw Materials spend. To date substantive water risks have not been identified. Our SSI & supply chain procurement organization conducts reviews which include a formal process to identify critical suppliers (e.g. high volume suppliers). Risk management plans including changes in source of supply & potential alternative raw materials formulations are in place for suppliers that have identified potential water risks. For example, where supplier raw material sincing risks are identified, we ensure that we have multiple suppliers that we can procure from if a supplier may be impacted by a market or supply chain disruption, which may include climate-related risks. However, none individually or in total exceed our 5% operating income impact threshold for substantive risk. We engage directly with select raw materials, equipment & packaging suppliers to reduce their water risk, co-innovating on projects, products & services to identify opportunities to increase efficiency weature for a site, & make a clear business case for investment in operational water efficiency measures. Many of these uppliers are also our customers creating additional reasons to collaborate. Projects we deliver which reduce our suppliers' impact at key manufacturi

## W4.3

(W4.3) Have you identified any water-related opportunities with the potential to have a substantive financial or strategic impact on your business? Yes, we have identified opportunities, and some/all are being realized

## W4.3a

(W4.3a) Provide details of opportunities currently being realized that could have a substantive financial or strategic impact on your business.

#### Type of opportunity

Products and services

## Primary water-related opportunity

Increased sales of existing products/services

### Company-specific description & strategy to realize opportunity

All industries that Ecolab serves rely on water for their operations making the delivery of water-efficient products and services strategic to our business success. As climate change impacts the availability and price of water and fossil-based energy, customers are increasingly looking for solutions that improve their operational efficiency and cost savings, including reducing water use and the energy required to pump, heat or cool water. In our Global Industrial business alone, there is potential for increased market share and access of up to \$70 billion of water treatment applications. By 2030, Ecolab aims to help customers conserve 300 billion gallons of water per year by reducing consumption in customer operations. We invest in R&D activities to produce a portfolio of products that reduce customer water use, such as our APEXTM Warewashing System, Formula 1 laundry program, DryExxTM conveyor lubricant, and our 3D TRASARTM system for cooling tower and boiler feed water conditioning. By meeting customer demand for these solutions, we will realize significant revenue growth. For example, in the immediate aftermath of COVID-19, Myndham partnered with Ecolab to implement solutions (such as our Aquanomic laundry program and Oasis Pro surface cleaner) to reduce the amount of resources and products needed to clean each property while still maintaining high standards for cleanliness. Ecolab's clean, and resource-efficient solutions helped the Wyndham team save 160 million gallons (610,000 m3) of water. We use an eROI program to measure and communicate cost and environmental savings for customers which enhances our value proposition and drives sales.

Estimated timeframe for realization Current - up to 1 year

Magnitude of potential financial impact Medium-high

Are you able to provide a potential financial impact figure? Yes, an estimated range

Potential financial impact figure (currency) <Not Applicable>

#### Potential financial impact figure – minimum (currency) 7600000000

#### Potential financial impact figure – maximum (currency) 14000000000

#### **Explanation of financial impact**

Nearly every product or service we sell impacts our customers' water efficiency, for example, all of our Nalco Water customers rely on water for their production processes. Developing and expanding our resource efficient products and services presents opportunities for increased growth rate, market share and profitability. We have identified many opportunities in our target markets, including food & beverage processing and commercial buildings, to gain a competitive advantage through our water and energy optimizing solutions. At a global level, Ecolab's market growth opportunity represents approximately a \$140 billion spread across all our primary business units (this was estimated based on a \$152 billion total addressable market across all markets we serve as compared to our existing market share of \$12.16 billion). Within our Global Industrial business alone, which is focused on water and energy saving solutions, there is the potential for increased market share and access of up to \$76 billion for water treatment applications (this was estimated based on our Global Industrial business making up 50% of Ecolab's net sales in 2021, and therefore 50% of the \$140 billion total market opportunity).

Type of opportunity

## Products and services

Primary water-related opportunity Other, please specify (Expansion into new markets)

### Company-specific description & strategy to realize opportunity

Climate change will cause increased risks to water availability and quality, which we anticipate will drive greater water use regulation globally. As Ecolab serves customers in many industries that rely on water to operate, there is an opportunity for us to develop new products and services and expand our existing portfolio of conservation, reuse, recycle, and zero liquid discharge technologies that improve water efficiency in a more tightly regulated market. We anticipate these opportunities will be global, but will be especially pronounced in densely populated, arid and temperate regions including BRIC and emerging markets. Our goal to help our customers conserve 300 billion gallons of water withdrawal per year by 2030 strategically positions us to invest in two tools, the Water Risk Monetizer and the Smart Water Navigator, to help customers identify water risks, whether regulatory, quality or availability and to drive greater operational water efficiency. These tools allow us to enter new markets with our customers by partnering with them to use these tools to inform their potential risks, set targets, and identify how our products and services can be used to mitigate those risks. For example, we used the Water Risk Monetizer to help a steel client in India – a very water intensive industry in a water-stressed region facing increased regulatory frameworks – identify and save 380 million gallons of water through smart water management, digital technologies like our 3D TRASAR Technology and operational management services.

