

# 2022

# UNITED NATIONS GLOBAL COMPACT COMMUNICATION ON PROGRESS

With our eleventh annual Communication on Progress, I am pleased to reaffirm Ecolab's support of the ten principles of the United Nations (UN) Global Compact with respect to human rights, labour, the environment and anti-corruption. We also confirm our continued endorsement of the CEO Water Mandate and are proud to be a founding member of the Water Resilience Coalition. And in 2021, we remain committed to combatting climate change as a signatory to the Business Ambition for 1.5°C, which is bolstered by our science-based targets approved by the Science Based Targets Initiative (SBTi).

Ecolab Inc. is a global leader in water, hygiene and infection prevention solutions and services that protect people, planet and business health and a trusted partner at nearly 3 million customer locations. Ecolab's 47,000 associates provide comprehensive science-based solutions, data-driven insights and world-class service to advance food safety, help maintain clean and safe environments, optimize water and energy use and improve operational efficiencies and sustainability for customers in the food, healthcare, hospitality and industrial markets in more than 170 countries. We are united by our purpose to make the world cleaner, safer and healthier while protecting people and vital resources. Fundamental to our approach is an understanding that real and lasting change is accelerated when economic, environmental and social benefits align.

With this communication, serving as an addendum to [our suite of sustainability reporting resources](#), we express our continued intent to advance the principles of the UN Global Compact, CEO Water Mandate and Business Ambition for 1.5°C within our sphere of influence.

Sincerely,



**Christophe Beck**  
President and Chief Executive Officer

## HUMAN RIGHTS

PRINCIPLE	ECOLAB APPROACH	REFERENCE
<b>Principle 1</b>   Businesses should support and respect the protection of internationally proclaimed human rights	Ecolab is committed to enhancing the well-being of people and communities around the world to ensure human rights are respected across our global operations and supply chain	<ul style="list-style-type: none"> <li>• <a href="#">Human Rights Policy</a></li> <li>• <a href="#">Code of Conduct</a></li> <li>• <a href="#">Supplier Code of Conduct</a></li> <li>• <a href="#">Ethical Sourcing Standards</a></li> <li>• <a href="#">Anti-Human Trafficking Policy</a></li> <li>• <a href="#">Conflict Minerals Policy</a></li> <li>• <i>Human Rights</i> section of the <a href="#">2021 Corporate Responsibility Report</a></li> </ul>
<b>Principle 2</b>   Business should make sure that they are not complicit in human rights abuses		

## LABOUR

PRINCIPLE	ECOLAB APPROACH	REFERENCE
<b>Principle 3</b>   Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	Ecolab respects the principles of freedom of association and the right to collective bargaining in accordance with applicable national law	<ul style="list-style-type: none"> <li>• <a href="#">Position on Freedom of Association</a></li> <li>• <a href="#">Supplier Code of Conduct</a></li> <li>• <i>Labor Relations</i> section of the <a href="#">2021 Corporate Responsibility Report</a></li> </ul>
<b>Principle 4</b>   Business should uphold the elimination of all forms of forced and compulsory labor	Ecolab is committed to eliminating all forms of child and forced labor	<ul style="list-style-type: none"> <li>• <a href="#">Human Rights Policy</a></li> <li>• <a href="#">Anti-Human Trafficking Policy</a></li> <li>• <i>Human Rights &amp; Supplier Relations</i> sections of the <a href="#">2021 Corporate Responsibility Report</a></li> </ul>
<b>Principle 5</b>   Business should uphold the effective abolition of child labor		
<b>Principle 6</b>   Business should uphold the elimination of discrimination in respect of employment and occupation	Ecolab complies with applicable labor and employment law and does not discriminate	<ul style="list-style-type: none"> <li>• <a href="#">Anti-Discrimination Policy</a></li> <li>• <a href="#">Human Rights Policy</a></li> <li>• <a href="#">Code of Conduct</a></li> <li>• <a href="#">Diversity, Equity and Inclusion</a></li> </ul>

