

# Welcome to your CDP Climate Change Questionnaire 2021

## C0. Introduction

### C0.1

#### **(C0.1) Give a general description 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 foodservice, 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, Minn., Ecolab's global workforce of 44,000 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 force. Every customer challenge is unique, which is why our 24,000 sales and service professionals 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 97 years, Ecolab has been developing solutions to help sustain a healthy world for future generations. Our Total Impact approach evaluates the full impact of each product or service we provide to help customers increase efficiency, minimize use of natural resources and reduce waste—from sourcing and manufacturing to use and disposal. 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 2020, we delivered increased sales growth while also maintaining our combined investments in R&D, systems and field technology. Always striving to do better, we are setting bolder environmental performance goals that align with our business growth strategy as we continue to decouple resource use from growth. At the end of 2019, we joined the UN Business Ambition for 1.5°C. To meet this commitment, we will: 1) halve carbon emissions by 2030 and achieve net-zero carbon emissions by 2050 for our Scope 1 and 2 emissions

by expanding energy efficiency projects at Ecolab sites and electrifying our fleet of service vehicles, 2) achieve 100% renewable electricity by 2030, and 3) work with suppliers representing 70% of Scope 3 emissions to set science-based targets by 2024. We have also set a goal to help our customers become carbon neutral by reducing greenhouse gas emissions by 4.5 million metric tonnes. In addition, we have set goals to achieve a positive water impact by: 1) working with our customers to conserve 300 billion gallons of water by 2030, 2) restoring greater than 50% of our operational water withdrawal and achieving Alliance for Water Stewardship Standard certification in high risk watersheds, and 3) reducing our net water withdrawal by 40% per unit of production across the entire enterprise.

Our innovative products and services touch virtually every aspect of daily life. From the raw materials that are the building blocks of nearly every products, 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 [www.ecolab.com](http://www.ecolab.com). The answers to the questions of the Carbon Disclosure Project 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.

## C0.2

**(C0.2) State the start and end date of the year for which you are reporting data.**

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Reporting year	January 1, 2020	December 31, 2020	Yes	1 year

## C0.3

**(C0.3) Select the countries/areas for which you will be supplying data.**

- Algeria
- Argentina
- Australia
- Austria
- Belgium
- Brazil
- Bulgaria

Canada  
Chile  
China  
China, Hong Kong Special Administrative Region  
Colombia  
Costa Rica  
Croatia  
Czechia  
Denmark  
Dominican Republic  
Ecuador  
Egypt  
Equatorial Guinea  
Finland  
France  
Germany  
Greece  
Hungary  
India  
Indonesia  
Ireland  
Israel  
Italy  
Japan  
Jordan  
Kazakhstan  
Kenya  
Luxembourg  
Malaysia  
Malta  
Mexico  
Morocco  
Netherlands  
New Zealand  
Norway  
Pakistan  
Peru  
Philippines  
Poland  
Portugal  
Puerto Rico  
Qatar  
Republic of Korea  
Romania  
Russian Federation  
Saudi Arabia

Serbia  
Singapore  
Slovakia  
Slovenia  
South Africa  
Spain  
Sweden  
Switzerland  
Taiwan, Greater China  
Thailand  
Turkey  
Uganda  
Ukraine  
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

## C0.4

**(C0.4) Select the currency used for all financial information disclosed throughout your response.**

USD

## C0.5

**(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.**

Operational control

## C1. Governance

### C1.1

**(C1.1) Is there board-level oversight of climate-related issues within your organization?**

Yes

## C1.1a

**(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.**

Position of individual(s)	Please explain
Board-level committee	<p>While the full Board of Directors monitors Ecolab’s progress on sustainability, the Safety, Health and Environment (SHE) Committee of the Board has the highest level of responsibility for all sustainability matters, including climate-related issues. Climate change responsibilities have been assigned to this Committee as it falls within the scope of environmental matters that are part of the principle responsibilities and duties of the Committee.</p> <p>As stated in its Charter, the SHE Committee is responsible for reviewing and overseeing Ecolab's SHE policies, programs and practices that affect, or could affect, employees, customers, stockholders, and neighbouring 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 climate-related goals and commitments (for example, Ecolab’s goal to reduce our greenhouse gas emissions by 50% by 2030 from a 2018 baseline).</p> <p>Climate-related decision made by the SHE Committee of the Board: In 2019, the SHE Committee was involved in approving the decision for Ecolab to become a Task Force on Climate-related Financial Disclosures (TCFD) Supporter and align its Enterprise Risk Management process and Annual Business Significance Risks Assessment with TCFD recommendations. The SHE Committee also approved Ecolab joining the UN Business Ambition for 1.5°C at the end of 2019, pledging to reduce our greenhouse gas emissions by 50 percent by 2030 and to net-zero by 2050.</p> <p>In the fourth quarter of 2020, Ecolab’s Board of Directors committed to participate in the World Economic Forum’s Stakeholder Capitalism Metrics initiative, supporting the development of a common set of metrics for consistent reporting on sustainable value creation. This led to the allocation of ESG metrics for each Board committee to review on an annual basis, including climate-related metrics. This is intended to formalize ESG metric-specific governance and reinforce the Board’s oversight of ESG topics, including climate.</p>

## C1.1b

**(C1.1b) Provide further details on the board’s oversight of climate-related issues.**

Frequency with which climate-related issues are	Governance mechanisms into	Please explain

a scheduled agenda item	which climate-related issues are integrated	
Scheduled – some meetings	Reviewing and guiding strategy Reviewing and guiding risk management policies Monitoring implementation and performance of objectives Monitoring and overseeing progress against goals and targets for addressing climate-related issues	Ecolab’s Corporate Sustainability Team monitors the risks and opportunities related to climate change, as well as the company’s overall sustainability performance by collaborating with our global SHE, supply chain, regulatory, and corporate risk departments. The Safety, Health and Environment (SHE) Committee of the Board of Directors receives regular updates on the implementation of and progress against sustainability and climate-related goals and activities from the Senior Vice President and Chief Sustainability Officer who chairs the Corporate Sustainability team. The Board of Directors then receives an annual presentation from the SHE Committee on the company’s progress against its sustainability goals, and implementation of projects and related activities, which includes climate change impacts, as appropriate.

## C1.2

**(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.**

Name of the position(s) and/or committee(s)	Responsibility	Frequency of reporting to the board on climate-related issues
Chief Sustainability Officer (CSO)	Both assessing and managing climate-related risks and opportunities	Half-yearly
Chief Executive Officer (CEO)	Assessing climate-related risks and opportunities	Annually

## C1.2a

**(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).**

Ecolab’s Chairman of the Board and Chief Executive Officer have ultimate responsibility for climate change at Ecolab. The rationale for assigning climate change responsibilities in this manner is because the CEO was appointed by the Board to the Safety, Health and Environment (SHE) Committee of the Board and climate change falls within the scope of the principal responsibilities and duties of this Committee.

Our Senior Vice President and Chief Sustainability Officer leads Ecolab’s Corporate Sustainability program in support of Ecolab’s business strategy. The rationale for assigning responsibilities to the CSO position is that this position is responsible for the company’s sustainability strategy, including climate change, and is best placed to coordinate the inherently cross-functional aspects of Ecolab’s response to climate change. The CSO is responsible for:

- development and execution of Ecolab’s sustainability strategy globally including sustainability goals such as joining the UN Business Ambition for 1.5°C,
- integrating sustainability principles and commitments across the company,
- execution and support of sustainability value propositions across Ecolab’s commercial sectors,
- collaborating with the CEO and executive leadership on Ecolab’s long-term sustainability plan,
- corporate reporting and disclosure including producing Ecolab’s annual corporate responsibility report,
- diverse stakeholder engagement and management, and
- global sustainability function development.

The Senior Vice President and Chief Sustainability Officer sits on 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 Team on a quarterly basis and is responsible for operationalizing sustainability across the company; coordinating and communicating company policy and decision-making related to sustainability; setting annual goals and metrics for key sustainability priorities; sustainability outlook assessment; and risk management. Outputs of these quarterly meetings are reported by the Senior Vice President and Chief Sustainability Officer to the SHE Committee of the Board, of which the CEO is a member.

Climate-related issues are monitored by the CEO and SVP and Chief Sustainability Officer through the following Ecolab processes:

1. Annual enterprise risk assessment, which identifies and evaluates strategic, operational, financial and compliance related risks to the company both at the corporate and at the site level;
2. Bi-annual sustainability materiality assessment, which informs our corporate sustainability strategy and reporting activities, including climate-related issues;
3. Ethical and Environmental Standards survey, which monitors environmental performance in the global supply chain; and
4. Quarterly management meetings with the Sustainability Executive Advisory Team (SEAT) and the Corporate Sustainability Team.

### C1.3

**(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?**

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

## C1.3a

**(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).**

Entitled to incentive	Type of incentive	Activity incentivized	Comment
Corporate executive team	Monetary reward	Energy reduction target	Certain functional leaders and facilities managers have their goals aligned with our corporate environmental, social and governance (ESG) goals, including our 2030 impact goals. In addition, bonus components for select employees are tied to continuous improvement efforts, including in water and energy efficiency (carbon emissions reductions) leading to achievement of targets at the facility and regional level.
Corporate executive team	Monetary reward	Emissions reduction target	Certain functional leaders and facilities managers have their goals aligned with our corporate environmental, social and governance (ESG) goals, including our 2030 impact goals. In addition, bonus components for select employees are tied to continuous improvement efforts, including in water and energy efficiency (carbon emissions reductions) leading to achievement of targets at the facility and regional level.
Management group	Non-monetary reward	Emissions reduction target	The Enterprise Excellence Award is given to an associate or team who meets individual business unit or function goals while looking beyond and focusing on actions that benefit the entire organization and help Ecolab achieve its future goals, including our sustainability aspirations that include energy efficiency. Winning associates or teams build relationships across boundaries, break down silos, actively share knowledge and best practices, and model the Ecolab values. Engagement in this way enables Ecolab to achieve its operational GHG emissions reductions goals.
Management group	Non-monetary reward	Emissions reduction project	The Enterprise Excellence Award is given to an associate or team who meets individual business unit or function goals while looking beyond and focusing on actions that benefit the entire organization and help Ecolab achieve its future goals, including our sustainability aspirations that include energy efficiency. Winning associates or teams build relationships across boundaries, break down silos, actively share knowledge and best practices, and model the Ecolab values. Engagement in this way enables Ecolab to achieve its operational GHG emissions reductions goals.



Management group	Non-monetary reward	Energy reduction project	The Enterprise Excellence Award is given to an associate or team who meets individual business unit or function goals while looking beyond and focusing on actions that benefit the entire organization and help Ecolab achieve its future goals, including our sustainability aspirations that include energy efficiency. Winning associates or teams build relationships across boundaries, break down silos, actively share knowledge and best practices, and model the Ecolab values. Engagement in this way enables Ecolab to achieve its operational GHG emissions reductions goals.
Management group	Non-monetary reward	Efficiency project	The Enterprise Excellence Award is given to an associate or team who meets individual business unit or function goals while looking beyond and focusing on actions that benefit the entire organization and help Ecolab achieve its future goals, including our sustainability aspirations that include energy efficiency. Winning associates or teams build relationships across boundaries, break down silos, actively share knowledge and best practices, and model the Ecolab values. Engagement in this way enables Ecolab to achieve its operational GHG emissions reductions goals.
Facilities manager	Monetary reward	Emissions reduction project	Facilities managers' may have monetary rewards built into their professional development plans related to meeting operational and environmental goal performance, including achievement of our GHG goals. We also recognize that there is often a positive relationship between emissions/energy reduction and cost savings, which contribute to financial goals.
Facilities manager	Monetary reward	Emissions reduction target	Facilities managers' may have monetary rewards built into their professional development plans related to meeting operational and environmental goal performance, including achievement of our GHG goals. We also recognize that there is often a positive relationship between emissions/energy reduction and cost savings, which contribute to financial goals.
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## C2. Risks and opportunities

### C2.1

**(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?**

Yes

#### C2.1a

**(C2.1a) How does your organization define short-, medium- and long-term time horizons?**

	From (years)	To (years)	Comment
Short-term	0	2	This time horizon for assessing climate-related risks and opportunities is aligned with our ERM process and other business practice time horizons.
Medium-term	2	5	This time horizon for assessing climate-related risks and opportunities is aligned with our ERM process and other business practice time horizons.
Long-term	5	20	This time horizon for assessing climate-related risks and opportunities is aligned with our ERM process and other business practice time horizons.

#### C2.1b

**(C2.1b) How does your organization define substantive financial or strategic impact on your business?**

For the purposes of our corporate level Enterprise Risk Management (ERM) process, which includes identifying and assessing climate-related risks, we define risks that have a 'substantive financial or strategic impact' at the corporate level as having an impact (quantifiable indicator) 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.

## C2.2

**(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.**

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### **Value chain stage(s) covered**

Direct operations  
Upstream  
Downstream

### **Risk management process**

Integrated into multi-disciplinary company-wide risk management process

### **Frequency of assessment**

More than once a year

### **Time horizon(s) covered**

Short-term  
Medium-term  
Long-term

### **Description of process**

Climate-related risks are identified and assessed at Ecolab through the following processes:

1. Climate-related risks throughout the value chain are assessed within our annual Enterprise Risk Management process and Assessment of Significant Business Risks process, which looks at short, medium, and long-term risks and is aligned with the recommendations of the TCFD;
2. The internal Enterprise level Audit Services team conducts company-wide reviews at each site every three years;
3. Internal Environmental Management System (EMS) audits and other internal audits completed annually. Every three years, each certified site is required to undergo a re-certification audit to maintain certification status. Audits cover all aspects of the site EMS. This auditing process helps to continually improve environmental, health and safety performance including, but not limited to, efficient use of energy and water.

Results of risk assessments, including risk types, the likelihood and impact of their occurrence, are documented by the Audit VP and Audit Department and presented to the Ecolab Board of Directors (BOD). The Chairman of the Board and CEO are ultimately responsible for ensuring appropriate adjustments to the business strategy based on data presented.

Ecolab has multi-faceted processes for continually analyzing climate-related risks and opportunities for our supply chain, business operations and product development, including:

1. Our Strategic Planning Process is used to identify global trends that present risks and opportunities for our business.
2. Our Enterprise level Audit Services team coordinates annual, company-wide assessment of Significant Business Risks using a survey tool designed to identify strategic, operational, financial and compliance related risks at the corporate and site level. Risks are documented with likelihood and impact and results are presented to the Executive Management team and Ecolab's BOD to ensure appropriate strategy adjustments occur.
3. Our biannual Ethical and Environmental Sourcing Survey and reporting process provides monthly energy, water, effluent and other key environmental data from our global supply chain to senior management in order to monitor and improve ongoing environmental performance in the supply chain.
4. Our biannual sustainability materiality assessment informs our corporate sustainability strategy and reporting activities, including climate-related issues. This process involves a detailed review of industry trends and best practices, peer benchmarking and internal and external stakeholder engagement across the value chain. It also leverages the results of our enterprise Assessment of Significant Business Risks to align the materiality of sustainability topics with key business drivers. Outputs of this assessment are integrated into the Assessment of Significant Business Risks annual comprehensive review to ensure critical sustainability risks and opportunities are further evaluated and linked to core business strategy.
5. Our 1.5oC Climate Pledge Action Steering Team meets quarterly to discuss climate-related risks and opportunities across the business impacting the implementation of our 2030 climate goals and action plan.