### Estimated timeframe for realization

1 to 3 years

#### Magnitude of potential financial impact Medium

Are you able to provide a potential financial impact figure? Yes, an estimated range

Potential financial impact figure (currency) </br><Not Applicable>

#### Potential financial impact figure – minimum (currency) 25000000

Potential financial impact figure – maximum (currency) 760000000

## Explanation of financial impact

Our Global Industrial segment, of which water treatment applications is a large part, had \$6.3B in sales in 2021. With growth estimates for the water treatment systems market size projected at 7%+ per year, and a potential market of \$44B in 2025, we have an opportunity to expand our market share by growing from 8% to 10% per year. This would represent \$0.25B to \$0.76B of potential additional sales compared to simply maintaining market share by growing at 7%. By innovating and maintaining market leadership, we have the opportunity to expand our share in a growing market.

### W6. Governance

#### W6.1

(W6.1) Does your organization have a water policy? Yes, we have a documented water policy that is publicly available

W6.1a

## (W6.1a) Select the options that best describe the scope and content of your water policy.

	Scope	Content	Please explain
Row 1	Company- wide	Description of business dependency on water Description of business impact on water Description of water-related	Ecolab's publicly available Water Stewardship Position formalizes our global commitment to undertake responsible water stewardship for our company and customers. Our Position is company-wide in scope, so we apply the principles of this policy to all our operations, as well as across our value chain. The aim of the Position is to hold Ecolab accountable to upholding principles of water stewardship and supporting global progress towards achieving SDG Goal #6: Ensure availability and sustainable management of water and sanitation for all. The Position is incorporated into our Office of Sustainability for application across our business, and includes the following content: 1) Description of business dependency and business impact on water; 2) Description of water related performance standards, international standards and widely-recognized water initiatives, including the Alliance for Water Stewardship Standard; 3) Description of company water targets and goals; 4) Commitment to align with public policy initiatives, including UN SDG Goal #6, and target #6.4 to "substantially increase water-use efficiency across all sectors"; 5) Commitments beyond regulatory compliance; 6) Commitments to collaborate and engage with customers, policymakers, strategic suppliers, local collective action groups, and other organizations leading the way on global water security to reduce risks and impacts,
		performance standards for direct operations Description of water-related standards for procurement Reference to	share best practices and develop effective and sustainable solutions; 8) Commitment to water stewardship and/or collective action, including a robust water stewardship strategy, promoting stewardship of natural resources and environmental protection, participating in local collective action groups, protecting and restoring on-site areas of importance to water resources, and minimizing pollutants going to stormwater and wastewater "; 9) Commitment to safety managed Water, Sanitation and Hygiene (WASH) in the workplace and in the high-risk watersheds in which we operate; 10) Acknowledgement of the human right to water and sanitation; and 11) Recognition of environmental linkages, including the importance of the energy-water nexus and performing regular risk assessments and scenario analyses to assess potential climate change impacts on water availability and quality.
		international standards and widely-recognized water initiatives Company water targets and goals Commitment to align with public	
		policy initiatives, such as the SDGs Commitments beyond regulatory compliance Commitment to water-related innovation	
		Commitment to stakeholder awareness and education Commitment to water stewardship and/or collective	
		action Commitment to safely managed Water, Sanitation and Hygiene (WASH) in the workplace	
		Commitment to safely managed Water, Sanitation and Hygiene (WASH) in local communities Acknowledgement	
		of the human right to water and sanitation Recognition of environmental linkages, for example, due to	
		climate change Other, please specify (Commitment to perform regular water risk assessments &	
		climate scenario analyses related to water management in operations. Protection & restoration of on-	
		site areas of importance to water resources. Minimize pollutants going to storm &	

## W6.2

(W6.2) Is there board level oversight of water-related issues within your organization? Yes

## (W6.2a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for water-related issues.

Position	Please explain
of	
individual	
level committee	While the full Board of Directors monitors Ecolab's progress on sustainability, the Safety, Health and Environment (SH&E) Committee of the Board has the highest level of direct responsibility for all sustainability matters, including water-related issues. Responsibility for water has been assigned to this Committee as it falls within the scope of environmental matters that are part of the principal responsibilities and duties of the Committee. As stated in the SH&E Committee Charter, the SH&E Committee is responsible for reviewing and overseeing the Corporation's SH&E and sustainability policies, programs and practices that affect, or could affect, the Corporation's employees, customers, stockholders, and neighboring communities. This Committee reports to the Board of Directors and provides updates to the Board on the company's implementation of and progress against its sustainability goals, including water-related goals. An example of a water-related decision made by the SH&E committee is its 2020 decision to support enhanced effort on risk mitigation within our direct operations, approving our 2030 goal to restore greater than 50% of our water withdrawal and achieve AWS certification in high-risk watersheds.