## ENVIRONMENT

PRINCIPLE	ECOLAB APPROACH	REFERENCE
<b>Principle 7</b>   Business should support a precautionary approach to environmental challenges	100 percent of Ecolab's raw materials and products are evaluated for human and environmental hazards, product risks are proactively evaluated in our product development processes and we use a precautionary approach	<ul style="list-style-type: none"> <li>• <a href="#">Product Sustainability Position</a></li> <li>• <a href="#">Product Safety and Stewardship Position</a></li> <li>• <i>Product Safety and Sustainability</i> section of the <a href="#">2021 Corporate Responsibility Report</a></li> </ul>
<b>Principle 8</b>   Business should undertake initiatives to promote greater environmental responsibility	We have bold environmental goals and robust environmental management systems and programs to reduce our impacts on water, energy, greenhouse gas (GHG) emissions and waste	<ul style="list-style-type: none"> <li>• <a href="#">Sustainability Position</a></li> <li>• <a href="#">Our 2030 Impact Goals</a></li> <li>• <i>Environment</i> section of the <a href="#">2021 Corporate Responsibility Report</a></li> </ul>
<b>Principle 9</b>   Business should encourage the development and diffusion of environmentally friendly technology	Ecolab helps our customers meet their goals by delivering both operational and sustainability benefits through our products and technology, including improved efficiency, quality, safety and reduced environmental impact	<ul style="list-style-type: none"> <li>• <a href="#">2021 Sustainability Overview</a></li> <li>• <a href="#">eROI Customer Impact Counter</a></li> <li>• <i>Environment</i> section of the <a href="#">2021 Corporate Responsibility Report</a></li> </ul>

## ANTI-CORRUPTION

PRINCIPLE	ECOLAB APPROACH	REFERENCE
<b>Principle 10</b>   Businesses should work against corruption in all its forms, including extortion and bribery	Ecolab strives to do business through proper means and actions and prohibits any behavior that could be perceived as a form of bribery or corruption	<ul style="list-style-type: none"> <li>• <a href="#">Anti-Corruption Policy</a></li> <li>• <a href="#">Code of Conduct</a></li> <li>• <a href="#">Supplier Code of Conduct</a></li> <li>• <i>Anti-Corruption</i> section of the <a href="#">2021 Corporate Responsibility Report</a></li> </ul>

## OUR OPERATIONS

Founded in 1923 and headquartered in St. Paul, Minnesota, Ecolab Inc. (NYSE: ECL) is a global leader water, hygiene and infection prevention solutions and services that help protect people and vital resources and a trusted partner at nearly 3 million customer locations.

Ecolab's 47,000 associates deliver comprehensive science-based solutions, data-driven insights and world-class service to advance food safety, help maintain clean and safe environments, optimize water and energy use and improve operational efficiencies and sustainability for customers in the food, healthcare, hospitality and industrial markets in more than 170 countries.

From restaurants, hotels and healthcare facilities to food and beverage and manufacturing plants across the globe, Ecolab's 25,000-strong sales-and-service team, the industry's largest and best trained, utilizes innovative technologies solutions, digital technologies and unmatched insights to help solve the most pressing challenges our customers face. Many of the world's leading companies rely on Ecolab to help ensure product quality and guest satisfaction, maintain brand reputation and achieve their operational and sustainability goals.

Ecolab operates an extensive, integrated global supply chain, which comprises more than 300 manufacturing plants, distribution centers and other facilities owned and operated by Ecolab to support the company's direct sales, marketing and distribution activities. In addition, we have 1,300 offices and R&D centers globally. We have operations in 105 countries across North America, Europe, Greater China, Asia Pacific, Latin America and India, Middle East and Africa.

## OUR APPROACH

Ecolab is a leading environmental, social and governance (ESG) company, recognized for our strong commitment to operating responsibly, sustainably and with concern for our communities. We help solve our world's greatest water, food, health and climate challenges through our commitment to protect the environment, address social concerns and adhere to responsible policies and practices.

We are focused on operating safely and sustainably. We believe that a diverse and inclusive workforce is critical to our success. We abide by a strict code of conduct that guides our daily actions. And we strive to enrich our communities.

We maximize the impacts of our work within our business operations and with our customers, suppliers and partners. 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 are also committed to using our solutions and expertise to advance sustainability in our own operations.