Example of how processes are applied to physical risks and opportunities: Droughts in California, among other locations, affect our own business operations as well as our customers. When creating our Strategic Plan, Ecolab's Executive Management Team looks at short-term (up to 2 years) and long-term (5-20 years) megatrends influencing our operations and corporate strategy. In particular, the Sustainability Executive Advisory Team (SEAT), working with the CSO and the Corporate Sustainability team, assesses sustainability-related trends. We identified that extended droughts were occurring in areas where: 1) we have operations, 2) there is a large volume of our customer base, and 3) there is high country-level GDP, and we saw a connection with our revenue-at-risk. To support a risk evaluation, we developed and now widely use the Ecolab Smart Water Navigator to evaluate specific sites and conducted a portfolio wide evaluation that quantifies potential financial implications of water risks. The outputs of this analysis are used to inform our risk assessment findings for operational business continuity planning and define the scope of our 2030 goal to restore greater than 50% of our water withdrawal and achieve Alliance for Water Stewardship (AWS) Standard certification in high-risk watersheds. Furthermore, the analysis identifies business opportunities related to deploying our own products and services in supplier and customer operations to reduce water consumption in areas facing severe drought. This tool is freely available to the public and we use the tool with customers and suppliers to help them to assess water-related risks due to climate change.

Example of how processes are applied to transitional risks and opportunities: Both current and emerging regulations impacting the cost of energy are included in our annual Assessment of Significant Business Risks, as our operations are subject to climate and energy efficiency regulations in certain jurisdictions. For example, Ecolab operates a fleet of service vehicles driven by our account managers and service technicians as well as a heavy-duty delivery fleet under Nalco Champion. Any fuel efficiency regulations may require expenditure of capital to obtain more fuel-efficient vehicles. Additionally, the U.S. EPA standards for fuel efficiency are expected to impact the availability and price of fuel-efficient vehicles. Our fleet team’s sourcing manager monitors the impact of these standards on Ecolab’. The sourcing manager presents regulatory impact updates to the Climate Committee, which includes Ecolab’s CSO. During the annual Assessment of Significant Business Risk, the status and financial impact of current fuel prices and those subject to regulation are forecasted against Ecolab's short- and mid-term (2-5 years) Strategic Plan to evaluate potential cost implications. Outputs of this analysis are used to inform our growth strategy, capital, and operational expenditures planning to ensure our fleet strategy optimizes total cost of ownership and is aligned with fuel economy standard trends. This enables downside cost protection, as well as the ability of Ecolab to take advantage of state and federal incentives for purchasing fuel efficient vehicles and using alternative fuels and technologies. Following a review of current and emerging regulations, as well as technology and market trends assessed within our sustainability materiality assessment, Ecolab committed in 2019 to electrifying its fleet of service vehicles as part of its commitment to the UN Global Compact’s Business Ambition for 1.5C. Thus, by proactively tracking and staying ahead of these regulations and technology trends, we were able to convert this inherent risk into an opportunity.

## C2.2a

### (C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	<p>Current regulatory risks may be informed by climate-related issues and are included in our annual corporate enterprise level Assessment of Significant Business Risks process. This is conducted by our corporate Audit Services team which reviews compliance with and the impact of existing regulations, and reports findings to our Executive Management team and Ecolab’s Board of Directors to ensure appropriate strategy adjustments occur.</p> <p>This risk type is relevant and always included because our operations are subject to climate and energy efficiency related regulations in certain jurisdictions. For example, we monitor the impact of the U.S. EPA standards for fuel efficiency on Ecolab’s fleet. Ecolab operates a</p>

		<p>fleet of service vehicles driven by our account managers and service technicians as well as a heavy-duty delivery fleet under Nalco Champion. Any fuel efficiency regulations may require expenditure of capital to obtain more fuel-efficient vehicles. In addition, The U.S. EPA standards for fuel efficiency are expected to impact the availability and price of more fuel-efficient vehicles. It is uncertain how these forces will impact vehicle size, supply, demand and cost. While this risk is not currently deemed substantive for our organization, as climate and energy efficiency regulations are updated in the future, we may see these costs increase. We are committed to complying with applicable legislation and have processes in place to monitor all current regulatory requirements. In addition, in 2019 Ecolab committed to electrifying its fleet of service vehicles as part of its commitment to the UN Global Compact's Business Ambition for 1.5C which will significantly reduce our exposure to vehicle regulations in the future.</p>
Emerging regulation	Relevant, sometimes included	<p>Emerging regulatory risks may be informed by climate-related issues and are often included in our annual corporate enterprise level Assessment of Significant Business Risks process. This is conducted by our corporate Audit Services team which reviews the potential for and impact of emerging regulations, and reports findings to our Executive Management team and Ecolab's Board of Directors to ensure appropriate strategy adjustments occur.</p> <p>This risk type is relevant and often included in our risk assessments because as a company with manufacturing facilities, we may be impacted by emerging regulations designed to promote a transition to a low carbon economy. For example, regulations that put a price on fossil fuel energy could be implemented in the future in areas where Ecolab has operations or activities. We may face increased operational expenses if climate change regulations were implemented at the international, national, regional and/or state level. While our operations do not consume a significant amount of energy and this risk is not deemed substantive for our organization, as jurisdictions increase their use of regulatory frameworks to promote emissions reductions, we may see these costs increase in the future. We are committed to complying with applicable legislation and have processes in place to monitor regulatory requirements including emerging requirements.</p>
Technology	Relevant, always included	<p>Technology risks may be informed by climate-related issues and are included in our annual corporate enterprise level Assessment of Significant Business Risks process. This is conducted by our corporate Audit Services team which reviews the potential for and impacts of technology risks, and reports findings to our Executive Management team and Ecolab's Board of Directors to ensure appropriate strategy adjustments occur.</p>

		<p>This risk type is relevant and always included because at Ecolab, sustainability is an integral part of everything we do, and we employ technology, information and onsite services to help customers achieve exceptional business results, while minimizing environmental and social impact. As climate change concerns become more prominent in our customers' requirements, product effectiveness and efficiency related to energy, waste and water impacts and the corporate sustainability efforts of our customers is changing the demand for our solutions. Changing customer requirements present both risks and opportunities for Ecolab to meet and exceed customer requirements and invest in new technology solutions that improve water and energy efficiency (e.g. deploying a clean-in-place technology in a Kraft-Heinz cheese plant in water stressed California). We are seeing an expansion in manufacturing applications requiring climate-related solutions that couple with the business performance required to be competitive. This customer shift has fueled further investment by Ecolab to meet and exceed customer technology requirements.</p>
Legal	Relevant, always included	<p>Legal risks may be informed by climate-related issues and are included in our annual corporate enterprise level Assessment of Significant Business Risks process. This is conducted by our corporate Audit Services team which reviews the potential for and impacts of legal risks, and reports findings to our Executive Management team and Ecolab's Board of Directors to ensure appropriate strategy adjustments occur.</p> <p>This risk type is relevant and always included in the form of exposure to environmental liability or lawsuits. Our business and operations are subject to extensive environmental laws and regulations governing, among other things, air emissions, wastewater discharges, the use and handling of hazardous substances, waste disposal and the investigation and remediation of soil and groundwater contamination. As with other companies engaged in similar manufacturing activities and providing similar products and services, some risk of environmental liability is inherent in our operations. Compliance with changing environmental laws and regulations, including evolving climate change standards, exposes us to potential financial liability and increases our operating costs. However, these costs are minor for Ecolab as a speciality chemicals company that primarily engages in chemical formulation compared to our peers producing raw material chemicals where their natural resource, emissions and effluent footprint is significantly larger.</p>
Market	Relevant, always included	<p>Market risks may be informed by climate-related issues and are included in our annual corporate enterprise level Assessment of Significant Business Risks process. This is conducted by our corporate</p>

		<p>Audit Services team which reviews the potential for and impacts of market risks, and reports findings to our Executive Management team and Ecolab's Board of Directors to ensure appropriate strategy adjustments occur.</p> <p>In addition, climate change impacts, such as increasing frequency and severity of extreme weather events, could adversely affect our customers. In some market segments such as the foodservice, hospitality and travel industries, this could impact demand for our products and services. For example, tourism and lodging are key market segments of Ecolab's business globally, and negative effects of climate change (e.g. precipitation extremes, droughts, changes in temperature extremes, increases or decreases in snow and ice, sea level rise, tropical storms, or impacts on epidemic diseases) could present a risk to Ecolab's business. Another example of market-based risk is fluctuating petroleum prices impacting our energy services customers.</p>
<p>Reputation</p>	<p>Relevant, always included</p>	<p>Reputational risks may be informed by climate-related issues and are included in our annual corporate enterprise level Assessment of Significant Business Risks process. This is conducted by our corporate Audit Services team which reviews the potential for and impacts of reputational risks, and reports findings to our Executive Management team and Ecolab's Board of Directors to ensure appropriate strategy adjustments occur.</p> <p>This risk type is relevant and always included as our customers are increasingly looking to partner with suppliers that demonstrate corporate responsibility, offer innovative products that help address and mitigate climate-related risks, and transparently report on climate management and performance. If we are not considered to be making meaningful progress on climate change or if our products and services are not perceived as leading the market in meeting customer requirements, we could be subject to reputational risk through decreased scores in public sustainability rankings such as CDP, shareholder resolutions, and general increased scrutiny by media and lower preference by customers.</p> <p>We strive to be a leader in sustainability and continue to proactively integrate environmental stewardship principles into our business goals, products and services to drive operational efficiency and reduce environmental impact for our customers. In 2019, we committed to aligning our operations and supply chain to the UN Global Compact's Business Ambition for 1.5°C. To meet this commitment, we will: 1) halve our carbon emissions by 2030 and achieve net-zero carbon emissions by 2050 for our Scope 1 and 2 emissions, 2) achieve 100%</p>



		<p>renewable electricity by 2030, and 3) work with suppliers representing 70% of Scope 3 emissions to set science-based targets by 2024. While the use of fossil fuels for our production, goods and services may be viewed as a contributor to climate change, we believe our global renewable energy strategy will mitigate this risk in the future.</p>
Acute physical	Relevant, always included	<p>Acute physical risks may be informed by climate-related issues and are included in our annual corporate enterprise level Assessment of Significant Business Risks process. This is conducted by our corporate Audit Services team which reviews the potential for and impacts of acute physical risks, and reports findings to our Executive Management team and Ecolab's Board of Directors to ensure appropriate strategy adjustments occur.</p> <p>This risk type is relevant and always included because some of our operations are located in regions vulnerable to an increase in the severity, duration and/or frequency of extreme weather events such as changes in precipitation extremes, droughts, changes in temperature extremes, increases or decreases in snow and ice, sea level rise and tropical storms. For example, Hurricane Harvey impacted our operations in 2017, leading to temporary closure of three of our manufacturing facilities, though we did not experience significant damage and repairs. However, Ecolab manufacturing operations are located globally and across multiple geographic and climatic regions, which minimizes our vulnerability to unforeseen disasters. The company has various Crisis Management and Business Continuity Plans to mitigate business interruption. On our commercial side, this increases demand for our water and energy solutions since customers are looking to develop and implement mitigation plans and solutions to minimize the impact of acute risks.</p>
Chronic physical	Relevant, sometimes included	<p>Chronic physical risks may be informed by climate-related issues and are included in our annual corporate enterprise level Assessment of Significant Business Risks process. This is conducted by our corporate Audit Services team which reviews the potential for and impacts of chronic physical risks, and reports findings to our Executive Management team and Ecolab's Board of Directors to ensure appropriate strategy adjustments occur.</p> <p>This risk type is relevant and often included because physical changes arising from sustained temperature increases could directly impact our operations. For example, Ecolab's global manufacturing facilities are located in many different regions around the world, including areas that may be susceptible to changes in average temperatures. These temperature changes could result in increased operational and manufacturing costs associated with heating and cooling our physical real estate assets. This also has implications for our commercial</p>

		business as it would increase demand in technology and solutions that help our customers mitigate and adapt to the changing climate. These are typically in areas of increased water scarcity or droughts for our multi-national customers
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## C2.3

**(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?**

Yes

## C2.3a

**(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.**

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### Identifier

Risk 1

### Where in the value chain does the risk driver occur?

Upstream

### Risk type & Primary climate-related risk driver

Acute physical

Increased severity and frequency of extreme weather events such as cyclones and floods

### Primary potential financial impact

Increased direct costs

### Company-specific description

With a global supply chain that encompasses facilities in coastal regions around the world, including the Gulf of Mexico, our supply chain may be vulnerable to an increase in the severity, duration and/or frequency of tropical storms experienced in these regions. Tropical storms and associated conditions such as high winds, extreme rainfall and flooding could result in physical damage to our suppliers' buildings, manufacturing facilities, transportation and distribution routes and accessibility, as well as equipment. This may lead our suppliers to experience lost productivity, asset loss, raw material price fluctuations and/or delayed product release, which may in turn increase Ecolab's cost of goods sold and/or decrease revenue if Ecolab is unable to serve customers as a result of supply chain disruption.

In particular, the U.S. Gulf Coast is a region with significant refining, petrochemicals and chemicals operations that provide us with raw materials. Hurricanes or severe weather events impacting the Gulf Coast, such as the historic Texas freeze in 2021, have the potential to adversely affect our ability to readily obtain raw materials at a reasonable

cost, or at all, particularly for our Downstream energy business. These impacts to local power grids and infrastructure could lead to temporary closure of one or many of our suppliers' manufacturing facilities, require repairs and possibly even rebuild costs, which could impact the availability and sourcing of raw materials for Ecolab's products and services and disrupt our operations. We believe this risk has been reduced by our recent divestiture from ChampionX, which had several operations in the Gulf Coast,

**Time horizon**

Short-term

**Likelihood**

About as likely as not

**Magnitude of impact**

Low

**Are you able to provide a potential financial impact figure?**

Yes, an estimated range

**Potential financial impact figure (currency)**

**Potential financial impact figure – minimum (currency)**

29,000,000

**Potential financial impact figure – maximum (currency)**

142,000,000

**Explanation of financial impact figure**

The prices of raw materials used in our business can fluctuate and in recent years we have experienced periods of increased raw material costs, such as the significant increase in oil prices experienced over the past 12 months. Such changes in prices, unavailability of adequate and reasonably priced raw materials or substitutes, or the inability to obtain or renew supply agreements on favourable terms can adversely affect our consolidated results of operations, financial position or cash flows. Further, volatility and disruption in economic activity and conditions caused by a variety of factors, including climate-related physical risks such as extreme weather events, could disrupt or delay the performance of our suppliers which may adversely affect our business and increase our direct costs of goods and services sold. A 1% change in our raw material chemicals spend can impact our total cost of sales by close to \$29 million, and a 5% change could impact total cost of sales by approximately \$142 million. This illustrates the potential financial impact of supply chain disruptions and cost of raw materials due to volatility and climate-related physical disruptions.

**Cost of response to risk**

1,000,000

**Description of response and explanation of cost calculation**

Outside of a few specialized chemicals, raw materials (RM) are purchased on annual contracts and are available in adequate quantities from a diverse group of global suppliers. Global sourcing allows purchasing/ production locations to be shifted to control product costs/ availability at competitive levels. We purchase more than 10,000 RMs, the largest single RM represents <3% of RM purchases. We include RM purchasing activities in our company-wide ERM process. Our Strategic Supplier Initiative (SSI) continues, engaging our 4 top chemical suppliers representing 17% of RM spend.

We co-innovate with SSI suppliers to reduce their operating costs, environmental impact, and climate related risks. A 2019 partnership with BASF developed Trimeta™ pHFreedom technology, a U.S. FDA GRAS approved clean-in-place detergent for cleaning equipment within the fuel ethanol and food and beverage production industries. This solution enables efficient cleaning, improved processing capabilities, water savings, and significant reduction in chemical use.

In 2020 we divested from the upstream portion of our Global Energy business. This business focused less on our core water and energy efficiency services, was particularly exposed to physical climate risks of the Gulf Coast, had a site with high water risk, and disproportionately added to our wastewater and hazardous waste streams. We believe this divestment reduced Ecolab's net exposure to suppliers' physical climate risks.

In 2019, Ecolab committed to the UN Global Compact's Business Ambition for 1.5°C and set an approved science-based target (SBT) addressing Scope 1, 2 and 3 emissions. To meet these commitments, we work with 70% of suppliers by emissions to set SBTs by 2024. By adopting ambitious climate goals, suppliers reduce their emissions and improve preparation for physical risks posed by climate change.

2020 supplier engagement efforts were focused on our top 50 suppliers which represent approximately 39% of scope 3 emissions. We plan to engage the next 50 biggest suppliers in 2021.