## W6.2b

## (W6.2b) Provide further details on the board's oversight of water-related issues.

	Frequency that water- related issues are a scheduled agenda item	mechanisms into which water-related issues are	Please explain
Row 1	Scheduled - some meetings	Monitoring implementation and performance Overseeing acquisitions and divestiture Overseeing major capital expenditures Reviewing and guiding annual budgets Reviewing and guiding major plans of action plans of action Reviewing and guiding risk management policies Reviewing and guiding risk management policies Reviewing and guiding strategy Reviewing and guiding strategy Strategy Reviewing innovation/R&D priorities Setting performance objectives	Ecolab's Corporate Sustainability Team monitors the risks and opportunities related to water, as well as the company's overall sustainability performance by collaborating with our global SH4E, supply chain, regulatory, and corporate risk departments. The Safey, Health and Environment (SH4E). Committee of the Board of Directors there receives an annual presentation from the SAEC committee on the Board of Directors then receives an annual presentation from the SH4E. Committee on the company's progress against its sustainability goals, and implementation of projects and related activities, which includes management of water and dimate-related issues, as appropriate. Accordingly, the SH4E Committee discusses with the Board elements of each of the governance mechanisms selected, including guiding company strategy; approving performance objectives; guiding risk management policies, major plans of action and business plans; monitoring performance and progress towards Ecolaby subare-related target; overseing acquisitions and other capital expenditures which impact the annual budgeting cycle; and reviewing innovation / R&D priorities. These activities consequently contribute to the Board's oversight of and responsibility for review and guidance of water-related issues.

## W6.2d

#### (W6.2d) Does your organization have at least one board member with competence on water-related issues?

	Board member(s) have competence on water- related issues		Primary reason for no board- level competence on water- related issues	Explain why your organization does not have at least one board member with competence on water-related issues and any plans to address board- level competence in the future
Row 1	Yes	Our greatest opportunity to drive sustainable development is through our products and services. We deliver innovative solutions that help companies around the world achieve exceptional business results while minimizing environmental and social impact. And by the nature of our work, we are addressing some of the world's most pressing sustainability challenges, including water scarcity and climate change. We are also committed to using our solutions and expertise to advance sustainability in our own operations. Therefore, competence on water-related issues is important to the success of our business. Ecolab's President and Chief Executive Officer sits on the Board of Directors and the Safety, Health and Environment (SHE) Committee of the Board that has oversight on our water, climate and environmental goals and progress. Ecolab's current CEO is a subject matter expert on water related risks and opportunities, has held numerous roles leading our global industrial water management business, and led the merger of Nalco Water and Ecolab in 2011 forming the leading water and hygiene company. This individual is also the co-founder and current chair for the United Nations Global Compact's CEO Water Mandate - Water Resilience Coalition (WRC) initiative, the leading global CEO-led coalition on water.		<not Applicable&gt;</not 

## W6.3

(W6.3) Provide the highest management-level position(s) or committee(s) with responsibility for water-related issues (do not include the names of individuals).

### Name of the position(s) and/or committee(s) Chief Sustainability Officer (CSO)

#### Responsibility

Assessing future trends in water demand Assessing water-related risks and opportunities Managing water-related risks and opportunities

### Frequency of reporting to the board on water-related issues Annually

#### Please explain

Our Senior Vice President and Chief Sustainability Officer (CSO) leads Ecolab's Corporate Sustainability program, including water-related issues. Their water responsibilities include: 1) executing global water strategy, 2) integrating water stewardship principles, 3) executing water value propositions across commercial sectors, 4) collaborating with executive leadership on long-term plans, 5) corporate reporting and disclosure, and 6) stakeholder engagement. The CSO reports to the CEO and sits on the Sustainability Executive Advisory Team (SEAT). The SEAT meets with the Corporate Sustainability Team on a quarterly basis. Outputs of these meetings are reported by the CSO to the SH&E Committee of the Board annually, including progress against our water targets and goals, and other water-related performance updates such as the results of water risk assessments. The CSO is also on the leadership committee and advisor to the UNGC, CEO Water Mandate Water Resilience Coalition (WRC).

## W6.4

(W6.4) Do you provide incentives to C-suite employees or board members for the management of water-related issues?

	Provide incentives for management of water-related issues	Comment
Row 1	Yes	

## W6.4a

(W6.4a) What incentives are provided to C-suite employees or board members for the management of water-related issues (do not include the names of individuals)?

		Performance indicator	Please explain
Monetary reward	Sustainability Officer (CSO)	water withdrawals	To promote sustained company success, strategic sustainability indicators are part of how we measure performance which is used to determine compensation for executives and senior leaders. Our Chief Sustainability Officer (CSO) has his goals aligned with the development and execution of our long term corporate environmental, social and governance (ESG) goals including our 2030 goals to: 1) reduce water withdrawal by 40% per unit of production across our enterprise from a 2018 baseline, 2) restore greater than 50% of our water withdrawal, and 3) achieve Alliance for Water Stewardship Standard (AWS) certification in high-risk watersheds in which we operate.
Non- monetary reward		<not Applicable&gt;</not 	

(W6.5) Do you engage in activities that could either directly or indirectly influence public policy on water through any of the following? Yes, direct engagement with policy makers

Yes, trade associations

Yes, funding research organizations

## W6.5a

(W6.5a) What processes do you have in place to ensure that all of your direct and indirect activities seeking to influence policy are consistent with your water policy/water commitments?