## GOVERNANCE

While the full Board of Directors monitors the company's progress on environmental, social and governance (ESG) outcomes, the Safety, Health and Environment (SHE) Committee has the highest level of direct responsibility for sustainability policies, programs and practices that affect, or could affect, Ecolab employees, customers, stockholders and neighboring communities.

Ecolab's sustainability strategy includes environmental, social and governance components and is governed by a Sustainability Executive Advisory Team (SEAT) that is made up of around 10 members of the company's executive leadership team including our Senior Vice President and Chief Sustainability Officer. The SEAT meets with the Corporate Sustainability team on a quarterly basis. Outputs of these meetings are reported by the Senior Vice President and Chief Sustainability Officer to the SHE Committee of the Board.

## INCENTIVES

Strategic ESG and sustainability indicators are part of how we measure performance which is used to determine compensation for senior leaders and employees. To promote sustained company success, all leaders work together to deliver against corporate ESG goals. ESG indicators, including our [2030 Impact Goals](#), are a part of how we measure performance, which is used to determine short term cash compensation for executives.

Management employees with direct involvement in the company's ESG and sustainability work, including our 2030 Impact Goals, have water, climate and/or diversity, equity and inclusion targets built into their compensation plans. We use different performance measures in our short- and long-term incentive plans, and these measures directly reflect the significant positive impact our products and services can have on reducing our customers' water and energy usage.

## STAKEHOLDER ENGAGEMENT

To garner a comprehensive understanding of our risks and opportunities, we engage in ongoing dialogue with a diverse set of stakeholders to assess the relevancy of sustainability issues and identify opportunities to improve. Stakeholders are profiled according to the nature of their relationship with Ecolab, their interest and their willingness to engage with and influence the company. Our annual stakeholder-engagement process includes employees, investors, customers, suppliers and relevant external groups, such as non-governmental organizations (NGOs) and communities.

### Employees

Our associates drive innovation, support business growth and provide personally delivered service and on-the-ground support at nearly 3 million customer locations. The perspectives of our associates are critical to our success and inform our business strategy. In 2019, we surveyed more than 5,000 associates and held in-person interviews to inform our sustainability strategy and focus areas for subsequent years. In addition, our annual Assessment of Significant Business Risks and biannual sustainability materiality assessment processes include interviews and surveys of leadership across business units and functions, including business leads, Human Resources, Supply Chain, Research, Development and Engineering, Finance, Risk, Legal and Regulatory Affairs and Field Sales.

### Investment Community

As a publicly traded company, we place a priority on the opinions of our shareholders. We engage in direct dialogue each year at our annual shareholder meeting, and via disclosures, surveys and rankings from investor-led indices. Specifically, we use data sets and criteria provided from investor-led organizations to communicate with these groups to share results and shape our strategy. Additionally, we believe there is opportunity to enhance our corporate reputation through our environmental programs and climate-related goals, thereby strengthening relationships within the investment community and boosting the attractiveness and stability of Ecolab as a strong ESG investment.

### Communities

We primarily engage with the communities in which we operate through the Ecolab Foundation. Since 1986, the Ecolab Foundation has implemented community impact programs to support communities where our employees live and work, focusing on giving to local non-profit organizations in the areas of youth and education, civic and community development, arts, culture and

environmental conservation. Through this work, we engage in direct dialogue with a variety of community groups to understand what matters most and incorporate their feedback into our approach.

### Customers

Our relationships with many of the world's biggest brands give us a unique opportunity to understand sustainability risks and opportunities facing a wide range of industries all around the world. We learn from our customers – the challenges they face and the results they desire – and use this knowledge to drive innovation to help them achieve their business and sustainability goals. In addition to our daily interactions with customers, we conduct interviews with customers as part of our biannual sustainability materiality assessment process, actively participate in various industry associations and conduct annual reviews of our partnerships with each customer to understand customer-specific issues, measure our impact and assess key business drivers to shape future strategies.

### Non-Governmental Organizations (NGOs)

Our ability to provide and protect clean water, safe food, abundant energy and healthy environments through our products and services is strengthened through our partnerships with reputable global NGOs. In 2021, our NGO partnerships included the Water Resilience Coalition as part of the UN Global Compact and CEO Water Mandate, Alliance for Water Stewardship, The Nature Conservancy, the Project WET Foundation, Water.org and the World Resources Institute. Our active engagements with these and other NGO groups through events, interviews and other direct communications strengthens our understanding of global trends impacting our business, customers and communities, and influences our assessment of societal risks and opportunities relevant to Ecolab's business.