Estimated total cost of management is calculated based on: 1) 2 FTEs dedicated to the SSI program + shared resources across RD&E (2.5 FTEs) and Regulatory Affairs (1.5 FTEs) to manage these relationships, including executive sponsorship totaling \$750,000; and 2) estimated cost to improve our supplier engagement program and realize our goal to work with 70% of suppliers by emissions to set SBTs by 2024 (2 FTES), totaling to \$250,000.

## Comment

N/A

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## Identifier

Risk 2

**Where in the value chain does the risk driver occur?**

Direct operations

**Risk type & Primary climate-related risk driver**

Acute physical

Increased severity and frequency of extreme weather events such as cyclones and floods

**Primary potential financial impact**

Decreased revenues due to reduced production capacity

**Company-specific description**

With manufacturing facilities in China, Singapore and the Philippines, our Asian operations are vulnerable to an increase in the severity, duration and/or frequency of tropical storms experienced in these regions. Tropical storms and associated conditions such as high winds and extreme rainfall could result in physical damage to our buildings and equipment, leading to lost productivity, asset loss and/or delayed product release. Severe weather events may also result in staff not being able to travel to work with potential lost work time. In addition, our operations in Brazil, Mexico and the United States, including our Nalco Champion Headquarters in Texas, are vulnerable to an increase in the severity, duration and/or frequency of severe weather conditions and seasonal storms such as tornados and hurricanes. In 2021, severe winter storms in Texas and the Gulf Coast region interrupted our operations, leading to supply chain disruptions, impacting several large customer locations, including refineries, as well as our own plants. This severe and uncharacteristic weather event collapsed local power grids and had a material financial impact on our business. As our manufacturing operations are located globally and our vulnerability to unforeseen disasters is leveraged across multiple geographic regions, we believe our risk is minimized.

**Time horizon**

Medium-term

**Likelihood**

About as likely as not

**Magnitude of impact**

Low

**Are you able to provide a potential financial impact figure?**

Yes, an estimated range

**Potential financial impact figure (currency)**

**Potential financial impact figure – minimum (currency)**

1,000,000

**Potential financial impact figure – maximum (currency)**

50,000,000

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

The financial risks associated with increased extreme weather patterns include manufacturing facility repair costs, potential plant closures, lost work time, lost revenue, and increased insurance premiums and deductibles.

Globally we have insurance policies with varying deductible levels for property and casualty losses. Ecolab has seen cost premiums for insurance increase over the last few years which may be related to an increased threat of storms and related climate change events (i.e. a Hurricane Katrina and Hurricane Sandy). During the 2017 hurricane season, for example, Ecolab experienced losses at a number of facilities along the Gulf Coast which affected our insurance premiums. In some cases, we were also required to use our insurance deductibles ranging from \$1 million to \$5 million; therefore \$1 million is provided as the lower range of financial impacts related to the impacts of extreme weather events on direct operations.

While we do not consider the increase in insurance premiums and deductibles spent to date to be financially material, the increased frequency and severity of extreme weather events could increase our number of insurance claims in the future, which could either individually or in the aggregate have a material adverse effect on our total insurance and operational costs. Additionally, we may not be able to continue to maintain insurance for certain property types and locations that are particularly vulnerable to increases in the severity, duration and/or frequency of extreme weather events, which could provide greater exposure to financial loss.

The upper end of the estimated range reflects the potential impact of a disruption to our manufacturing operations, leading to lost productivity, asset loss and/or delayed product release. In 2021 severe winter storms in Texas and the Gulf Coast region interrupted our operations, leading to supply chain disruptions, impacting several large customer locations, including refineries, as well as our own plants. This severe and uncharacteristic weather event collapsed local power grids and had a material financial impact on our business. According to our First Quarter Earnings Release, the Texas Freeze is estimated to have had a -9pp impact on operating income growth for Q1 2021, and is expected to have an unfavorable impact of \$0.15 per share for FY 2021.

### **Cost of response to risk**

500,000

### **Description of response and explanation of cost calculation**

Climate-related risks are assessed within our Enterprise Risk Management (ERM) process and Annual Business Significance Risks Assessment, which is aligned with recommendations of the Financial Stability Board Task Force on Climate-related Financial Disclosures (TCFD). 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.

The cost to manage acute physical climate risks to our operations is based on FTE staff in the ERM function, in collaboration with Safety Health & Environment and Supply Chain staff, who manage the Annual Business Significance Risks Assessment, compile the inventory of plants globally, and conduct the site selection process. While this is part of our ERM team's overall management responsibilities, we estimate that 25% of 2 FTEs time in ERM and 10% of 2.5 FTEs time in SH&E and Supply Chain is allocated as well, totaling approximately \$500,000.

**Comment**

N/A

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**Identifier**

Risk 3

**Where in the value chain does the risk driver occur?**

Downstream

**Risk type & Primary climate-related risk driver**

Technology

Substitution of existing products and services with lower emissions options

**Primary potential financial impact**

Decreased revenues due to reduced demand for products and services

**Company-specific description**

Ecolab serves many industries that rely on water and energy to operate. As climate change impacts the availability and price of water and fossil-based energy, and increases stakeholder pressure to act, customers are increasingly looking for lower emissions solutions that enable them to improve operational efficiency and save costs, including water and energy efficient products.

If we do not maintain our leadership position in the market and continue to invest in innovation and continuous improvement of our products' environmental benefits, changing customer preferences, technological change, and increased competition in the industry could lead to reduced demand for Ecolab products and services. This would present financial risks to Ecolab including reduced revenues, slower growth, and a lower stock valuation.

**Time horizon**

Medium-term

**Likelihood**

About as likely as not

**Magnitude of impact**

Medium

**Are you able to provide a potential financial impact figure?**

Yes, an estimated range

**Potential financial impact figure (currency)**

**Potential financial impact figure – minimum (currency)**

900,000,000

**Potential financial impact figure – maximum (currency)**

3,200,000,000

**Explanation of financial impact figure**

Shifts in customer preferences could result in lost revenue if we fail to keep pace with technological innovation that meets customer demand for more energy- or water-efficient products. While we have a diverse customer base and no customer or distributor constitutes 10% or more of our consolidated revenues, a cumulative shift in customer trends or the loss of any significant customers could have a material adverse effect on our consolidated results of operations or cash flows.

Our Global Industrial segment, of which water treatment applications is a large part, had \$5.8B in sales in 2020. With growth estimates for the water treatment systems market size projected at 7%+ per year, and a potential market of \$44B in 2025, we could have between \$0.9B and \$3.2B of potential sales at risk due to market share erosion. This is based on growth below market projections, at 3% to 5%, rather than increasing market share by growing at 10%.

**Cost of response to risk**

185,900,000

**Description of response and explanation of cost calculation**

To drive focus on growing revenues, maintaining our leadership position and managing changing customer expectations, we recently launched new 2030 customer impact goals focused on Climate, Water, Food and Health which include: 1) helping customers become carbon neutral by reducing greenhouse gas emissions by 4.5 million metric tonnes, and 2) helping customers conserve 300 billion gallons of water, equivalent to the drinking water needs of 1 billion people (which in turn, will help them to reduce energy and carbon emissions required to heat, treat, move and cool water). These goals will help to drive and incentivize innovation at Ecolab and are supported by a \$185 million RD&E expenditure in 2020. We invest in R&D, which is critical to maintaining our leadership position within the industry and providing us with a competitive advantage as we seek additional business with new and existing customers.

We have developed and improved upon several tools including the Water Risk



Monetizer (updated in 2020), the enhanced Smart Water Navigator (updated March 2021), and the Water Flow Intelligence solution (launched 2021) to help improve water management, inform customers' of their real-time water usage and how they can realize operational water efficiencies, reduce their risks related to water withdrawal, consumption and discharge, and support business growth. In 2021 Ecolab introduced Water Flow Intelligence which uses cutting edge technologies to enable real-time insights and response.

To date, more than 6,500 unique users have used the Smart Water Navigator tool. We also use an eROI program to measure and communicate the sustainability benefits we provide to customers via eROI case studies. These case studies document and monetize all positive impacts for customers, which is critical to driving and sustaining growth with our industrial customers who have diverse needs and risks related to water.

In 2020 Ecolab invested \$185 million in R&D, and has invested more than \$2 million in its publicly available water tools to date, which includes 1.5 FTE eROI program managers with costs greater than \$150,000 per year. In addition, cost of dues, activities, participation, in-kind support and travel to participate in industry groups was roughly \$500,000-750,000 in 2020 for sustainability-related commitments. In sum, we are reporting a total cost to respond to this risk of \$185,900,000.

**Comment**

N/A

## C2.4

**(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?**

Yes

## C2.4a

**(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.**

---

**Identifier**

Opp1

**Where in the value chain does the opportunity occur?**

Downstream

**Opportunity type**

Products and services

**Primary climate-related opportunity driver**

Development and/or expansion of low emission goods and services

### **Primary potential financial impact**

Increased revenues resulting from increased demand for products and services

### **Company-specific description**

Ecolab serves many industries that rely on water and energy to operate. As climate change impacts the availability and price of water and fossil-based energy, customers are increasingly looking for lower emissions solutions that enable them to improve operational efficiency and save costs, including water and energy efficient products. This presents opportunities to expand market share of innovative water and energy optimizing solutions from Ecolab's system portfolio. For example, our APEX™ Warewashing System, our DryExx™ beverage line lubrication system, and our 3D TRASARTM system for cooling tower and boiler feed water conditioning, reduce the use of water and energy compared to conventional systems.

Cooling water and energy applications across all industries will require even better resource management strategies to deal with increased costs and scarcity, creating broader opportunities for the water technologies mentioned above and also for waste treatment in order to better protect the environment. With our Nalco Water business, we are engaged in serving customers who have more water and energy intensive institutional and industrial operations. This increases the opportunity for us to leverage the value proposition of water and energy saving offerings and pursue significant top line growth. The addition, Nalco Water also offers opportunities for increasingly cost-effective synergies in technology and innovation, delivering more profitable and cost-effective programs for customers across most if not all businesses and regions.

### **Time horizon**

Short-term

### **Likelihood**

Likely

### **Magnitude of impact**

Medium-high

### **Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

### **Potential financial impact figure (currency)**

88,000,000,000

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

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

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

Developing and expanding our low emission goods 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 an \$88 billion spread across all our primary business units (this was estimated based on our existing market share in F&B processing and commercial buildings, against the total available market share).

### **Cost to realize opportunity**

186,900,000

### **Strategy to realize opportunity and explanation of cost calculation**

To drive focus on growing revenues, maintaining our leadership position and managing changing customer expectations, we recently launched the new 2030 customer impact goals focused on Climate, Water, Food and Health which include: 1) helping customers become carbon neutral by reducing greenhouse gas emissions by 4.5 million metric tonnes, and 2) helping customers conserve 300 billion gallons of water, equivalent to the drinking water needs of 1 billion people (which in turn, will help them to reduce energy and carbon emissions required to heat, treat, move and cool water). These goals will help to drive and incentivize innovation at Ecolab and are supported by a \$185 million RD&E investments, representing 1.6% of sales. We invest in R&D and believe that doing so is critical to maintaining our leadership position within the industry and providing us with a competitive advantage as we seek additional business with new and existing customers.

We have developed and improved upon several water management tools including the Water Risk Monetizer (updated in 2020), the enhanced Smart Water Navigator (updated version released March 2021), and the Water Flow Intelligence solution (launched 2021) to help improve real time water management, inform customers of their real-time water usage and how they can realize operational water efficiencies, reduce their risks related to water withdrawal, consumption and discharge, and support business growth. To date, more than 6,500 unique users have used the Smart Water Navigator tool. We also use an eROI program to measure and communicate the sustainability benefits we provide to customers via eROI case studies. These case studies document and monetize all positive impacts for customers, which is critical to driving and sustaining growth with our industrial customers who have diverse needs and risks related to water.

In 2020 Ecolab invested \$185 million in R&D, and has invested more than \$2 million in its publicly available water tools to date, which includes 1.5 FTE eROI program managers with costs greater than \$150,000 per year. In addition, cost of dues, activities, participation, in-kind support and travel to participate in industry groups was roughly \$500,000-750,000 in 2020 for sustainability-related commitments. In sum, we are reporting a total cost to respond to this risk of \$185,900,000.

### **Comment**

N/A

**Identifier**

Opp2

**Where in the value chain does the opportunity occur?**

Downstream

**Opportunity type**

Markets

**Primary climate-related opportunity driver**

Access to new markets

**Primary potential financial impact**

Increased revenues through access to new and emerging markets

**Company-specific description**

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.

In addition, policies and regulations designed to promote the transition to a low carbon economy, including carbon taxes, cap-and-trade, and fuel/energy taxes and regulations, are being implemented around the world. We anticipate greater regulation of GHGs emitted by our customers will drive opportunities to leverage many of our energy and water services, and improve access to new and emerging markets. For example, demand for our wastewater anaerobic digestion systems that efficiently capture methane from organic waste may be in higher demand in regions with regulated carbon pricing schemes. Capturing methane gas from waste generated onsite reduces methane emissions and can be a source of clean energy for heating or powering the processing facility.

Reducing water and energy consumption for customers operating in highly regulated environments presents opportunities for Ecolab to gain a competitive advantage and expand market share and revenue.

**Time horizon**

Short-term

**Likelihood**

More likely than not

**Magnitude of impact**

Medium

**Are you able to provide a potential financial impact figure?**

Yes, an estimated range

**Potential financial impact figure (currency)**

**Potential financial impact figure – minimum (currency)**

500,000,000

**Potential financial impact figure – maximum (currency)**

1,500,000,000

**Explanation of financial impact figure**

By innovating and maintaining market leadership, we have the opportunity to expand our share in a growing market.

Our Global Industrial segment, of which water treatment applications is a large part, had \$5.8B in sales in 2020. 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 \$.5B to \$1.5B of potential additional sales comparing to simply maintaining market share by growing at 7%.

**Cost to realize opportunity**

185,900,000

**Strategy to realize opportunity and explanation of cost calculation**

We invest significantly in experts that can evaluate our customers processes and identify opportunities to reduce water and energy consumption and we employ our Outcome Based Approach to evaluate the full impact of each product or service and invest in R&D activities that help customers optimize water and energy while maintaining performance requirements and meeting regulatory and compliance related requirements. For example, in 2020 we partnered with Indonesia's largest integrated petrochemical company to introduce the 3D TRASAR™ water management solution which significantly reduced their water, waste, and energy footprint. Using this system, Chandra Asri Petrochemical realized savings of 93 million gallons of water, 6 million kWh of energy, 125 million gallons of wastewater, and over 2,000 metric tonnes of CO2. We use eROI case studies to document all positive environmental impacts for customers and drive growth with our industrial customers.

In 2020, Ecolab invested \$185 million in research and development, with sustainability as a strategic driver in many ongoing projects. In addition, our eROI program is managed by 1.5 FTE with costs greater than \$150,000 per year. Lastly, the cost of dues, activities, participation, in-kind support and travel to participate in industry groups is roughly \$500,000-750,000 per year for sustainability-related commitments around product transparency. In sum, we are reporting a total cost to realize this opportunity of \$185,900,000.

**Comment**

N/A

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**Identifier**

Opp3

**Where in the value chain does the opportunity occur?**

Downstream

**Opportunity type**

Products and services

**Primary climate-related opportunity driver**

Shift in consumer preferences

**Primary potential financial impact**

Other, please specify

better competitive position to reflect shifting consumer preferences, resulting in increased revenues

**Company-specific description**

Ecolab's business success depends on meeting and exceeding the expectations and requirements of its key stakeholders, including customers, investors, and employees. We believe there is opportunity to enhance our corporate reputation through our environmental programs and climate-related goals, thereby gaining a competitive advantage, and boosting our attractiveness to investors. We conduct a bi-annual sustainability materiality assessment (MA) to prioritize our sustainability issues. The results of the MA inform our corporate sustainability strategy and reporting, including climate-related issues. Our most recent MA confirmed that improving water and energy management, increasing operational efficiency and preserving natural resources continue to be issues of high importance.