Ecolab maintains a formal process to manage all direct and indirect engagement with policy makers and related organizations to ensure we have a common approach that is also consistent with our business strategy. This process covers the scope and business impact of specific policy issues and is integrated into the annual business continuity and risk management assessment process so that any activities that influence policy are evaluated for their alignment with Ecolab's strategic corporate business strategy, including, but not limited to water-related aspects. If inconsistency is discovered, these are immediately flagged for action by the Government Affairs organization.

## W6.6

(W6.6) Did your organization include information about its response to water-related risks in its most recent mainstream financial report? Yes (you may attach the report - this is optional)

Ecolab Annual-Report-2021.pdf

### W7. Business strategy

## W7.1

#### (W7.1) Are water-related issues integrated into any aspects of your long-term strategic business plan, and if so how?

	related issues integrated?	Long- term time horizon (years)	Please explain	
Long- term business objectives	Yes, water- related issues are integrated	downstream; and 2) water-related risks affected by climate change, including future water stress. We integrate water consumption issues & risks into operational gr strategy & business continuity planning activities. Water-related risks & business continuity issues are addressed by the Annual Assessment of Significant Business		
	Yes, water- related issues are integrated	11-15	ater-related issues included in Ecolab's strategy for long-term business objectives: 1) water withdrawals, water discharge & consumption in operations, upstream & downstream ad 2) water-related risks affected by climate change, including future water stress. Our 2030 goals include: 1) help customers conserve 300 billion gallons of water per year, 2) duce water withdrawal by 40% per unit of production across our enterprise from a 2018 baseline, 3) restore greater than 50% of our water withdrawal, and 4) achieve AWS rtification in high-risk watersheds in which we operate. To drive progress we continued: - Delivering projects resulting in ~27 million gallons of water savings at high-risk sites in 21; - Process improvements to streamline AWS implementation, including guidance for accountability, standardized tools & detailed timelines; - Improving tools to help partner evelop water management best practices; - Introducing new tech & services to manage water in our plants. Water risk assessments identify vulnerable sites requiring mitigation adaptation strategies. At our largest water-using plant in Clearing, IL we adopted a mitigation strategy to reduce withdrawal from Lake Michigan. Using tools like our Smart Wa avigator, we decided to invest in water reclaim systems that will reduce water use by 30%. Our time horizon extends 11-15 years. This view helps ensure our production/ siness continuity & evaluate water risks bevond a 10-year timeframe.	
Financial planning	Yes, water- related issues are integrated	11-15	Water-related issues included in financial planning: 1) water withdrawals, water discharge & consumption in operations, upstream & downstream; and 2) water-related risks affected by climate change, including future water stress. We integrate water consumption & water-related risks into financial planning activities through our annual capital & operational expenditure planning cycle, & our Create & Maintain Value program which deploys capital to manufacturing plants to increase efficiency. Water risks & business continuity issues are addressed by the Annual Assessment of Significant Business Risks where water risk assessment results are shared with the Enterprise Risk Team for consideration in financial planning, such as future plant sites & adjusting insurance policies for sites with known or predicted water risks. A complete the implementation of AWS Standard at 2 plants in California's Central Valley facing severe drought. Our time horizon extends 11-15 years based on long-lived assets & long-term objectives we've committed to, including our 2030 goals': 1) help customers conserve 300 billion gallons of water per year, 2) reduce water withdrawal by 40% per unit of production across our enterprise from a 2018 baseline, 3) restore greater than 50% of our water withdrawal, and 4) achieve AWS certification in high-risk watersheds in which we operate. The extended view ensures we have sufficient financial resources to manage risks that may emerge beyond a 10-year timeframe.	

## W7.2

(W7.2) What is the trend in your organization's water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?

#### Row 1

Water-related CAPEX (+/- % change)

12

Anticipated forward trend for CAPEX (+/- % change)

7

Water-related OPEX (+/- % change)

5

Anticipated forward trend for OPEX (+/- % change)

## Please explain

Water-related CAPEX investments increased in 2021 and we delivered on projects resulting in approximately 27 million gallons of water savings. We estimated % change in water-related CAPEX using total expenditure decrease. 2021 CAPEX reflects commitments to reduce withdrawals at our largest plants. We assess the potential of water recycling projects at sites with high water use &/or in water stressed regions. We anticipate a continued increase in water-related CAPEX in 2022. We increased water-related OPEX in 2021. Total water withdrawals increased by 2.9% from 2020 to 2021. The slight increase may be attributed to an increase in business output (global sales increased 4.7% from 2020 to 2021), however our water withdrawals did not increase at the same rate due to our efforts to improve water efficiency & expand the use of recycled water, aligned with 2020 & 2030 water intensity targets. We anticipate increased OPEX investment in 2021 following the COVID-19 pandemic.

## W7.3

(W7.3) Does your organization use scenario analysis to inform its business strategy?

	Use of scenario analysis	Comment
Row 1	Yes	

## W7.3a

(W7.3a) Provide details of the scenario analysis, what water-related outcomes were identified, and how they have influenced your organization's business strategy.