## PUBLIC POLICY

Engaging with policymakers is one means of furthering our sustainability objectives. We communicate with policymakers in proactive policy discussions, bringing our market segment and scientific expertise to the table on water, waste, food safety and customer health issues to ensure public policy decisions are grounded in principles of sound science. Ecolab engages with federal and state legislative and regulatory bodies, industry and customer trade associations and non-government organizations that provide a forum for environmental policy discussion relevant to our industry. These include a diverse set of stakeholders which focus on water-related issues and climate mitigation and adaptation issues to influence climate policy.

# SUSTAINABILITY MATERIALITY ASSESSMENT

We employ a multifaceted process to identify and prioritize sustainability topics that are important to our stakeholders, align with our company’s and customers’ key business drivers and inform our corporate strategy and reporting of these issues as required in our [Annual Report and 10-K](#) and [Corporate Responsibility Report](#).

Guided by the Global Reporting Initiative’s (GRI) Reporting Principles, we conducted a sustainability materiality refresh in 2019 that built upon previous assessments conducted in 2017 and 2015. We used GRI’s definition of material topics to identify relevant and material topics to include in the analysis. Through this process, we identified priority material topics that are important to stakeholders and significant to our business.

These results were reviewed by our CEO and Sustainability Executive Advisory Team (SEAT) and further evaluated against the same set of criteria used in our Enterprise Risk Management process and annual Assessment of Significant Business Risks to identify critical global business that align with our core values, goals and competencies. This final analysis informed creation of our 2030 Impact Goals and the continued integration of sustainability into our corporate strategy, business operations, culture and communications.

## SUSTAINABLE DEVELOPMENT GOALS

Ecolab is committed to partnerships and programs that fulfill the UN Sustainable Development Goals, and we believe we are well-positioned to make our greatest contributions in three areas.



**Goal 6: Clean Water and Sanitation**  
 We aim to achieve a positive water impact in both our own operations and our customers’ sites



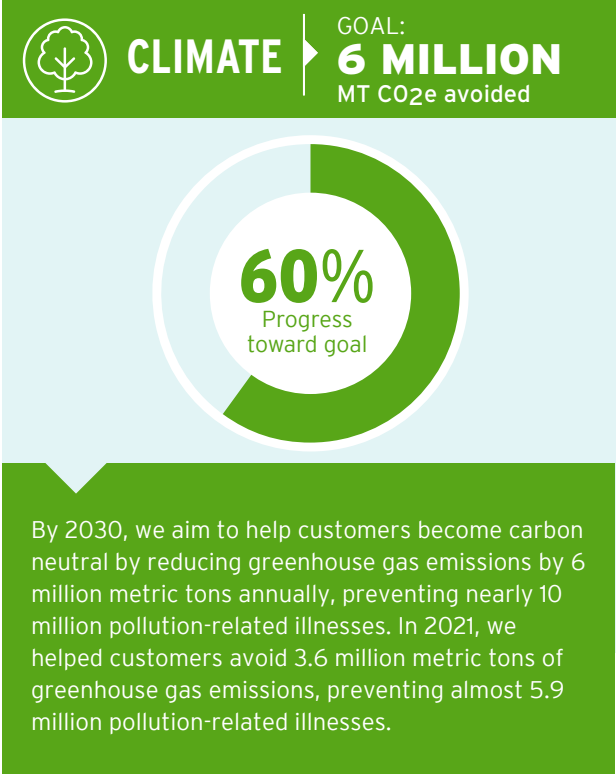
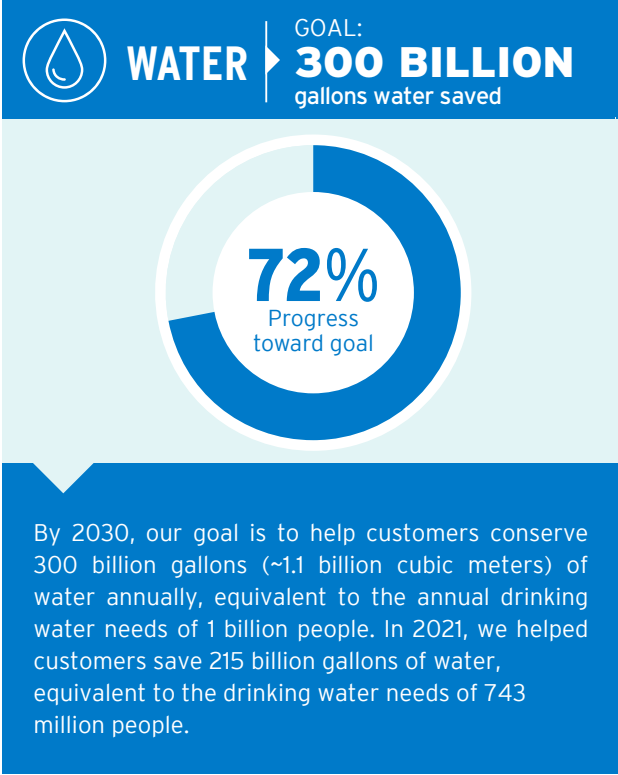
**Goal 13: Climate Action**  
 We align our operations and supply chain to the UN Global Compact’s Business Ambition for 1.5°C, pledging to halve carbon emissions by 2030 and achieve net-zero carbon emissions by 2050