Our customers are increasingly looking to partner with suppliers that demonstrate corporate responsibility and transparently report on climate management, and this trend will continue as climate change awareness grows. At the end of 2019, we joined the UN Business Ambition for 1.5°C. To meet this commitment, we will: 1) halve carbon emissions by 2030 and achieve net-zero carbon emissions by 2050 for our Scope 1 and 2 emissions by expanding energy efficiency projects and electrifying our fleet of service vehicles, 2) achieve 100% renewable electricity by 2030, and 3) work with suppliers representing 70% of Scope 3 emissions to set science-based targets by 2024. We have also set a goal to help our customers become carbon neutral by reducing greenhouse gas emissions by 4.5 million metric tonnes. In addition, we have set goals to achieve a positive water impact by: 1) working with our customers to conserve 300 billion gallons of water by 2030, 2) restoring greater than 50% of our operational water withdrawal and achieving Alliance for Water Stewardship Standard certification in high risk watersheds, and 3) reducing our net water withdrawal by 40% per unit of production across the entire

enterprise.

Looking ahead, as our customers face drivers to reduce their GHG emissions, including their upstream S3 emissions, we may also see increased demand for our products and services if we can positively differentiate our operations and the GHG emissions benefits of our products in the marketplace. Increasingly, we are seeing an interest from customers in getting accurate data to measure the success of their own sustainability programs, and rely upon Ecolab to provide this information.

**Time horizon**

Short-term

**Likelihood**

Likely

**Magnitude of impact**

Medium

**Are you able to provide a potential financial impact figure?**

Yes, an estimated range

**Potential financial impact figure (currency)**

**Potential financial impact figure – minimum (currency)**

500,000,000

**Potential financial impact figure – maximum (currency)**

1,500,000,000

**Explanation of financial impact figure**

A shift in customer preferences could result in increased market share and revenues due to customers preferring suppliers with robust sustainability strategies as well as energy- and water-efficient goods and services.

Our Global Industrial segment, of which water treatment applications is a large part, had \$5.8B in sales in 2020. 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 \$.5B to \$1.5B of potential additional sales comparing to simply maintaining market share by growing at 7%.

**Cost to realize opportunity**

1,250,000

**Strategy to realize opportunity and explanation of cost calculation**

As our customers increase their efforts to measure and report environmental performance, we have an opportunity to standardize how we communicate value to customers. We do this through our trademarked eROI program via case studies and

business reviews. eROI case studies serve as tools to communicate the value we provide to customers and accelerate sales. We have created more than 1,000 eROI case studies to demonstrate sustainability value for customers, including in the areas of energy, water, air emissions, waste, improved asset life and safety. The eROI value capture program represents a tremendous opportunity to differentiate Ecolab as a leader in helping customers achieve both performance and sustainability goals.

Ecolab produces an annual Corporate Responsibility GRI Report prepared in accordance with the Global Reporting Initiative (GRI) Standards: Core option, as well as a supporting Corporate Sustainability Report that features case studies demonstrating how Ecolab’s solutions have helped customers minimize their environmental impact. In addition, Ecolab reports ESG performance data to the annual S&P Global SAM Corporate Sustainability Assessment (CSA) and CDP’s Climate Change, Water Security and Supply Chain surveys. We are also signatory of the United Nations Global Compact and CEO Water Mandate and file an annual Communication of Progress as part of those commitments.

The cost of dues, activities, participation, in-kind support and travel to participate in industry groups is roughly \$500,000-750,000 per year for sustainability-related commitments around product transparency. Our eROI program is managed by 1.5 FTE with costs greater than \$150,000 per year. In addition, costs related to our sustainability reporting activities including staff time, memberships and consulting/auditor fees are estimated to be \$350,000 per year. In sum, we are reporting a total cost to realize this opportunity of \$1,250,000 per year.

**Comment**

N/A

## C3. Business Strategy

### C3.1

**(C3.1) Have climate-related risks and opportunities influenced your organization’s strategy and/or financial planning?**

Yes, and we have developed a low-carbon transition plan

### C3.1a

**(C3.1a) Is your organization’s low-carbon transition plan a scheduled resolution item at Annual General Meetings (AGMs)?**

	Is your low-carbon transition plan a scheduled resolution item at AGMs?	Comment
Row 1	Yes	



## C3.2

### (C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

Yes, qualitative and quantitative

## C3.2a

### (C3.2a) Provide details of your organization’s use of climate-related scenario analysis.

Climate-related scenarios and models applied	Details
2DS RCP 2.6 RCP 8.5 Other, please specify SDA (Sectoral Decarbonization Approach)	<ul style="list-style-type: none"> <li>• In 2019, Ecolab undertook an assessment to develop various scenarios for setting a science-based target to reduce our direct and indirect emissions. The SBT methodologies were identified and chosen based on CDP criteria, which utilizes the RCP 2.6 scenario, as well as SBTi criteria utilizing 2DS, RCP8.5 and the SDA to model a range of climate scenarios enabling Ecolab to evaluate potential climate related impacts and emissions reductions requirements that align with given global temperature requirements.</li> <li>• Company-specific business growth trajectories were applied to historical GHG emissions trends to determine a business-as-usual scenario. Ecolab evaluated medium and long-term horizons and created multiple emission reduction ambition scenarios. These were applied to various elements of our S1, S2 and S3 organizational footprints, allowing us to assess what combination of reductions could enable the achievement of a 1.5C SBT.</li> <li>• Ecolab evaluated the time horizons as prescribed by CDP (5-15 years and 15+ years, respectively). For the SBTi analysis we screened and completed a full Scope 3 inventory.</li> <li>• The results of this work have informed Ecolab’s strategy by providing the necessary data points to determine feasibility of the various potential targets. The analysis confirmed the feasibility of a 1.5C SBT, demonstrated that engaging suppliers (of purchased good and services, upstream and downstream transportation and distribution, capital goods, and business travel) to set SBTs represents the greatest opportunity for Ecolab to develop a Scope 3 target to meet SBTi requirements.</li> <li>• This analysis illustrated the level of ambition required for Ecolab to operate in congruence with the transition to a low-carbon economy, thereby mitigating potential reputational, regulatory and market risk. Ecolab’s strategy has been impacted by this analysis through our continued efforts to set a science-based target. In advance of setting the SBTs, in 2019 we joined the UN Global Compact’s Business Ambition for 1.5°C committing to reduce our GHG emissions by 50 percent by 2030 and achieve net-zero by 2050. Having set an SBT in 2020, we continue to build a GHG reduction strategy in areas such as renewable energy procurement, fleet</li> </ul>

	<p>electrification, and supplier engagement. These strategies are integrated into Ecolab's business strategy.</p> <ul style="list-style-type: none"> <li>• To date we have realized steady efficiency gains and invested in renewable electricity purchases, which have reduced our greenhouse gas emissions on an intensity basis by 36.6% from our 2015 baseline. The key drivers of our 2020 emissions reductions came from a virtual power purchase agreement for wind power in Mesquite, Texas, the purchase of green tariffs in Europe, and increased overall water efficiency in our plants.</li> </ul>
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### C3.3

**(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.**

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	<p>A trusted partner at nearly three million customer locations, Ecolab (ECL) is the global leader in water, hygiene and energy technologies and services that protect people and vital resources. The development of our products and services is influenced by the need to address identified climate-related risks and opportunities for and through our customers; this is core to our purpose and core to existing business activities.</p> <p>This strategy is imbedded into our R&amp;D process fundamentally, as our value proposition is incumbent on delivering water and energy savings to our customers. As climate-related risks become increasingly clear and are being experienced by our customers, we have responded with investing more R&amp;D dollars to bring more products and services to market. Significant investment in products that we have recently developed in response to customer needs which directly address climate-related risks include our APEX Warewashing System, our DryExx beverage line lubrication system, and our 3D TRASAR system for cooling tower and boiler feed water conditioning, all of which reduce the use of water and energy compared to conventional systems. For example, we partnered with Indonesia's largest integrated petrochemical company to introduce the 3D TRASAR™ water management solution which significantly reduced their water, waste, and energy footprint. Using this system, Chandra Asri Petrochemical</p>

		<p>realized savings of 93 million gallons of water, 6 million kWh of energy, 125 million gallons of wastewater, and over 2,000 metric tonnes of CO2.</p> <p>We have also developed two tools which mark a substantial strategic investment in promoting water awareness and stewardship, which further support our customer value proposition. The Water Risk Monetizer and the Smart Water Navigator help to inform how customers' can realize operational water efficiencies and reduce their climate-related risks related to water withdrawal, consumption and discharge. To date, more than 6,500 unique users have used the Smart Water Navigator tool. We also use an eROI program to measure and communicate the sustainability benefits we provide to customers via eROI case studies. These case studies document and monetize all positive impacts for customers, which is critical to driving and sustaining growth with our industrial customers who have diverse needs and risks related to water.</p>
Supply chain and/or value chain	Yes	<p>Our unique combination of expertise and innovative solutions makes the world cleaner, safer and healthier while protecting people and vital resources across the entire value chain. From the raw materials that are the building blocks of nearly every product, to production and manufacturing, to retail and service environments where products meet people, Ecolab is behind the scenes working with our customers to improve performance, meet increasing demand and reduce environmental impact. Currently, we have global strategic sourcing agreements with large multinational chemical and material companies. These strategic partners are also customers that depend on Ecolab's smart technology, expertise, and services to manage and mitigate climate and operational risks associated with water and energy.</p> <p>For example, in 2019 we partnered with our supplier BASF to develop Trimeta™ pHreedom, technology as a U.S. FDA GRAS approved clean-in-place detergent specifically formulated for cleaning fermentation tanks and related equipment in a CO2 environment within the fuel ethanol and food and beverage production industries. This solution enables more efficient cleaning, improved processing capabilities, water savings through reduced rinsing, and a significant reduction in chemical use. Projects like these improve resource consumption efficiency, support business</p>

		<p>continuity, and mitigate suppliers' climate related operational risks.</p> <p>Thus, while our value chain may be impacted by climate-related physical and transition risks or opportunities and we consider the potential magnitude of the inherent impact to be medium, through the delivery of our products and services it presents a significant revenue opportunity.</p>
Investment in R&D	Yes	<p>We take a comprehensive approach to addressing the environmental, economic, and social impacts of our product and service offerings and consider how each solution increases efficiency, minimizes the use of natural resources and improves safety – from sourcing to manufacturing, to use and disposal. We work very hard to deliver an innovation pipeline which will generate a vitality index of around 30%, which means we want 30% of our sales coming from products and programs introduced within the prior five years. This presents an opportunity for gaining market share across all our business areas due to the dynamic nature of climate-related risks, which our products and services are designed to solve for when in-use at our more than three million customer locations.</p> <p>With more than 100 innovations introduced to our customers, Ecolab's 2020 innovation pipeline is projected to deliver close to \$1.15 billion in annual revenue in five years. The magnitude of this impact is medium-high. We have made substantive investments to date, increasing our R&amp;D investment funding to more than 1.5% of sales to enable us to expand investments in experts that can evaluate our customers processes and identify opportunities to reduce water and energy consumption. We employ our Outcome Based Approach to evaluate the full impact of each product or service and invest in R&amp;D activities that help customers optimize water and energy while maintaining performance requirements and meeting regulatory and compliance related requirements. For example, we partnered with a cosmetic and personal care company to reduce the time and water it took to clean the vessels used to produce their cosmetics. The Ecolab team partnered with them to identify opportunities to target tough-to-clean product residues while also reducing production stoppages, manual handling risks, and the amount of water used to clean each vessel. Our Risil Mat™ technology resulted in a 48% reduction in water</p>

		waste, a 31% reduction in energy use, a 31% reduction in CO2 emissions and increased employee safety.
Operations	Yes	<p>Our operations may be impacted by climate-related physical and transition risks/ opportunities. Although the risk is considered “about as likely as not”, if extreme weather events increase in frequency, this could disrupt our manufacturing operations and those of our supply chain. We consider the potential magnitude of this impact to be substantive, however rated as low, and current in terms of timeframe. In 2021, severe winter storms in Texas and the Gulf Coast interrupted our operations, leading to supply chain disruptions, impacting several large customer locations, including refineries, as well as our own plants. This severe and uncharacteristic weather event collapsed local power grids and had a material financial impact on our business.</p> <p>Examples of substantive business decisions and related investments that have been made related to climate-related impacts include:</p> <ul style="list-style-type: none"> <li>- Conducting annual water risk assessments using the WRI Aqueduct Tool to evaluate our global facilities operating within water stressed regions. Using Ecolab’s Water Risk Monetizer tool, we build upon this analysis to further evaluate water risks and their relation to business growth by considering production volume at sites and potential revenue-at-risk.</li> <li>- Our 2020 water risk assessment calculated water risk using the WRI Aqueduct Water Risk Atlas, expected future baseline water stress, ten-year potential revenue at risk (based on the Smart Water Navigator tool), and production intensity. Based on this criteria, two sites representing 5% of total production volume and 2% of total water withdrawal were identified as operating in river basins where production may be affected by water risk. Both sites are working 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 plant in California, obtained AWS certification in 2017.</li> <li>- Another site which was rated as water stressed was our largest water-using site, in Clearing, IL. This site installed a water reclaim system in 2018, which was further improved</li> </ul>

		<p>in 2019, that will save 112 million gallons per year when fully operational. By reducing our water use we lower our inherent risk and improve business continuity.</p>
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### C3.4

**(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.**

	Financial planning elements that have been influenced	Description of influence
Row 1	<p>Revenues Indirect costs Capital expenditures Acquisitions and divestments Access to capital Assets Liabilities</p>	<p>Climate-related impacts on financial planning elements such as revenues, operating costs, capital expenditures, access to capital, assets, and liabilities are factored into our financial planning process via the Annual Business Significance Risks Assessment. We are constantly looking for ways to not only innovate solutions that help our customers mitigate climate-related risks, but also inform our acquisition and divestment strategy, and as such, climate-related impacts on acquisitions and divestments are also factored into our financial planning process via the Annual Business Significance Risks Assessment.</p> <p>Indirect costs, notably utility costs, are a financial planning element that have been influenced by our assessment of climate-related risks and opportunities. Ecolab operations are not water and energy intensive, therefore utility costs are not substantial. However, we invest in mitigation strategies in our “hot spot” operations to reduce water and energy use, including a focus on water efficiency projects in high-risk watersheds. Those projects do require operating expenses to implement. Management of these risks presented to our business by climate change are part of the operating cost of our business.</p> <p>As part of our management of our energy costs, in late 2018 Ecolab inked a virtual power purchasing agreement (VPPA) with renewable energy producer Clearway, which was constructing a 418-megawatt wind farm in Texas. The facility opened in early 2020, and Ecolab is participating in 100 megawatts of that capacity – enough to power 27,000 single family homes for a year. The deal is expected to cover 100 percent of Ecolab’s annual electricity use for our United States operations. The completion of the project reduced Ecolab’s 2020 S1 &amp; S2 MB greenhouse gas emissions by approximately 17.5% percent. In addition to substantially reducing our greenhouse gas emissions, the VPPA helps protect Ecolab against rising energy costs and a potential future price on carbon. Furthermore, the wind project generated excess RECs for Ecolab in 2020, and we have realized an opportunity to sell these excess RECs.</p>

		<p>Time horizon: In conducting the financial assessment of the VPPA, we used a long term time horizon of &gt; 5 years, including projections of energy prices and a potential future price on carbon. We are currently undertaking a similar assessment process for a VPPA to cover the energy use within our European operations</p> <p>In general, our financial planning for indirect (operating) costs and other elements extends to the long term. For several elements, planning occurs on a consistent basis, i.e. annually, with some being included in quarterly business reviews.</p>
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### C3.4a

**(C3.4a) Provide any additional information on how climate-related risks and opportunities have influenced your strategy and financial planning (optional).**

For over 95 years, Ecolab’s core business has provided water, hygiene and energy technologies and services to help our global customers keep their environment clean and safe, operate efficiently and achieve sustainability goals. Therefore, our business objectives and strategy are explicitly linked to, and influenced by, the climate change risks and opportunities we monitor and manage on a regular basis. We operate at the nexus of the world’s most critical business, environmental and social challenges. For economies to thrive, business needs to meet that demand while using fewer resources. Aspects of climate change that are influencing our strategy range from physical impacts (e.g. increased extreme weather events impacting Ecolab facilities and suppliers) to regulatory (increased regulation of energy, GHGs and water affecting our customers) and other (shifting customer preferences and the opportunity to grow our business by delivering positive sustainability benefits for customers).