Type of scenario analysis used	Parameters, assumptions, analytical choices	Description of possible water-related outcomes	Influence on business strategy
Row Other, 1 please specify	We conduct a scenario analysis annually to evaluate if facilities operate in water stressed areas. The assessment analyses conditions under multiple climate scenarios to determine our resilience to potential changes, modeling changes in water demand, supply, stress, and seasonal variability for three periods, two climate scenarios (RCP4.5 & RCP8.5) and two shared socioeconomic pathways incorporated into the WRI Aqueduct tool. Our overall assessment focuses on a 2030 "business as usual" scenario (SSP2 RCP8.5) reflecting a world with stable development and rising CO2 emissions. In 2021 17.7% of Ecolab withdrawal was sourced from areas with "high" or "extremely high" baseline water stress (Aqueduct). Further evaluating current and future risk, we assessed high BWS sites against production metrics and inputs from Aqueduct and the Smart Water Navigator tool: 1. Production intensity (site production(10tal) >1% 2. 10-year potential Revenue at Risk >10% (based on Smart Water Navigator tool) 3. Future BWS remains the same or increases according to IPCC RCP &5.6 (Aqueduct). Revenue at risk compares the estimated amount of water a business requires to generate revenue (cubic meters per USD of revenue) to the business' share of water available in the water basin If water was allocated among water users based on economic activity (contribution to basin-level GDP). In 2021 Ecolab expanded its risk assessment to include water-related extreme weather events, assessing risk under three future climate scenarios (RCP Low 4.5, RCP High 4.5, and RCP 8.5). Extreme precipitation was modeled because increased rainfall in watersbeds that feed into streams and rivers could lead to flood events. We modeled our key business operations and supply chain locations which have experienced the impacts of these extreme weather events in the past. While the analysis and modeling incorporated global, company-wide locations, a greater percentage of Gulf Coast locations were incorporated planing and be more resilient. The materiality of these events	Ecolab withdrawal is sourced from areas with "high" or "extremely high" baseline water stress (Aqueduct), but only two sites (4.8% of total production,1.9% of total withdrawal) were identified as operating in basins where production may be affected by issues of water scarcity. These sites are our City of Industry, California and Darra, Australia sites. Our analysis of water-related extreme weather events assessed the adaptive capacity of our most at-risk facilities and resources. The analysis evaluated potential impacts caused by flooding and business interruption for Ecolab's top 25 global facilities. The results found 14 sites that could potentially be at risk, especially if actual supply chain data were incorporated instead of proxy data. While no site hit Ecolab's tobstantive risk threshold, the implications from compounding risks were not incorporated. Therefore, it is likely that some of the impacts experienced from extreme weather events could be greater than quantified. Examining three climate world models across multiple time horizons accounts for model uncertainty, allowing Ecolab to test management agility. Though RCP 8.5 is the most aggressive warming scenario, more extreme weather was predicted to impact Ecolab in the less aggressive	timescale of our response is short-term (0-5 years), and we have already invested in risk mitigation projects at many of our sites identified as at-risk. For example, both sites that exceeded criteria thresholds in our latest assessment are in scope of our 2030 Impact Goal to restore greater than 50% of water withdrawal and obtain AWS certification within high-risk watersheds. Our City of Industry plant obtained AWS certification in 2017. In 2021 we invested in a water replenishment project within City of Industry's watershed which compensates the Colorado River Indian Tribes for conserving Colorado River water and directly shoring up declining water levels in Lake Mead. Ecolab's investment delivers a volumetric benefit of 19.2 million gallons (-73,000 cubic meters) per year over a 10-year period. The results of our extreme

W7.4

#### Row 1

#### Does your company use an internal price on water? Yes

## Please explain

We apply the outputs from the Smart Water Navigator tool to assess the true cost of water to sites that identified as having high current baseline water stress, and use the risk premium and potential revenue-at-risk metrics to support the business case for investing in water saving projects. For example, we utilized the Smart Water Navigator when evaluating the business case for a water reclamation project at our Clearing, Illinois site. The analysis supported the case for investment in a seal pot recirculation system which became operational in 2020. As more businesses and other water users begin to operationalize a risk-adjusted cost of water, they are more equipped to reduce their water use, especially in water-scarce areas where it's needed most. This, in turn, helps the communities in which tool users operate by reducing demand for a scarce and critical resource. Our shared goal is to drive more businesses to use data to inform actionable plans to save, reduce and recycle water.