**Goal 5: Gender Equality**  
 We believe that a diverse and inclusive workforce is critical to the success of our associates, our company and our customers

# OUR 2030 IMPACT GOALS FOR CUSTOMER OUTCOMES

Our 2030 Impact Goals are focused on the change we can create for our company, communities, customers and environment. With these ambitious goals to achieve alongside customers and in our own operations, we are working to support a safe and healthy world with enough resources for all. Ecolab technologies and services help drive exponential return on investment (eROI) for our customers, while helping protect people and vital resources. These 2030 Impact Goals showcase our global team’s dedication to helping our customers thrive and make a positive impact water, climate, food and health.






# OUR 2030 IMPACT GOALS FOR ECOLAB OPERATIONS

Alongside the impact we make with our customers, we know we can make a difference through our own operations. In addition to bold environmental targets, we have goals focused on an inclusive, diverse, just and safe community for our associates.

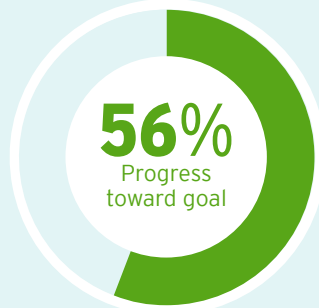
**ACHIEVING A POSITIVE  
WATER IMPACT**



**62%**  
Progress  
toward goal

By 2030, we plan to reduce water impact by 40% per unit production and restore greater than 50% of water withdrawal while achieving Alliance for Water Stewardship (AWS) Standard certification at high-risk sites. In 2021, we reduced overall water impact by 25% and restored 34% of our water withdrawal while achieving AWS certification at four of our facilities in high-risk basins.

**TACKLING CARBON EMISSIONS**



**56%**  
Progress  
toward goal

Ecolab will halve carbon emissions by 2030, achieve net-zero carbon emissions by 2050 and achieve 100% renewable electricity by 2030. In 2021, we made progress by reducing absolute Scope 1 and 2 carbon emissions by 28% from a 2018 base year. In 2021, 69% of our total electricity usage was considered renewable.

**SUPPORTING A DIVERSE AND  
INCLUSIVE WORKFORCE**



**74%**  
Progress  
toward goal

We are committed to maintaining Ecolab’s pay equity in the U.S. and expanding globally and increasing management-level gender and ethnic/racial diversity to 35% and 25%, respectively, by 2030. In 2021, we grew management-level gender diversity to 25.5% and management-level ethnic/racial diversity in the U.S. to 18.8%.

**PRIORITIZING SAFETY  
EVERYWHERE WE WORK**



**44%**  
Reduction

In Total Recordable Incident Rate (TRIR) from 2013 base year, globally



**39%**  
Reduction

In Lost Time Incident Rate (LTIR) from 2016 base year in North America

Our safety goal is always zero incidents. We place great value on training and education, both at our own facilities and at customer locations. We assess risk before we start work, identify and address safety issues and remedy hazardous situations. By 2030, we aim to train and educate 100% of our associates to work safely 100% of the time. In 2021, we made strides toward this goal.