Our Strategic Planning Process is used to identify global trends that present risks and opportunities for our business and develop our Strategic Plan. We look at short-term (up to 2 years) and long-term (5-20 years) megatrends influencing our operations and corporate strategy, including climate-related issues. Building off our Strategic Plan, our annual, enterprise level Assessment of Significant Business Risks is conducted using a survey tool designed to identify strategic, operational, financial and compliance related risks to the company both at the corporate and at the site level. Risks are documented along with the likelihood and impact of their occurrence and results are presented to the executive management team and Ecolab’s Board of Directors to ensure appropriate strategy adjustments occur. For example, in this assessment process we have evaluated the current status and financial impact of current fuel prices and those subject to regulation and forecasted this against Ecolab’s short- and mid-term (2-5 years) Strategic Plan to evaluate potential cost implications. This analysis was used to inform our growth strategy, capital, and operational expenditures planning to ensure our current fleet strategy is aligned with fuel economy standard trends. In addition, our bi-annual sustainability materiality assessment informs our corporate sustainability strategy and reporting activities, including climate-related issues. This process leverages the results of our enterprise Assessment of Significant Business Risks to align the materiality of sustainability topics with key business drivers. Outputs from this assessment are also integrated into the Assessment of

Significant Business Risks annual comprehensive review where critical sustainability risks and opportunities across the company are linked to core business risks and opportunities for further evaluation into the nature of potential impacts, the level of stakeholder concern, and our ability to affect and/or manage these issues. The process also ranks and prioritizes topics of relevance to our stakeholders for management action and disclosure. In 2019, we updated our sustainability materiality assessment and our findings confirmed that improving water and energy management, increasing operational efficiency and preserving natural resources continue to be issues of high importance to stakeholders, including our customers.

Our business strategy is linked to an emissions reduction target. By 2030, we aim to reduce water withdrawal by 40 percent and greenhouse gas emissions by 50 percent across all our manufacturing plants, compared to a 2018 baseline. In 2019, we took the first step to updating our climate ambition, this time moving to an absolute goal and linking it to climate science, by joining the UN Business Ambition for 1.5°C and pledging to reduce our greenhouse gas emissions by 50 percent by 2030 and to net-zero by 2050. Further, we have set customer impact goals, aiming to help customers become carbon neutral by reducing greenhouse gas emissions by 4.5 million metric tonnes, to go along with the goal to help customers conserve 300 billion gallons of water annually by 2030.

One example of a substantial business decision influenced by climate change relates to the strategic merger of Ecolab Inc. and Nalco Holding Company to create Nalco Champion in 2011. This merger has continued to provide significant new markets in water services, energy services, and paper services that leverage efficiency solutions, and Nalco technology has provided improved water & energy efficiency in Institutional, Food & Beverage, and Healthcare markets. Aspects of climate change that influenced this decision included our ability to increase resource efficiency, reduce the use of water and improve the management of wastewater in oil and gas services market. Another example relates to the use of our annual water risk assessment to prioritize water conservation and efficiency efforts across the business, which is affected by water-related risks due to climate change. In 2017, two of our sites that exceeded criteria thresholds completed Alliance for Water Stewardship Certification and in 2018, another site installed a top of the line water reclaim system that when fully operational will save 100 million gallons per year, thus reducing our inherent risk. Ecolab aims to achieve a positive water impact. By 2030 we plan to restore greater than 50% of water withdrawal and achieve Alliance for Water Stewardship Standard (AWS) certification in high-risk watersheds.

## C4. Targets and performance

### C4.1

**(C4.1) Did you have an emissions target that was active in the reporting year?**

Both absolute and intensity targets

### C4.1a

**(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.**



**Target reference number**

Abs 1

**Year target was set**

2019

**Target coverage**

Company-wide

**Scope(s) (or Scope 3 category)**

Scope 1+2 (market-based)

**Base year**

2018

**Covered emissions in base year (metric tons CO<sub>2</sub>e)**

489,389

**Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)**

100

**Target year**

2030

**Targeted reduction from base year (%)**

50

**Covered emissions in target year (metric tons CO<sub>2</sub>e) [auto-calculated]**

244,694.5

**Covered emissions in reporting year (metric tons CO<sub>2</sub>e)**

340,004

**% of target achieved [auto-calculated]**

61.0495944944

**Target status in reporting year**

Underway

**Is this a science-based target?**

Yes, and this target has been approved by the Science-Based Targets initiative

**Target ambition**

1.5°C aligned

**Please explain (including target coverage)**

In 2019, Ecolab announced that as part of our commitment to the U.N. Global Compact's Business Ambition for 1.5°C, we will work to reduce our carbon emissions by half by 2030. In 2020, our science-based target, with a 2018 baseline was approved by SBTi and announced publicly. We are ahead of progress on this target, having reduced

our emissions by 30.5% from our base year. Please note that our base year emissions have been revised to reflect the divestiture of our upstream energy business, completed in 2020. As part of our 1.5C SBT we have committed to work with suppliers representing 70% of Scope 3 emissions to set science-based targets by 2024.

## C4.1b

**(C4.1b) Provide details of your emissions intensity target(s) and progress made against those target(s).**

---

**Target reference number**

Int 1

**Year target was set**

2015

**Target coverage**

Company-wide

**Scope(s) (or Scope 3 category)**

Scope 1+2 (market-based)

**Intensity metric**

Metric tons CO<sub>2</sub>e per unit revenue

**Base year**

2015

**Intensity figure in base year (metric tons CO<sub>2</sub>e per unit of activity)**

46.1

**% of total base year emissions in selected Scope(s) (or Scope 3 category) covered by this intensity figure**

100

**Target year**

2020

**Targeted reduction from base year (%)**

10

**Intensity figure in target year (metric tons CO<sub>2</sub>e per unit of activity) [auto-calculated]**

41.49

**% change anticipated in absolute Scope 1+2 emissions**

5

**% change anticipated in absolute Scope 3 emissions**

0

**Intensity figure in reporting year (metric tons CO2e per unit of activity)**

29.2

**% of target achieved [auto-calculated]**

366.5943600868

**Target status in reporting year**

Achieved

**Is this a science-based target?**

No, but we are reporting another target that is science-based

**Target ambition**

**Please explain (including target coverage)**

Ecolab's 2020 intensity figure was 29.2 MT CO2e/million dollar sales, which represents a 36.6% decrease from baseline intensity. Net revenue is adjusted to constant 2015 dollars to factor out inflation when normalizing Ecolab's emissions performance against the baseline year, following best-practices guidance from the GHG Protocol and EPA Climate Leaders. Ecolab's net revenues are adjusted for inflation using Producer Price Indexes (PPI) from the Bureau of Labor Statistics. Ecolab has far surpassed its goal of a 10% reduction in emissions intensity by 2020.

## C4.2

**(C4.2) Did you have any other climate-related targets that were active in the reporting year?**

Target(s) to increase low-carbon energy consumption or production

Other climate-related target(s)

## C4.2a

**(C4.2a) Provide details of your target(s) to increase low-carbon energy consumption or production.**

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**Target reference number**

Low 1

**Year target was set**

2019

**Target coverage**

Company-wide

**Target type: absolute or intensity**

Absolute

**Target type: energy carrier**

Electricity

**Target type: activity**

Consumption

**Target type: energy source**

Renewable energy source(s) only

**Metric (target numerator if reporting an intensity target)**

Percentage

**Target denominator (intensity targets only)**

**Base year**

2019

**Figure or percentage in base year**

9.4

**Target year**

2030

**Figure or percentage in target year**

100

**Figure or percentage in reporting year**

67.6

**% of target achieved [auto-calculated]**

64.238410596

**Target status in reporting year**

Underway

**Is this target part of an emissions target?**

Yes, this goal contributes to our commitment to reduce emissions by 50% by 2030 (Abs1)

**Is this target part of an overarching initiative?**

RE100

**Please explain (including target coverage)**

Ecolab joined the UN Global Compact's Business Ambition for 1.5°C committing to reduce our GHG emissions by 50% by 2030 and achieve net-zero by 2050. We have pledged to operate using 100% renewable electricity by 2030 through the RE100 initiative and have also set a science-based target (SBT) addressing our Scope 1, 2 and 3 emissions which was approved by the Science Based Targets Initiative (SBTi). In

2020 we made significant progress towards our renewable energy goal by achieving 67.6% total renewable electricity use through renewable electricity purchases. The completion of a wind farm in Texas was the key driver of progress towards our RE100 target in 2020. In late 2018 Ecolab inked a virtual power purchasing agreement (VPPA) with renewable energy producer Clearway, which was constructing a 418-megawatt wind farm in Texas. The facility opened in early 2020, and Ecolab is participating in 100 megawatts of that capacity – enough to power 27,000 single family homes for a year. The deal is expected to cover 100 percent of Ecolab’s annual electricity use for our United States operations. The completion of the project reduced Ecolab’s 2020 S1 & S2 MB greenhouse gas emissions by approximately 17.5% percent.

## C4.2b

**(C4.2b) Provide details of any other climate-related targets, including methane reduction targets.**

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**Target reference number**

Oth 1

**Year target was set**

2020

**Target coverage**

Company-wide

**Target type: absolute or intensity**

Absolute

**Target type: category & Metric (target numerator if reporting an intensity target)**

Engagement with suppliers

Percentage of suppliers with a science-based target

**Target denominator (intensity targets only)**

**Base year**

2018

**Figure or percentage in base year**

1

**Target year**

2030

**Figure or percentage in target year**

70

**Figure or percentage in reporting year**

2.5

**% of target achieved [auto-calculated]**

2.1739130435

**Target status in reporting year**

Underway

**Is this target part of an emissions target?**

No

**Is this target part of an overarching initiative?**

Science Based Targets initiative

**Please explain (including target coverage)**

As part of our 1.5C science-based emissions reduction target approved by the Science Based Targets Initiative, Ecolab has committed that 70% of its suppliers by emissions covering purchased goods and service, capital goods, upstream transportation and distribution, business travel, and downstream transportation and distribution will set science-based targets by 2024. In support of this target, in 2020 Ecolab launched an engagement program with our top suppliers by emissions. This program educates suppliers on science-based targets, provides supporting resources, tools and systems to help guide suppliers through the GHG inventory development and goal-setting process, and provides mechanisms for suppliers to report their progress.

### C4.3

**(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.**

Yes

### C4.3a

**(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.**

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	0	0
To be implemented*	0	0
Implementation commenced*	0	0
Implemented*	14	390.7
Not to be implemented	0	0

## C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

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**Initiative category & Initiative type**

Energy efficiency in buildings  
Lighting

**Estimated annual CO2e savings (metric tonnes CO2e)**

13.5

**Scope(s)**

Scope 2 (market-based)

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**

4,500

**Investment required (unit currency – as specified in C0.4)**

37,000

**Payback period**

4-10 years

**Estimated lifetime of the initiative**

6-10 years

**Comment**

LED lighting retrofit

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**Initiative category & Initiative type**

Transportation  
Teleworking

**Estimated annual CO2e savings (metric tonnes CO2e)**

35.3

**Scope(s)**

Scope 1

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**

17,500

**Investment required (unit currency – as specified in C0.4)**

0

**Payback period**

<1 year

**Estimated lifetime of the initiative**

>30 years

**Comment**

---

**Initiative category & Initiative type**

Energy efficiency in buildings  
Heating, Ventilation and Air Conditioning (HVAC)

**Estimated annual CO2e savings (metric tonnes CO2e)**

12.4

**Scope(s)**

Scope 2 (market-based)

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**

8,500

**Investment required (unit currency – as specified in C0.4)**

2,285

**Payback period**

<1 year

**Estimated lifetime of the initiative**

6-10 years

**Comment**

Energy efficient air conditioner upgrades

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**Initiative category & Initiative type**

Energy efficiency in production processes  
Automation

**Estimated annual CO2e savings (metric tonnes CO2e)**

31.3



**Scope(s)**

Scope 1

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**

3,480

**Investment required (unit currency – as specified in C0.4)**

0

**Payback period**

<1 year

**Estimated lifetime of the initiative**

6-10 years

**Comment**

---

**Initiative category & Initiative type**

Transportation

Other, please specify

Truck Service Freeze Protection

**Estimated annual CO2e savings (metric tonnes CO2e)**

2.4

**Scope(s)**

Scope 1

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**

5,628

**Investment required (unit currency – as specified in C0.4)**

102,777

**Payback period**

16-20 years

**Estimated lifetime of the initiative**

16-20 years

**Comment**

---

**Initiative category & Initiative type**

Energy efficiency in buildings  
Building Energy Management Systems (BEMS)

**Estimated annual CO<sub>2</sub>e savings (metric tonnes CO<sub>2</sub>e)**

55.7

**Scope(s)**

Scope 2 (market-based)

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**

14,500

**Investment required (unit currency – as specified in C0.4)**

30,115

**Payback period**

1-3 years

**Estimated lifetime of the initiative**

6-10 years

**Comment**

---

**Initiative category & Initiative type**

Energy efficiency in production processes  
Process optimization

**Estimated annual CO<sub>2</sub>e savings (metric tonnes CO<sub>2</sub>e)**

16.2

**Scope(s)**

Scope 1

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**

840

**Investment required (unit currency – as specified in C0.4)**

0

**Payback period**

<1 year

**Estimated lifetime of the initiative**

6-10 years

**Comment**

Blending washing water operation temperature control

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**Initiative category & Initiative type**

Energy efficiency in production processes

Process optimization

**Estimated annual CO2e savings (metric tonnes CO2e)**

105

**Scope(s)**

Scope 1

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**

12,500

**Investment required (unit currency – as specified in C0.4)**

71,000

**Payback period**

4-10 years

**Estimated lifetime of the initiative**

11-15 years

**Comment**

Washout water optimization

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**Initiative category & Initiative type**

Energy efficiency in production processes

Cooling technology

**Estimated annual CO2e savings (metric tonnes CO2e)**

110.9

**Scope(s)**

Scope 1

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**

15,120

**Investment required (unit currency – as specified in C0.4)**

8,000

**Payback period**

<1 year

**Estimated lifetime of the initiative**

3-5 years

**Comment**

Optimize CW Tower Operation

---

**Initiative category & Initiative type**

Energy efficiency in production processes  
Reuse of steam

**Estimated annual CO2e savings (metric tonnes CO2e)**

2.4

**Scope(s)**

Scope 1

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**

31,000

**Investment required (unit currency – as specified in C0.4)**

58,994

**Payback period**

1-3 years

**Estimated lifetime of the initiative**

6-10 years

**Comment**

Condensate return

---

**Initiative category & Initiative type**

Low-carbon energy generation  
Solar PV

**Estimated annual CO<sub>2</sub>e savings (metric tonnes CO<sub>2</sub>e)**

0.62

**Scope(s)**

Scope 2 (market-based)

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**

14,400

**Investment required (unit currency – as specified in C0.4)**

122,000

**Payback period**

4-10 years

**Estimated lifetime of the initiative**

21-30 years

**Comment**

---

**Initiative category & Initiative type**

Energy efficiency in production processes  
Reuse of water

**Estimated annual CO<sub>2</sub>e savings (metric tonnes CO<sub>2</sub>e)**

5.7

**Scope(s)**

Scope 1

**Voluntary/Mandatory**

Voluntary

**Annual monetary savings (unit currency – as specified in C0.4)**

6,559

**Investment required (unit currency – as specified in C0.4)**

0

**Payback period**

<1 year

**Estimated lifetime of the initiative**

3-5 years

**Comment**

Washout water and water for injections optimization

**C4.3c**

**(C4.3c) What methods do you use to drive investment in emissions reduction activities?**

Method	Comment
Dedicated budget for energy efficiency	Ecolab helps customers conserve resources and achieve sustainability goals through our Create and Maintain Value (CMV) program, which provides on-site support and service to help customers save water, energy, and wastewater, and prolong equipment life. Ecolab has applied CMV at customer sites around the world, and we continue to leverage this expertise and experience to deploy the program across our global facilities, since 2012 with sites where we could achieve the most significant resource savings.
Financial optimization calculations	Ecolab helps customers conserve resources and achieve sustainability goals through our Create and Maintain Value (CMV) program, which provides on-site support and service to help customers save water, energy, and wastewater, and prolong equipment life. Ecolab has applied CMV at customer sites around the world, and we are now leveraging that expertise and experience to deploy the program across our global facilities, beginning in 2012 with sites where we could achieve the most significant resource savings.