## W7.5

#### (W7.5) Do you classify any of your current products and/or services as low water impact?

	Products and/or services classified as low water impact	Definition used to classify low water impact	Primary reason for not classifying any of your current products and/or services as low water impact	Please explain
Row 1	Yes	Ecolab helps businesses around the world achieve ambitious water conservation goals by doing more with less – improving heating and cooling, industrial processing, wastewater treatment and cleaning and sanitizing processes. We employ innovative water technologies, real-time data and monitoring, water management software tools, water treatment services and chemistries to help customers implement water conservation efforts to reduce freshwater use, and reuse and recycle water to increase operational efficiency and reduce cost of operation. Every year, we measure our total impact using our eROI Customer Impact Counter. The counter includes all technologies that track savings delivered to customers, including water savings, and have established methodologies. We continue to evaluate opportunities to add new technologies to the counter on an annual basis. In addition, we also track and report our "clean revenue" defined as revenue from product and service offerings that deliver a clear and significant social or environmental benefit. While there is currently no generally accepted standard for quantifying clean revenue, we have sought to align with reputable external standards where possible. For 2021, our clean revenue total included: 1. Revenue from water-saving technologies within our Global Industrial and Global Institutional divisions. Our water-saving technologies protect watersheds and enable our customers to meet the most stringent water quality requirements. 3. Products certified by third parties such as Green Seal, Nordic Swan, EU Ecolabel and EPA Safer Choice, which deliver clear environmental and/or social benefits relative to the typical market product.		In 2021, we helped our customers save more than 215 billion gallons of water, tracked through our eROI Customer Impact Counter. We measure our progress based on global sales data and business growth related to our water-saving technologies and industry- specific assumptions. We consider water quality, quantity, and intensity, because we approach water stewardship at the local level, focused on shared water challenges involving availability, quality and access. In 2021, we determined that 64% of our revenue can be considered "clean revenue". We believe this is a conservative estimate. As we continue to improve our clean revenue methodology and data collection systems to capture the full breadth of environmental and social value that our products and services deliver across our key impact areas of water, climate, food and health, we expect our clean revenue figure to increase in future years.

### W8. Targets

## W8.1

#### (W8.1) Describe your approach to setting and monitoring water-related targets and/or goals.

	targets and/or goals	at	Approach to setting and monitoring targets and/or goals
Row 1	wide targets and goals Business level specific targets and/or goals Site/facility	monitored at the corporate level Goals are monitored at the corporate	As a global leader in water, hygiene and infection prevention solutions and services, we depend on the use of water to deliver our primary products and services to customers and the delivery of water-efficient products and services is strategic to our business success. In addition, as co-founder of the Water Resilience Coalition, we aim to preserve the world's freshwater resources through collective action. Our sustainability goals, including water-related goals, are reviewed and refreshed every 5 years to ensure incorporation of updates such as changes in the business and strategy, outcomes of risk and opportunity assessments, and the latest market and sustainability trends and data. Ecolab's approach to target setting and goal setting incorporates the following aspects: 1) evaluating prior impact and performance; 2) evaluating industry benchmarks and best practices; 3) engaging with key internal stakeholders to support the evaluation of risks and opportunities, as well as the recommended scope, ambition, timeframe and feasibility of targets and goals; 4) engaging with key external stakeholders to validate potential scope, ambition, and timeframe of targets and goals; 5) working with subject matter experts and functional and business leads to determine strategy/tactics for achieving targets and goals; 6) developing the business case for environmental and financial metrics and determining investments required to achieve targets and goals; and 7) validating proposed goals and targets with Ecolab's Sustainability Executive Advisory Team (SEAT) which is made up of 10 members of the company's executive leadership team and governs our sustainability strategy. The SEAT meets with the Corporate Sustainability Teram on a quarterly basis and is responsible for operationalizing sustainability across the company including evaluating goals and targets and monitoring performance. Corporate-wide targets are then submitted for consideration and approval by the Safety, Health and Environment (SHE) Committee of the Board which

## W8.1a

(W8.1a) Provide details of your water targets that are monitored at the corporate level, and the progress made.

Target reference number

#### Target 1

#### **Category of target**

Watershed remediation and habitat restoration, ecosystem preservation

Level Company-wide

## Primary motivation

Water stewardship

#### **Description of target**

By 2030, restore greater than 50% of our absolute water withdrawal volume at high-risk sites.

### Quantitative metric

Other, please specify (% of absolute water withdrawal at high risk sites restored through water efficiency and replenishment projects)

Baseline year 2018

Start year 2018

Target year

% of target achieved

### Please explain

By 2030 we aim to restore >50% of our absolute water withdrawal volume at high-risk sites compared to a 2018 baseline. In 2021 we restored 34% through water efficiency and replenishment projects. We collaborate with nonprofits and NGOs to advance new solutions & standards for responsible water management, and to build awareness of the industry's environmental impacts. We also work with partners at local water basins in which we operate to understand shared water challenges and nature-based solutions for replenishment; our investments in the latter are the primary driver of our progress. For example, in 2021 we helped fund a landmark conservation project with Arizona and the CO River Indians Tribe, delivering a benefit of 19.2M gallons/year over 10 years for a total of 192M gallons (~730,000 m3). We partnered with The Nature Conservancy to support the Loch Leven project; our contribution allows for 100M gallons (~380,000 m3) of water replenishment in the Upper Mississippi River Basin.

Target reference number Target 2

Category of target Water withdrawals

Level Company-wide

Primary motivation Water stewardship

#### Description of target

Reduce water impact by 40% per unit production across our enterprise by 2030 from a 2018 base year.