## TRANSPARENCY AND DISCLOSURE

Ecolab is steadfast in upholding our longstanding commitment to our stakeholders and business strategy, while aligning with respected global frameworks. Reporting publicly and consistently on our performance demonstrates our dedication to transparency and we are committed to obtaining third-party assurance of our non-financial data to improve accountability and enhance stakeholder confidence in our reporting.

Our [Corporate Responsibility Report](#) comprehensively documents Ecolab's environmental, social and governance performance in accordance with the Global Reporting Initiative (GRI) Standards: Core option. Our [Sustainability Overview](#) features case studies demonstrating how Ecolab's solutions have helped our customers minimize their environmental impact while achieving exceptional business results. The [Annual Report](#) provides detailed information for investors on our corporate governance, management and financial statements, including Form 10-K.

We report on material Sustainability Disclosure Topics and Accounting Metrics from the Sustainability Accounting Standards Board (SASB) Chemicals and Professional Services Standards. Additionally, we address core Stakeholder Capitalism Metrics released by the World Economic Forum and its International Business Council and considers recommendations and supporting disclosures of the Financial Stability Board (FSB) Task Force on Climate-related Financial Disclosures (TCFD). Ecolab also reports ESG performance data to the annual S&P Global Corporate Sustainability Assessment and CDP's [Climate Change](#), [Water Security](#) and Supply Chain surveys.

- ▶ [Ecolab's GRI Index](#)
- ▶ [Ecolab's SASB Reference Table](#)
- ▶ [Ecolab's TCFD Index](#)
- ▶ [Ecolab's WEF Reference Table](#)

## EXTERNAL ASSURANCE

Apex Companies, LLC (formerly the HSE division of Bureau Veritas North America, Inc.) provided third-party assurance for Ecolab's publicly reported [2021 Corporate Responsibility Report](#). Apex completed its Limited Assurance level evaluation of the Report in accordance with the Apex's standard procedures and guidelines for external Assurance of Sustainability Reports and International Standard on Assurance Engagements (ISAE) 3000 Revised, Assurance Engagements Other than Audits or Reviews of Historical Financial Information (effective for assurance reports dated on or after Dec. 15, 2015), issued by the International Auditing and Assurance Standards Board and against the principles of the Global Reporting Initiative (GRI) Reporting Framework as defined in the GRI Standards Sustainability Reporting Guidelines.

Our global Scope 1, 2 and 3 (business travel only) GHG emissions are verified by APEX Companies LLC, using the ISO 14064-3: Greenhouse Gases - Part 3 specification standard. Additionally, we verify our global water withdrawal, water replenishment projects, NOx and SOx emissions, volatile organic compounds emissions, hazardous air pollutants emissions and hazardous waste volume through APEX Companies LLC using the International Standard on Assurance Engagements (ISAE) 3000 Revised.

- ▶ [Ecolab's Corporate Responsibility Report Assurance Statement](#)
- ▶ [Ecolab's Verification Opinion Declaration on Greenhouse Gas Emissions](#)
- ▶ [Ecolab's Assurance Statement on Environmental Metrics](#)



## FOR MORE INFORMATION



Our [Corporate Responsibility Report](#) comprehensively documents Ecolab's management approaches and progress related to key environmental, social and governance (ESG) topics identified in our most recent materiality assessment.



Our [Sustainability Overview](#) features case studies demonstrating how Ecolab's solutions have helped our customers minimize their environmental impact while achieving exceptional business results.



The [Annual Report](#) provides detailed information for investors on our corporate governance, management and financial statements, including Form 10-K.



Our [CDP Climate Change](#) and [Water Security](#) reports include detailed information on our climate and water governance, strategy, risks and opportunities, targets and performance.



In addition, more information can be found on our [Corporate Responsibility](#) page on [ecolab.com](https://ecolab.com)

Information in this Communication on Progress is current as of date of this publication. The report has not been updated to reflect any changes since that date, including Ecolab's business or strategy. Ecolab assumes no obligation and does not intend to update this report to reflect any such changes.