**C4.5**

**(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?**

Yes

**C4.5a**

**(C4.5a) Provide details of your products and/or services that you classify as low-carbon products or that enable a third party to avoid GHG emissions.**

**Level of aggregation**

Company-wide

**Description of product/Group of products**

Many of Ecolab's innovative products and services help customers reduce energy use. The benchmark for comparison for each application listed in this section is the historic performance of the technology that was replaced in the year the product was launched. Methodologies are described separately for each application.

For example, in 2020, we helped Chandra Asri Petrochemical save an estimated 6 million kWh using our 3D TRASAR™ and PRISM™ technologies. These solutions provide insights into plant operations, identify opportunities to improve operational efficiency, and protect assets from fouling or the accumulation of unwanted material on solid surfaces. By delivering water and energy savings with 3D TRASAR™, the plant made progress toward its sustainability goals while reducing operational costs. And by using PRISM™, Chandra Asri reduced plant emissions and decreased the need for manual cleanings, helping to protect its employees.

The methodology used to estimate these reduced energy requirements is based on the quarterly calculated energy savings delivered by the technology based on historical and forecasted marketing and sales data.

**Are these low-carbon product(s) or do they enable avoided emissions?**

Avoided emissions

**Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions**

Other, please specify

New product performance compared with that of products replaced. Energy savings in MWh converted to CO2 using US EPA eGRID2018 U.S. Avg. Total Output emissions factor (U.S. EPA Emissions Factors for GHG Inventories,)

**% revenue from low carbon product(s) in the reporting year**

100

**Comment**

Our solutions help customers achieve ambitious business and environmental goals. With an unparalleled combination of science and service, we deliver exponential outcomes that benefit customers and communities. Fundamental to our approach is an understanding that real and lasting change is accelerated when economic and environmental benefits align. We call this our eROI outcome: The exponential value of improved performance, operational efficiency and sustainable impact. Measurement is a critical component of our process to deliver exponential outcomes. Using our proprietary eROI value approach, we measure our impact and quantify customers' return on investment.

## C5. Emissions methodology

### C5.1

**(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).**

**Scope 1**

---

**Base year start**

January 1, 2015

**Base year end**

December 31, 2015

**Base year emissions (metric tons CO<sub>2</sub>e)**

314,078

**Comment**

We have updated our 2015 base year emissions to reflect our 2020 divestiture from Champion X. Our previously reported 2015 Scope 1 emissions, calculated prior to the divestiture, were 396,916 metric tons CO<sub>2</sub>e. We are reporting the revised 2015 Scope 1 emissions above as our new baseline.

**Scope 2 (location-based)**

---

**Base year start**

January 1, 2015

**Base year end**

December 31, 2015

**Base year emissions (metric tons CO<sub>2</sub>e)**

178,268

**Comment**

We have updated our 2015 base year emissions to reflect our 2020 divestiture from Champion X. Our previous 2015 Scope 2 (location-based) emissions, calculated prior to the divestiture, were 270,195 metric tons CO<sub>2</sub>e. We are reporting the revised 2015 Scope 2 (location-based) emissions above as our new baseline.

**Scope 2 (market-based)**

---

**Base year start**

January 1, 2015

**Base year end**

December 31, 2015

**Base year emissions (metric tons CO<sub>2</sub>e)**

181,594

**Comment**

We have updated our 2015 base year emissions to reflect our 2020 divestiture from Champion X. Our previous 2015 Scope 2 (market-based) emissions, calculated prior to the divestiture, were 289,712 metric tons CO<sub>2</sub>e. We are reporting the revised 2015 Scope 2 (market-based) emissions above as our new baseline.



## C5.2

**(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.**

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

## C6. Emissions data

### C6.1

**(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO<sub>2</sub>e?**

#### Reporting year

---

**Gross global Scope 1 emissions (metric tons CO<sub>2</sub>e)**

282,843

**Start date**

January 1, 2020

**End date**

December 31, 2020

**Comment**

#### Past year 1

---

**Gross global Scope 1 emissions (metric tons CO<sub>2</sub>e)**

320,443

**Start date**

January 1, 2018

**End date**

December 31, 2018

**Comment**

We have updated our 2018 base year emissions to reflect our 2020 divestiture from Champion X. Our 2018 Scope 1 emissions prior to the divestiture were 410,533 metric tons CO<sub>2</sub>e. We are reporting the revised 2018 Scope 1 emissions above as 2018 is the baseline year for Ecolab's 1.5° C Science Based Targets.

### C6.2

**(C6.2) Describe your organization's approach to reporting Scope 2 emissions.**

## Row 1

---

### Scope 2, location-based

We are reporting a Scope 2, location-based figure

### Scope 2, market-based

We are reporting a Scope 2, market-based figure

### Comment

## C6.3

**(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO<sub>2</sub>e?**

### Reporting year

---

#### Scope 2, location-based

144,624

#### Scope 2, market-based (if applicable)

57,161

#### Start date

January 1, 2020

#### End date

December 31, 2020

### Comment

### Past year 1

---

#### Scope 2, location-based

168,952

#### Scope 2, market-based (if applicable)

168,946

#### Start date

January 1, 2018

#### End date

December 31, 2018

### Comment

We have updated our 2018 base year emissions to reflect our 2020 divestiture from Champion X. Our previous 2018 Scope 2 emissions were 242,020 metric tons CO<sub>2</sub>e (location based) and 242,922 metric tons CO<sub>2</sub>e (market based). We are reporting the

revised 2018 Scope 2 emissions above as 2018 is the baseline year for our Ecolab's 1.5° C Science Based Targets.

## C6.4

**(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?**

No

## C6.5

**(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.**

### Purchased goods and services

---

#### Evaluation status

Relevant, calculated

#### Metric tonnes CO<sub>2</sub>e

4,303,582

#### Emissions calculation methodology

Ecolab has used Environmentally Extended Economic Input Output (EEIO) analysis for our annual supplier and procurement spend data. This is a categorization model to convert \$USD spend based on relevant NAICS sector categories into carbon emissions associated with the extraction, production and transport of purchased goods and services, capital goods, upstream transportation, downstream transportation, and business travel (beyond direct travel itself) acquired or purchased by Ecolab in the reported year.

#### Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

#### Please explain

### Capital goods

---

#### Evaluation status

Relevant, calculated

#### Metric tonnes CO<sub>2</sub>e

39,733

#### Emissions calculation methodology

Ecolab has used Environmentally Extended Economic Input Output (EEIO) analysis for our annual supplier and procurement spend data. This is a categorization model to convert \$USD spend based on relevant NAICS sector categories into carbon emissions associated with the extraction, production and transport of purchased goods and services, capital goods, upstream transportation, downstream transportation, and business travel (beyond direct travel itself) acquired or purchased by Ecolab in the reported year.

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

0

**Please explain**

**Fuel-and-energy-related activities (not included in Scope 1 or 2)**

---

**Evaluation status**

Relevant, calculated

**Metric tonnes CO<sub>2</sub>e**

83,819

**Emissions calculation methodology**

Upstream emissions from purchased fuels, electricity, steam and hot and chilled water, include generation and T&D emissions, and any other losses in this category. Data quality is consistent with inputs from our global database on sustainability metrics. Upstream emissions of purchased electricity are calculated for the US and other countries by multiplying electricity activity data by country or region-specific emission factors from UK Defra 2017 Guidelines for GHG Reporting. Upstream emissions from purchased fuels, steam, hot and chilled water are calculated using emissions factors from UK Defra 2017 Guidelines for GHG Reporting. Emissions associated with losses were calculated for the US and other countries by multiplying the energy use by type by emission factors from UK Defra 2017 Guidelines for GHG Reporting. All GWPs are from the IPCC Fourth Assessment Report (GWP for CH<sub>4</sub> = 25, GWP for N<sub>2</sub>O = 298), consistent with reporting under the United Nations Framework Convention on Climate Change (UNFCCC).

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

100

**Please explain**

**Upstream transportation and distribution**

---

**Evaluation status**

Relevant, calculated

**Metric tonnes CO<sub>2</sub>e**

95,247

**Emissions calculation methodology**

Ecolab has used Environmentally Extended Economic Input Output (E<sub>EIO</sub>) analysis for our annual supplier and procurement spend data. This is a categorization model to convert \$USD spend based on relevant NAICS sector categories into carbon emissions associated with the extraction, production and transport of purchased goods and services, capital goods, upstream transportation, downstream transportation, and business travel (beyond direct travel itself) acquired or purchased by Ecolab in the reported year.

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

0

**Please explain**

**Waste generated in operations**

---

**Evaluation status**

Relevant, calculated

**Metric tonnes CO<sub>2</sub>e**

28,830

**Emissions calculation methodology**

Waste generated in operations represents global waste emissions from waste disposed via landfill, incineration, recycling, anaerobic digestion and composting based on actual destination sources for Ecolab's 2020 hazardous and non-hazardous waste streams. Data quality is consistent with inputs from our global database on sustainability metrics. Data on waste quantity are obtained and reported from global sites. Emissions from waste are calculated using methodologies and emission factors from the EPA's Waste Reduction Model (WARM), version 14, March 2016. Landfill emissions factors are used directly from WARM. This model bases its emissions calculations on a life-cycle analysis, including emissions from the long-term decomposition of waste in a landfill and upstream sources/sinks. GWPs are from the IPCC (2007) Fourth Assessment Report. For all categories except landfill, the WARM method has been adjusted to align with the GHG Protocol's Corporate Value Chain (Scope 3) Standard, based on emissions for transport to destination and processing of materials prior to reaching the end destination (be it recycling, incineration or other).

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

0

**Please explain**

## Business travel

---

### Evaluation status

Relevant, calculated

### Metric tonnes CO<sub>2</sub>e

15,625

### Emissions calculation methodology

The scope of business travel emissions is travel by North America-based and European-based employees only. Data availability for European business travel varies by country. It is estimated that 70 percent of all business travel emissions are represented. Defra 2018 emissions factors were used to calculate Scope 3 business-travel GHG emissions. Ecolab has also used Environmentally Extended Economic Input Output (EEIO) analysis for a portion of its annual supplier and procurement spend data. This is a categorization model to convert \$USD spend based on relevant NAICS sector categories into carbon emissions associated with the extraction, production and transport of purchased goods and services, capital goods, upstream transportation, downstream transportation and business travel (beyond direct travel itself) acquired or purchased by Ecolab in the reported year.

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

70

### Please explain

## Employee commuting

---

### Evaluation status

Relevant, calculated

### Metric tonnes CO<sub>2</sub>e

76,573

### Emissions calculation methodology

We estimate that emissions associated with employee commuting constitute <5% of our total S3 footprint and are therefore not relevant. As of 2020, there were 44,000 Ecolab employees globally, with 24,000 sales-and-service associates. For a portion of the latter group, Ecolab provides company-owned vehicle for employees to get to and from work as a part of their customer service job functions. We have estimated that two-thirds of these employees use company owned (e.g., Scope 1 emissions) vehicles for their commuting activity. The 2018 EPA emissions factor for Global - Passenger Vehicles is .000346 tCO<sub>2</sub>e/mile. We assume each employee commutes 30.37 vehicle miles per day (U.S. average according to the 2009 U.S. National Household Travel Survey). Assuming 261 business days in a year, Ecolab's employee commute emissions total is less than 5% of our total S3 footprint. Given that some employees worked from home for a portion

of 2020 due to the COVID-19 pandemic, we consider this figure to be a conservative estimate.

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

0

**Please explain**

**Upstream leased assets**

---

**Evaluation status**

Not relevant, explanation provided

**Please explain**

Ecolab's upstream leased assets are already included in the CY19 Scope 1 and 2 GHG inventory.

**Downstream transportation and distribution**

---

**Evaluation status**

Relevant, calculated

**Metric tonnes CO<sub>2</sub>e**

398,112

**Emissions calculation methodology**

Ecolab has used Environmentally Extended Economic Input Output (EEIO) analysis for 100% of our annual supplier and procurement spend data. This is a categorization model to convert \$USD spend based on relevant NAICS sector categories into carbon emissions associated with the extraction, production and transport of purchased goods and services, capital goods, upstream transportation, downstream transportation, and business travel (beyond direct travel itself) acquired or purchased by Ecolab in the reported year.

**Percentage of emissions calculated using data obtained from suppliers or value chain partners**

0

**Please explain**

**Processing of sold products**

---

**Evaluation status**

Not relevant, explanation provided

**Please explain**

Ecolab's sold products do not require processing.

## Use of sold products

---

### Evaluation status

Relevant, calculated

### Metric tonnes CO<sub>2</sub>e

1,864,295

### Emissions calculation methodology

The scope for use of sold products is limited to Ecolab's Food and Beverage and Dishmachine product categories and Nalco Water's 3D TRASAR product portfolio. When calculating the lifetime CO<sub>2</sub>e we used the following formula: Total emissions = new unit sales in the year \* estimated annual electricity consumption \* emissions factor \* lifespan of product.

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

### Please explain

The scope covers the primary categories of Ecolab products which consume electricity in their use.

## End of life treatment of sold products

---

### Evaluation status

Relevant, calculated

### Metric tonnes CO<sub>2</sub>e

540

### Emissions calculation methodology

Using the new sales data from the Use of Sold Products methodology and related calculations, Ecolab assigned product type categories with available secondary LCA studies to estimate the end-of-life emissions, and related recycling, landfill and/or energy recovery rates per product category. For some products where product weight is readily available, Ecolab multiplied the weights by the appropriate US EPA WARM emissions factors that is weighted by waste destination (based on US EPA research into waste destinations) to calculate tonnes of CO<sub>2</sub>e per tonne of material disposed, by destination and material. GWPs are from the IPCC (2007) Fourth Assessment Report.

### Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

### Please explain

## Downstream leased assets

---



**Evaluation status**

Not relevant, explanation provided

**Please explain**

Ecolab does not have any downstream leased assets.

**Franchises**

---

**Evaluation status**

Not relevant, explanation provided

**Please explain**

Ecolab does not have any franchises.

**Investments**

---

**Evaluation status**

Not relevant, explanation provided

**Please explain**

Ecolab is not aware of any investments that could be estimated with a carbon emissions impact.

**Other (upstream)**

---

**Evaluation status**

Not relevant, explanation provided

**Please explain**

No other categories or types of Scope 3 emissions that Ecolab is aware of are relevant.

**Other (downstream)**

---

**Evaluation status**

Not relevant, explanation provided

**Please explain**

No other categories or types of Scope 3 emissions that Ecolab is aware of are relevant.