**Quantitative metric** 

% reduction per unit of production

Baseline year 2018

Start year 2020

Target year

2030

## % of target achieved

62

### Please explain

Within our operations we aim to reduce water withdrawal by 40% per unit production across our enterprise by 2030 relative to a 2018 baseline, demonstrating a strong commitment to water stewardship in addition to the water savings we deliver for our customers. We are ahead of schedule on this target, having already achieved a 25% reduction in water impact intensity. To drive progress towards this goal we have prioritized water stewardship projects at our sites with an aim to improve the overall health of the local watersheds. Our projects use a three-pathway strategy to achieve a net-positive water impact by: increasing water-use efficiency, reuse and recycling using Ecolab solutions and digital technologies; protecting local watersheds; delivering outcomes through AWS certification. We will continue introducing our newest technologies and services to help manage water in our plants. We have established site-level annual goals to give sites attainable checkpoints.

Target reference number Target 3

#### Category of target

Product use-phase

Level Company-wide

Primary motivation Sales of new products/services

#### **Description of target**

By 2030, Ecolab aims to help its customers conserve 300 billion gallons of water per year.

### Quantitative metric

Other, please specify (Absolute reduction in customer water withdrawals as a result of using our products and services)

## Baseline year

2015

Start year 2016

2010

Target year 2030

### % of target achieved

72

### Please explain

Alongside our 2020 sustainability goals introduced in 2015, we set a customer impact goal around water to measure the impact we deliver to our customers, because water is vital to our customers' operations (indirect). In 2021, we helped our customers to save 215 billion gallons of water. This is tracking ahead of our planned goal trajectory to achieve 300 billion gallons saved annually by 2030. Every year, we measure our progress against this goal using the eROI Customer Impact Counter, which includes all technologies that track savings delivered to customers with established and third party audited methodologies. In addition to tracking how much water we save our customers, we also track energy, air and waste savings in the eROI Counter.

#### (W8.1b) Provide details of your water goal(s) that are monitored at the corporate level and the progress made.

#### Goa

Providing access to safely managed Water, Sanitation and Hygiene (WASH) in workplace

#### Level

Company-wide

## Motivation

Commitment to the UN Sustainable Development Goals

#### **Description of goal**

Ecolab joined the U.N. Global Compact in 2012 and Ecolab's Chairman and CEO also endorsed the CEO Water Mandate. Ecolab is committed to upholding the principles of water stewardship within our own operations, in alignment with the Alliance for Water Stewardship Standard, which includes providing safe water, sanitation, and hygiene (WASH) for all. Accordingly, we have set a company-wide goal to provide access to WASH facilities in 100% of our operations, and work to improve access to WASH facilities in local communities because water is vital to our direct and indirect operations. Ecolab implements the elements of its WASH program across the company-wide level through its Safety, Health, & Environment team. This goal is relevant to achieving water security as access to WASH includes safe water, adequate sanitation and hygiene education and is a key public health issue that is the focus of UN SDG Goal #6: "Ensure availability and sustainable management of water and sanitation for all." This goal is also important to our company as it aligns with Ecolab's efforts to advance sustainable water solutions around the world through partnerships with our customers, nongovernmental organizations, suppliers and other stakeholders to help ensure sustainable water management.

Baseline year 2012

Start year

End year

2013

#### Progress

This is an ongoing goal and forms part of our strategy around water stewardship (i.e. the end date planned is aligned with our customer impact goal out to 2030). Indicators used to assess progress include the percent of operations and sites which have audited WASH facilities in place; with our threshold being 100%, and an achievement of 100% for all locations. As of 2021, Ecolab complies with all legal requirements for WASH services where it is required at a country level.

#### Goal

Other, please specify (Partnering with an NGO to develop and pilot an international standard for water stewardship)

Level

Site/facility

#### Motivation

Commitment to the UN Sustainable Development Goals

#### **Description of goal**

Ecolab is a founding member of the Alliance for Water Stewardship (AWS) International Water Stewardship Standard which aims to drive water stewardship. As part of the AWS Standard, organizations must adopt water management best practices at the site level and engage with relevant stakeholders in their water catchment. This is relevant to the goal of achieving water security as the purpose of the AWS Standard is to provide a common, credible, globally-applicable framework for major water users to understand their impacts, and work collaboratively with others for sustainable water management within the wider water catchment context. This is a strategic goal for us as freshwater is vital to our direct and indirect operations and recycled water is important to our direct and indirect operations. We supported the development and piloting of the AWS standard at Ecolab facilities to demonstrate leadership and enable transparent reporting of best practices. As a leading adopter of the Standard, we continue to partner with AWS to provide training to other local water users as part of our commitment to UN SDG Goal #6, and support adoption of the Standard within our industry. We collaborate with other companies in the same watershed to implement the Standard within their facilities and identify ways to further reduce our collective impacts. Ecolab has committed to achieving AWS certification in high-risk watersheds by 2030.