**C6.7**

**(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?**

Yes

**C6.7a**

**(C6.7a) Provide the emissions from biogenic carbon relevant to your organization in metric tons CO<sub>2</sub>.**

	CO2 emissions from biogenic carbon (metric tons CO2)	Comment
Row 1	129.5	N/A

## C6.10

**(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.**

### Intensity figure

0.000029

### Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

340,004

### Metric denominator

unit total revenue

### Metric denominator: Unit total

11,790,200,000

### Scope 2 figure used

Market-based

### % change from previous year

25

### Direction of change

Decreased

### Reason for change

Our calculation of the % change in S1 and S2 MB emissions intensity from 2019 to 2020 uses our post-ChampionX divestiture 2019 emissions and revenue figures. Our absolute emissions decreased by 29.6% while our sales decreased by 6.1%, resulting in a net 25% decrease in S1 and S2 MB emissions intensity. The main driver of this decrease in emissions intensity was a virtual power purchase agreement for wind power in Mesquite, Texas. In late 2018 Ecolab inked a virtual power purchasing agreement (VPPA) with renewable energy producer Clearway, which was constructing a 418-megawatt wind farm in Texas. The facility opened in early 2020, and Ecolab is participating in 100 megawatts of that capacity. This additional renewable energy purchase reduced our S2 MB emissions by approximately 84,301 MT CO2e, significantly reducing our company-wide S2 MB emissions. Sales decreased primarily due to COVID-19 related impacts. We believe this decrease in output also reduced our operational emissions, to a lesser extent. We also realized operational efficiencies in our facilities, only a subset of which we can identify as specific projects in 4.3a.

## C7. Emissions breakdowns

### C7.1

**(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?**

Yes

### C7.1a

**(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).**

Greenhouse gas	Scope 1 emissions (metric tons of CO <sub>2</sub> e)	GWP Reference
CO <sub>2</sub>	270,556	IPCC Fifth Assessment Report (AR5 – 100 year)
CH <sub>4</sub>	213	IPCC Fifth Assessment Report (AR5 – 100 year)
N <sub>2</sub> O	712	IPCC Fifth Assessment Report (AR5 – 100 year)
HFCs	11,480	IPCC Fifth Assessment Report (AR5 – 100 year)

### C7.2

**(C7.2) Break down your total gross global Scope 1 emissions by country/region.**

Country/Region	Scope 1 emissions (metric tons CO <sub>2</sub> e)
Africa and Middle East	25,699
Asia Pacific (or JAPA)	16,801
Latin America (LATAM)	5,093
Europe	20,513
North America	201,525
Other, please specify Greater China	1,850
Other, please specify Other	11,362

### C7.3

**(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.**

By activity

### C7.3c

**(C7.3c) Break down your total gross global Scope 1 emissions by business activity.**

Activity	Scope 1 emissions (metric tons CO2e)
Mobile Combustion	133,176
Refrigerant & Fugitive	5,981
Refrigerant & Fugitive - Fleet	5,499
Stationary Combustion	138,187

### C7.5

**(C7.5) Break down your total gross global Scope 2 emissions by country/region.**

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low-carbon electricity, heat, steam or cooling accounted for in Scope 2 market-based approach (MWh)
Asia Pacific (or JAPA)	15,330	15,330	29,647	
Europe	11,849	7,906	45,364	28,070
Latin America (LATAM)	4,862	4,862	17,323	
Africa and Middle East	7,013	7,012	8,103	
North America	95,353	11,834	159,289	190,083
Other, please specify Greater China	10,218	10,218	25,370	

### C7.6

**(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.**

By activity

### C7.6c

**(C7.6c) Break down your total gross global Scope 2 emissions by business activity.**

Activity	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Electricity	141,159	53,695.74
Purchased Heating and Cooling	3,466	3,466

## C7.9

**(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?**

Decreased

### C7.9a

**(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.**

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	89,193	Decreased	14	Through our additional wind REC purchases in North America and green tarriff purchases in Europe accounted for in a S2 MB approach, we decreased our MB S2 emissions by 89,193 MT CO2e. Our 2019 pre-divestiture S1 and S2 MB emissions totaled to 635,225 MT CO2e, therefore we arrived at a 14% decrease through $-89,193 / 635,225 = -14\%$ (i.e. a 14% decrease in emissions). The vast majority of this emissions reduction realized in 2020 came from a virtual power purchase agreement for wind power in Mesquite, Texas. In late 2018 Ecolab inked a virtual power purchasing agreement (VPPA) with renewable energy producer Clearway, which was constructing a 418-megawatt wind farm in Texas. The facility opened in early 2020, and Ecolab is participating in 100 megawatts of that capacity.

Other emissions reduction activities	390.7	Decreased	0.1	Through investments in LED lighting, HVAC upgrades, cooling water tower optimization, and other emissions reduction activities reported in 4.3a, we achieved a 390.7 MT CO <sub>2</sub> e reduction in our S1 and S2 MB emissions. Our 2019 pre-divestiture S1 and S2 MB emissions totaled to 635,225 MT CO <sub>2</sub> e, therefore we arrived at a .1% decrease through $-390.7 / 635,225 = -.1\%$ (i.e. a .1% decrease in emissions).
Divestment	152,442	Decreased	24	In 2020 Ecolab completed the divestiture of the Upstream portion of our Global Energy business. This major divestiture reduced our operational footprint and reduced our S1 and S2 MB emissions by 152,442 MT CO <sub>2</sub> e. Our 2019 pre-divestiture S1 and S2 MB emissions totaled to 635,225 MT CO <sub>2</sub> e, therefore we arrived at a 24% decrease through $-152,442 / 635,225 = -24\%$ (i.e. a 24% decrease in emissions).
Acquisitions				
Mergers				
Change in output	29,450	Decreased	4.6	Output (sales) decreased by 6.1% in 2020, primarily due to business impacts driven by COVID-19. We estimate this decreased S1 & S2 MB emissions by 29,450 MT CO <sub>2</sub> e, or 6.1% of our post-divestiture 2019 S1 and S2 MB emissions. Our 2019 pre-divestiture S1 and S2 MB emissions totaled to 635,225 MT CO <sub>2</sub> e, therefore we arrived at a 6.1% decrease through $-29,450 / 635,225 = -6.1\%$ (i.e. a 6.1% decrease in emissions).
Change in methodology				
Change in boundary				
Change in physical				

operating conditions				
Unidentified	23,746	Decreased	3.7	Our pre-divestiture 2019 S1 and S2 MB emissions totaled to 635,225 MT CO <sub>2</sub> e. Subtracting the impact of the divestiture of our Upstream Energy business and the emissions reductions associated with additional renewable energy consumption, other emissions reduction activities and a decrease in output, the resulting difference with our 2020 S1 and S2 MB emissions is an additional 23,746 MT CO <sub>2</sub> e decrease. We believe this decrease may be partially attributed to site-level emissions reduction initiatives not captured in 4.3a and the impact of employees working from home due to COVID-19. Our 2019 pre-divestiture S1 and S2 MB emissions totaled to 635,225 MT CO <sub>2</sub> e, therefore we arrived at a 3.7% decrease through $-23,746 / 635,225 = -3.7\%$ (i.e. a 3.7% decrease in emissions).
Other				

## C7.9b

**(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?**

Market-based

## C8. Energy

### C8.1

**(C8.1) What percentage of your total operational spend in the reporting year was on energy?**

More than 5% but less than or equal to 10%

### C8.2

**(C8.2) Select which energy-related activities your organization has undertaken.**

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	Yes
Consumption of purchased or acquired steam	Yes
Consumption of purchased or acquired cooling	Yes
Generation of electricity, heat, steam, or cooling	Yes

## C8.2a

**(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.**

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	0	1,308,804	1,308,804
Consumption of purchased or acquired electricity		218,153	104,793	322,945
Consumption of purchased or acquired heat		0	6,052	6,052
Consumption of purchased or acquired steam		0	12,133	12,133
Consumption of purchased or acquired cooling		0	0	0
Consumption of self-generated non-fuel renewable energy		472		472



Total energy consumption		218,625	1,431,782	1,650,406
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## C8.2b

**(C8.2b) Select the applications of your organization’s consumption of fuel.**

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	No
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	Yes

## C8.2c

**(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.**

---

### Fuels (excluding feedstocks)

Diesel

### Heating value

HHV (higher heating value)

### Total fuel MWh consumed by the organization

142,384

### MWh fuel consumed for self-generation of heat

142,384

### MWh fuel consumed for self-cogeneration or self-trigeneration

0

### Emission factor

2.59

### Unit

kg CO<sub>2</sub>e per liter

**Emissions factor source**

USEPA factor set

**Comment**

Mobile Combustion

---

**Fuels (excluding feedstocks)**

Distillate Oil

**Heating value**

HHV (higher heating value)

**Total fuel MWh consumed by the organization**

13,774

**MWh fuel consumed for self-generation of heat**

13,774

**MWh fuel consumed for self-cogeneration or self-trigeneration**

0

**Emission factor**

0.257

**Unit**

kg CO<sub>2</sub>e per KWh

**Emissions factor source**

USEPA factor set

**Comment**

Stationary Combustion

---

**Fuels (excluding feedstocks)**

Other, please specify

Ethanol

**Heating value**

HHV (higher heating value)

**Total fuel MWh consumed by the organization**

653

**MWh fuel consumed for self-generation of heat**

653

**MWh fuel consumed for self-cogeneration or self-trigeneration**

0

**Emission factor**

0.348

**Unit**

kg CO2e per liter

**Emissions factor source**

USEPA factor set

**Comment**

Mobile Combustion

---

**Fuels (excluding feedstocks)**

Motor Gasoline

**Heating value**

HHV (higher heating value)

**Total fuel MWh consumed by the organization**

413,156

**MWh fuel consumed for self-generation of heat**

413,156

**MWh fuel consumed for self-cogeneration or self-trigeneration**

0

**Emission factor**

2.324

**Unit**

kg CO2e per liter

**Emissions factor source**

USEPA factor set

**Comment**

Mobile Combustion

---

**Fuels (excluding feedstocks)**

Liquefied Petroleum Gas (LPG)

**Heating value**

HHV (higher heating value)

**Total fuel MWh consumed by the organization**

5,905

**MWh fuel consumed for self-generation of heat**

5,905

**MWh fuel consumed for self-cogeneration or self-trigeneration**

0

**Emission factor**

1.511

**Unit**

kg CO2e per liter

**Emissions factor source**

USEPA factor set

**Comment**

Stationary Combustion

---

**Fuels (excluding feedstocks)**

Residual Fuel Oil

**Heating value**

HHV (higher heating value)

**Total fuel MWh consumed by the organization**

760

**MWh fuel consumed for self-generation of heat**

760

**MWh fuel consumed for self-cogeneration or self-trigeneration**

0

**Emission factor**

0.268

**Unit**

kg CO2e per KWh

**Emissions factor source**

USEPA factor set

**Comment**

Stationary Combustion

---

**Fuels (excluding feedstocks)**

Natural Gasoline

**Heating value**

HHV (higher heating value)

**Total fuel MWh consumed by the organization**

732,172

**MWh fuel consumed for self-generation of heat**

639,884

**MWh fuel consumed for self-cogeneration or self-trigeneration**

92,288

**Emission factor**

0.182

**Unit**

kg CO2e per KWh

**Emissions factor source**

USEPA factor set

**Comment**

Stationary Combustion

## C8.2d

**(C8.2d) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.**

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	16,189	14,900	472	472
Heat				
Steam	32,567	32,567		
Cooling	7,751	7,751		

## C8.2e

**(C8.2e) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero emission factor in the market-based Scope 2 figure reported in C6.3.**

---

**Sourcing method**

Green electricity products (e.g. green tariffs) from an energy supplier, supported by energy attribute certificates

**Low-carbon technology type**

Low-carbon energy mix

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

France

**MWh consumed accounted for at a zero emission factor**

3,096

**Comment**

Green tariffs at multiple Ecolab facilities in Europe

---

**Sourcing method**

Unbundled energy attribute certificates, Guarantees of Origin

**Low-carbon technology type**

Wind

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

United States of America

**MWh consumed accounted for at a zero emission factor**

183,984

**Comment**

RECs purchased in North America

---

**Sourcing method**

Green electricity products (e.g. green tariffs) from an energy supplier, supported by energy attribute certificates

**Low-carbon technology type**

Low-carbon energy mix

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Ireland

**MWh consumed accounted for at a zero emission factor**

285

**Comment**

Green tariffs at multiple Ecolab facilities in Europe

---

**Sourcing method**

Green electricity products (e.g. green tariffs) from an energy supplier, supported by energy attribute certificates

**Low-carbon technology type**

Low-carbon energy mix

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Belgium

**MWh consumed accounted for at a zero emission factor**

3,296

**Comment**

Green tariffs at multiple Ecolab facilities in Europe

---

**Sourcing method**

Unbundled energy attribute certificates, Guarantees of Origin

**Low-carbon technology type**

Wind

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Canada

**MWh consumed accounted for at a zero emission factor**

6,099

**Comment**

RECs purchased in North America

---

**Sourcing method**

Green electricity products (e.g. green tariffs) from an energy supplier, supported by energy attribute certificates

**Low-carbon technology type**

Low-carbon energy mix

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Germany

**MWh consumed accounted for at a zero emission factor**

2,525

**Comment**

Green tariffs at multiple Ecolab facilities in Europe

---

**Sourcing method**

Green electricity products (e.g. green tariffs) from an energy supplier, supported by energy attribute certificates

**Low-carbon technology type**

Low-carbon energy mix

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Spain

**MWh consumed accounted for at a zero emission factor**

1,645

**Comment**

Green tariffs at multiple Ecolab facilities in Europe

---

**Sourcing method**

Green electricity products (e.g. green tariffs) from an energy supplier, supported by energy attribute certificates

**Low-carbon technology type**

Low-carbon energy mix

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Italy

**MWh consumed accounted for at a zero emission factor**

4,180

**Comment**

Green tariffs at multiple Ecolab facilities in Europe

---

**Sourcing method**

Green electricity products (e.g. green tariffs) from an energy supplier, supported by energy attribute certificates

**Low-carbon technology type**

Low-carbon energy mix

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Finland

**MWh consumed accounted for at a zero emission factor**

770



**Comment**

Green tariffs at multiple Ecolab facilities in Europe

---

**Sourcing method**

Green electricity products (e.g. green tariffs) from an energy supplier, supported by energy attribute certificates

**Low-carbon technology type**

Low-carbon energy mix

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

United Kingdom of Great Britain and Northern Ireland

**MWh consumed accounted for at a zero emission factor**

2,562

**Comment**

Green tariffs at multiple Ecolab facilities in Europe

---

**Sourcing method**

Green electricity products (e.g. green tariffs) from an energy supplier, supported by energy attribute certificates

**Low-carbon technology type**

Low-carbon energy mix

**Country/area of consumption of low-carbon electricity, heat, steam or cooling**

Slovenia

**MWh consumed accounted for at a zero emission factor**

2,355

**Comment**

Green tariffs at multiple Ecolab facilities in Europe

## C9. Additional metrics

### C9.1

**(C9.1) Provide any additional climate-related metrics relevant to your business.**

---

**Description**

Other, please specify  
Water

**Metric value**

**Metric numerator**

9.07 million cubic meters

**Metric denominator (intensity metric only)**

14,744 million USD sales

**% change from previous year**

**Direction of change**

**Please explain**

## C10. Verification

### C10.1

**(C10.1) Indicate the verification/assurance status that applies to your reported emissions.**

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

### C10.1a

**(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.**

**Verification or assurance cycle in place**

Annual process

**Status in the current reporting year**

Complete

**Type of verification or assurance**

Limited assurance

**Attach the statement**

 Ecolab 2020 CDP GHG Verification Statement (002).pdf

**Page/ section reference**

1-3

**Relevant standard**

ISO14064-3

**Proportion of reported emissions verified (%)**

100

## C10.1b

**(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.**

---

**Scope 2 approach**

Scope 2 location-based

**Verification or assurance cycle in place**

Annual process

**Status in the current reporting year**

Complete

**Type of verification or assurance**

Limited assurance

**Attach the statement**

 Ecolab 2020 CDP GHG Verification Statement (002).pdf

**Page/ section reference**

1-3

**Relevant standard**

ISO14064-3

**Proportion of reported emissions verified (%)**

100

---

**Scope 2 approach**

Scope 2 market-based

**Verification or assurance cycle in place**

Annual process

**Status in the current reporting year**

Complete

**Type of verification or assurance**

Limited assurance

**Attach the statement**

 Ecolab 2020 CDP GHG Verification Statement (002).pdf

**Page/ section reference**

1-3

**Relevant standard**

ISO14064-3

**Proportion of reported emissions verified (%)**

100

## C10.1c

**(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.**

---

**Scope 3 category**

Scope 3: Business travel

**Verification or assurance cycle in place**

Annual process

**Status in the current reporting year**

Complete

**Type of verification or assurance**

Limited assurance

**Attach the statement**

 Ecolab 2020 CDP GHG Verification Statement (002).pdf

**Page/section reference**

1-3

**Relevant standard**

ISO14064-3

**Proportion of reported emissions verified (%)**

89

## C10.2

**(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?**

Yes

### C10.2a

**(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?**

Disclosure module verification relates to	Data verified	Verification standard	Please explain
C5. Emissions performance	Year on year change in emissions (Scope 1 and 2)	ISO14064-3	Ecolab engaged a third party to conduct an independent verification of its GHG emissions report for 2020. The year on year change total from 2019 to 2020 was within the scope of work. The reference standard used was ISO 14064-3.