Baseline year

2015

Start year 2015

End year

2030

#### Progress

We have achieved AWS certification at 6 of our facilities, 4 of which are located in high-risk watersheds, so we have met 27% of our goal to date. Indicators used to assess progress include: 1) # of AWS certified plants Ecolab has in high-risk basins, and 2) associated water savings. In 2015, Ecolab's Taicang manufacturing plant was the first site to be certified. In 2017, we certified our manufacturing facilities in City of Industry and Carson, both located in water-stressed California. In 2019, we certified our manufacturing facilities in City of Industry and Carson, both located in water-stressed California. In 2019, we certified our manufacturing facility in Garyville, Louisiana. In 2021, we certified two manufacturing plants in Lerma and Cuautitlán Izcalli, Mexico. We also received the first-ever platinum-certified facility in Taicang, China. Ecolab's Taicang facility is a zero-process liquid discharge plant and has reduced its water use intensity by 40% since its original AWS certification. We are developing a process improvement project to streamline AWS implementation at sites in high-risk watersheds, which will include corporate guidance to drive site-level accountability, standardized tools and a detailed timeline. Through the AWS certification process and Ecolab's own water saving technologies implemented as part of the certification process, these plants save a combined total of more than 50 million gallons of water annually. Our thresholds for success are to continue program expansion to new sites and maintain certification at all sites currently certified.

### W9. Verification

W9.1

## W9.1a

### (W9.1a) Which data points within your CDP disclosure have been verified, and which standards were used?

Disclosure Data verified Verification		Verification	Please explain
module		standard	
W1 Current	Annual total water withdrawal	ISAE 3000	APEX Companies LLC (Apex) was engaged to conduct an independent verification of total water withdrawal reported by Ecolab Inc. (Ecolab) in
state	and total water replenishment		calendar year 2021. The verification was carried out to provide a limited level of assurance using a materiality threshold of ±5%.

## W10. Sign off

## W-FI

(W-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

## W10.1

(W10.1) Provide details for the person that has signed off (approved) your CDP water response.

	Job title	Corresponding job category
Row 1	Chairman of the Board and Chief Executive Officer	Chief Executive Officer (CEO)

## W10.2

(W10.2) Please indicate whether your organization agrees for CDP to transfer your publicly disclosed data on your impact and risk response strategies to the CEO Water Mandate's Water Action Hub [applies only to W2.1a (response to impacts), W4.2 and W4.2a (response to risks)]. Yes

### SW. Supply chain module

## SW0.1

(SW0.1) What is your organization's annual revenue for the reporting period?

	Annual revenue
Row 1	12733100000

## SW1.1

(SW1.1) Could any of your facilities reported in W5.1 have an impact on a requesting CDP supply chain member? No facilities were reported in W5.1

## SW1.2

(SW1.2) Are you able to provide geolocation data for your facilities?

	Are you able to provide geolocation data for your facilities?	Comment
Row 1	No, we do not have this data and have no plans to collect it	

## SW2.1

(SW2.1) Please propose any mutually beneficial water-related projects you could collaborate on with specific CDP supply chain members.

## SW2.2

(SW2.2) Have any water projects been implemented due to CDP supply chain member engagement? No

## SW3.1

(SW3.1) Provide any available water intensity values for your organization's products or services.

#### Product name

Products purchased by Company 1

Water intensity value 33804

## Numerator: Water aspect

Water withdrawn

## Denominator

Volume of products purchased

#### Comment

We calculate the water intensity of our customer's purchased products using the annual water withdrawal (m3) / annual volume of products purchased (kg). Water withdrawal is calculated based on averages for business type (indust. or inst.) and global region (APGC, EU, IMEA, LA, NA).

#### **Product name**

Products purchased by Company 2

#### Water intensity value

Numerator: Water aspect Water withdrawn

### Denominator

Volume of products purchased

### Comment

We calculate the water intensity of our customer's purchased products using the annual water withdrawal (m3) / annual volume of products purchased (kg). Water withdrawal is calculated based on averages for business type (indust. or inst.) and global region (APGC, EU, IMEA, LA, NA).

#### **Product name**

Products purchased by Company 3

## Water intensity value

## Numerator: Water aspect

Water withdrawn

Denominator Volume of products purchased

## Comment

We calculate the water intensity of our customer's purchased products using the annual water withdrawal (m3) / annual volume of products purchased (kg). Water withdrawal is calculated based on averages for business type (indust. or inst.) and global region (APGC, EU, IMEA, LA, NA).

#### **Product name**

Products purchased by Company 4

#### Water intensity value

#### Numerator: Water aspect Water withdrawn

Denominator

Volume of products purchased

#### Comment

We calculate the water intensity of our customer's purchased products using the annual water withdrawal (m3) / annual volume of products purchased (kg). Water withdrawal is calculated based on averages for business type (indust. or inst.) and global region (APGC, EU, IMEA, LA, NA).

#### Product name

Products purchased by Company 5

### Water intensity value

Numerator: Water aspect

#### Water withdrawn

#### Denominator

Volume of products purchased

## Comment

We calculate the water intensity of our customer's purchased products using the annual water withdrawal (m3) / annual volume of products purchased (kg). Water withdrawal is calculated based on averages for business type (indust. or inst.) and global region (APGC, EU, IMEA, LA, NA).

## Product name

Products purchased by Company 6

#### Water intensity value

Numerator: Water aspect Water withdrawn

## Denominator

Volume of products purchased

### Comment

We calculate the water intensity of our customer's purchased products using the annual water withdrawal (m3) / annual volume of products purchased (kg). Water withdrawal is calculated based on averages for business type (indust. or inst.) and global region (APGC, EU, IMEA, LA, NA).

### Submit your response

## In which language are you submitting your response?

#### English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

#### Please confirm below

I have read and accept the applicable Terms