## C11. Carbon pricing

### C11.1

**(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?**

No, and we do not anticipate being regulated in the next three years

### C11.2

**(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?**

No

### C11.3

**(C11.3) Does your organization use an internal price on carbon?**

No, and we do not currently anticipate doing so in the next two years

## C12. Engagement

### C12.1

**(C12.1) Do you engage with your value chain on climate-related issues?**

Yes, our suppliers

Yes, our customers

## C12.1a

### (C12.1a) Provide details of your climate-related supplier engagement strategy.

---

#### Type of engagement

Information collection (understanding supplier behavior)

#### Details of engagement

Collect climate change and carbon information at least annually from suppliers

#### % of suppliers by number

0.6

#### % total procurement spend (direct and indirect)

29.1

#### % of supplier-related Scope 3 emissions as reported in C6.5

39

#### Rationale for the coverage of your engagement

As part of our 1.5C science-based target, Ecolab has committed that 70% of its suppliers by emissions covering purchased goods and service, capital goods, upstream transportation and distribution, business travel, and downstream transportation and distribution will set science-based targets by 2024. In support of this target, in 2020 Ecolab launched an engagement program with our top suppliers by emissions. This program educates suppliers on science-based targets, provides supporting resources, tools and systems to help guide suppliers through the GHG inventory development and goal-setting process, and provides mechanisms for suppliers to report their progress. Through this engagement we collect information on the status of our top suppliers' emissions management, any current emissions targets, and their intent to set an SBT. We focused engagement on our top 50 suppliers by S3 emissions in 2020, and specifically the top suppliers who have not already set or committed to set a science-based target, as these suppliers represent the greatest opportunity to make progress towards our SBT and reduce our own S3 emissions. In 2021 we are expanding engagement to our next 50 largest suppliers by emissions.

#### Impact of engagement, including measures of success

Measures of success include the percentage of our suppliers by emissions that have set or formally committed to setting a science-based target. Additional measures of success include the number of suppliers that take incremental steps in developing their climate maturity as a result of our engagement, progressing towards target setting (e.g. developing a first greenhouse gas inventory). At the time of reporting, 2.6% of our suppliers by emissions have set an SBT and an additional 4% of our suppliers by emissions have formally committed to set an SBT. Our engagement has garnered

favorable responses from suppliers thus far, with some suppliers reporting that Ecolab influenced their decision to set a GHG target. One of our largest raw material suppliers by emissions formally committed to set an SBT in 2020.

## Comment

---

### Type of engagement

Innovation & collaboration (changing markets)

### Details of engagement

Run a campaign to encourage innovation to reduce climate impacts on products and services

### % of suppliers by number

0

### % total procurement spend (direct and indirect)

5.8

### % of supplier-related Scope 3 emissions as reported in C6.5

9.1

### Rationale for the coverage of your engagement

Our top tier raw material suppliers representing 17% of our raw material spend are engaged to participate in our Strategic Supplier Initiative. These suppliers are specifically engaged on climate-related issues including reporting their risks, consumption and product development related information because they represent the core foundation for developing the products and services which we formulate and sell to customers and it is critical that they mitigate climate-related risks and maximize efficiency. The suppliers 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. These benefits are realized through our direct engagement with suppliers in the contracting and procurement process where we identify raw material purchasing needs and explore their manufacturing processes to identify opportunities to increase efficiency and reduce energy and water consumption.

### Impact of engagement, including measures of success

Success is measured based on the following metrics: the number of projects we have in place per year, the cumulative savings of energy and water the new products will deliver from the base case (as reported through our eROI platform and calculator available on our website), and the cumulative savings of energy and water our suppliers conserve/reduce through efficiency projects that we co-deliver. Our engagement with Strategic Suppliers has resulted in the generation of new innovation and product launches which enable our sales growth significantly. For example, Ecolab engaged with key supplier BASF to deploy Trimeta™ pHFreedom, technology as a U.S. FDA GRAS approved

clean-in-place detergent specifically formulated for cleaning fermentation tanks and related equipment in a CO<sub>2</sub> environment within the fuel ethanol and food and beverage production industries. This solution enables more efficient cleaning, improved processing capabilities, water savings through reduced rinsing, and a significant reduction in chemical use. More than 10% of our R&D pipeline comes from strategic supplier initiatives. We request and collect data on our these suppliers' product roadmap plans and their own operational needs to develop product innovation opportunities. These opportunities include initiatives to reduce energy and water impacts in suppliers' manufacturing operations, as well as use-phase energy and water impacts from their products (which we also use in our own operations). We collect product performance attributes covering energy, water, GHG emissions and other key environmental criteria, as well as supplier operational impacts proportioned to the volume of product we purchase. This information is then used with our product R&D teams to inform targeted efficiency projects with suppliers at the product development level and/or supplier manufacturing operational level.

#### Comment

## C12.1b

**(C12.1b) Give details of your climate-related engagement strategy with your customers.**

---

#### Type of engagement

Education/information sharing

#### Details of engagement

Run an engagement campaign to education customers about your climate change performance and strategy

#### % of customers by number

95

#### % of customer - related Scope 3 emissions as reported in C6.5

100

#### Please explain the rationale for selecting this group of customers and scope of engagement

Using our proprietary eROI approach, we measure the environmental impact of our products and services, including energy, emissions, and water, and quantify customers' return on investment based on improved performance, operational efficiency and sustainable impact. 100% of our customer base is engaged on eROI reporting because our customers rely on Ecolab to deliver both cost savings and reductions in environmental impact. Most of Ecolab's technology solutions have a component that impacts climate-related issues and emissions. An estimated 95% of our customers are



engaged on climate change impacts of using our solutions and services, as well as engagement on climate-related innovation delivered through our solutions and services (the remaining 5% of our customers use solutions that do not significantly impact the climate). Education about the potential impacts of climate change and how our products and services are used to reduce customer impacts is a key component of our value proposition. More information on how we quantify and report environmental savings using our eROI method can be found on our website: <https://en-uk.ecolab.com/expertise-and-innovation/exponential-value-eroi>.

### **Impact of engagement, including measures of success**

Measures of success: We annually report on customer success stories demonstrating sustainability value for customers, including in the areas of energy, water, waste and GHG emissions, as well as total environmental savings across our entire portfolio of solutions. To measure, document and communicate the quantified economic, operational and environmental impact of our products and services to customers, we developed our trademarked eROI program. eROI value is measured using 10 key performance indicators: 1) Safety; 2) Water (conserving freshwater or minimize/eliminate contamination); 3) Energy (reducing customers' energy use); 4) Air (including GHG emissions); 5) Waste; 6) Assets; 7) Costs; 8) Productivity; 9) Food Safety; and 10) Product Quality. The impact of this climate-related engagement strategy is reported live via our eROI calculator. We have set ambitious 2030 Impact Goals for ourselves to help customers achieve significant water and carbon savings while enabling them to provide safe, high-quality food and personal hygiene. Our goals include helping our customers save a combined total of 300 billion gallons of water and 6 million MT CO<sub>2</sub>e. In 2020, we helped our customers avoid a total of 3.5 million metric tonnes of greenhouse gas emissions and save 206 billion gallons of water. We have made 69% progress towards our water goal and 58% progress towards our carbon emissions reduction goal to date.

We use eROI case studies to document all positive environmental impacts for customers and drive growth with our industrial customers. For example, in 2020 we partnered with Indonesia's largest integrated petrochemical company to introduce the 3D TRASAR™ water management solution which significantly reduced their water, waste, and energy footprint. Using this system, Chandra Asri Petrochemical realized savings of 93 million gallons of water, 6 million kWh of energy, 125 million gallons of wastewater, and over 2,000 metric tons of CO<sub>2</sub>.

## **C12.3**

### **(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?**

- Direct engagement with policy makers
- Trade associations
- Funding research organizations
- Other

## C12.3a

**(C12.3a) On what issues have you been engaging directly with policy makers?**

Focus of legislation	Corporate position	Details of engagement	Proposed legislative solution
Energy efficiency	Support	Ecolab supported the America's Water Infrastructure Act of 2020 (S.3591) and the Drinking Water Infrastructure Act of 2020 (S.3590). Ecolab weighed in support of the overall legislation and to support specific provisions that would advance water recycling and reuse in the U.S. This included calling attention to the benefits of a pilot program for alternative water source grants – a nationwide program that would allow communities to invest in water recycling. Ecolab also wrote in support of the Water Infrastructure Finance and Innovation Act (WIFIA) and how it would allow recipients to undertake important water and wastewater infrastructure projects that would advance efficiency. Ecolab's outreach included writing a letter to leadership of the Senate Environment & Public Works Committee and meeting with key Congressional offices.	These programs were included in the Consolidated Appropriations Act, 2021, which was passed by Congress and signed into law in December 2020. This legislation included several provisions to advance water and energy efficiency, particularly in programs that incentivized water recycling and reuse projects. Ecolab plans to continue supporting proposals that would advance water recycling and reuse projects in 2021 and beyond.

## C12.3b

**(C12.3b) Are you on the board of any trade associations or do you provide funding beyond membership?**

Yes

## C12.3c

**(C12.3c) Enter the details of those trade associations that are likely to take a position on climate change legislation.**

**Trade association**

American Cleaning Institute

**Is your position on climate change consistent with theirs?**

Consistent

**Please explain the trade association's position**

Supportive of industry outlook on key energy and sustainability issues.

**How have you influenced, or are you attempting to influence their position?**

We have not influenced and are not attempting to influence their position.

---

**Trade association**

National Association of Manufacturers

**Is your position on climate change consistent with theirs?**

Consistent

**Please explain the trade association's position**

Supportive of industry outlook on key energy and sustainability issues.

**How have you influenced, or are you attempting to influence their position?**

We have not influenced and are not attempting to influence their position.

---

**Trade association**

American Chemistry Council

**Is your position on climate change consistent with theirs?**

Consistent

**Please explain the trade association's position**

Supportive of industry outlook on key energy and sustainability issues.

**How have you influenced, or are you attempting to influence their position?**

We have not influenced and are not attempting to influence their position.

## C12.3d

**(C12.3d) Do you publicly disclose a list of all research organizations that you fund?**

No

## C12.3e

**(C12.3e) Provide details of the other engagement activities that you undertake.**

Engagement Process: Ecolab takes a holistic approach to sustainability, which includes economic, environmental, and social responsibility activities. 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 energy, water, waste, food safety and customer health issues. Ecolab engages with federal

and state legislative and regulatory bodies, industry and customer trade associations around the globe 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 key climate mitigation and adaptation issues such as product design for energy efficiency and material safety, energy management in business and manufacturing operations and industry collaboration to influence climate policy.

Actions Advocated: In the U.S., Ecolab's participation in the American Chemistry Council's Executive Taskforce on Leadership and Sustainability Policy demonstrates our commitment to advancing sustainability goals and reducing environmental impact. In 2019, we helped shape forthcoming goals and commitments to drive improvements in energy and water efficiency among industry members. In Europe, we have worked with the International Association for Soaps, Detergents and Maintenance Products (AISE) to help develop industry-wide initiatives on sustainability and climate change. We have been an active driver in the development of the AISE Sustainability Charter, which will address product use - related impacts in addition to manufacturing impacts. Climate change, and specifically energy use, is a key focus for these industry-wide sustainability initiatives, in addition to product safety and chemical usage. Also in Europe, our Nalco Water business helped ensure that the energy-water nexus was recognized in the EU Directive on Energy Efficiency (EED). With our support, the EED now calls for exploring ways to drive energy savings through smart technologies and processes that reduce water use. We will continue to drive voluntary reporting, such as through the CDP, while also seeking out opportunities to engage with policy makers around climate change issues.

Ecolab continues its partnership with Trucost (now part of S&P Global) to enhance and maintain the Smart Water Navigator, a tool that is reshaping global understanding of the full value of water, particularly in water-scarce regions. In 2019, we made enhancements to the tool which was rolled out in a new version in early 2020. The latest version reflects the changing landscape in water risk analysis, ensuring the tool continues to leverage best-in-class information and scientific methodologies. The Smart Water Navigator is the first financial modelling tool available to the public that enables companies to determine a risk-adjusted price of water to their business.

## C12.3f

### **(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?**

Ecolab maintains a formalized process at a corporate level (used across our business divisions and geographic regions) for all direct and indirect activities that relate to engaging with policy makers and related organizations. This process covers the scope and impact on the business 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 aspects of climate change. Our own business strategy around product and services

development and market expansion is informed by policy discussions with the organizations and policy issues mentioned above.

## C12.4

**(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).**

---

### Publication

In mainstream reports

### Status

Complete

### Attach the document

 Ecolab-Annual-Report-2020-Web-Version.pdf

### Page/Section reference

11-14

### Content elements

Strategy  
Risks & opportunities  
Emission targets

### Comment

---

### Publication

In voluntary sustainability report

### Status

Complete

### Attach the document

 Ecolab 2020 Corporate Responsibility Report.pdf

### Page/Section reference

13-41

### Content elements

Strategy

Emissions figures  
Emission targets  
Other metrics  
Other, please specify  
Example initiatives and case studies

### Comment

---

### Publication

In voluntary sustainability report

### Status

Complete

### Attach the document

 Ecolab 2020 Corporate Responsibility Report.pdf

### Page/Section reference

1-4, 8-18, 21-30

### Content elements

Governance  
Strategy  
Risks & opportunities  
Emissions figures  
Emission targets  
Other metrics  
Other, please specify  
Example initiatives and case studies

### Comment

## C15. Signoff

### C-FI

**(C-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.**

N/A

## C15.1

**(C15.1) Provide details for the person that has signed off (approved) your CDP climate change response.**

	Job title	Corresponding job category
Row 1	Senior Vice President & Chief Sustainability Officer (CSO)	Chief Sustainability Officer (CSO)

## SC. Supply chain module

### SC0.0

**(SC0.0) If you would like to do so, please provide a separate introduction to this module.**

N/A

### SC0.1

**(SC0.1) What is your company's annual revenue for the stated reporting period?**

	Annual Revenue
Row 1	11,790,200,000

### SC0.2

**(SC0.2) Do you have an ISIN for your company that you would be willing to share with CDP?**

No

### SC1.1

**(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.**

---

**Requesting member**

Arcos Dorados

**Scope of emissions**

Scope 1

**Allocation level**

Facility

**Allocation level detail**

Emissions allocated based on purchased volume from our Barueri, Pilar, Greensboro, and Cuatitlan facilities.

**Emissions in metric tonnes of CO<sub>2</sub>e**

48

**Uncertainty (±%)**

5

**Major sources of emissions**

Fleet and Facilities

**Verified**

No

**Allocation method**

Allocation based on mass of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

The GHG sources for Scope 1 emissions include our global sales & service fleet, manufacturing and office facilities. Allocations were generated to quantify customer level emissions using two methods based on the GHG source and available customer level data: production mass by manufacturing plant and the market value of the products and services delivered to that customer. For our global manufacturing facilities, customer emissions were allocated based on the purchased mass of product manufactured at a specific facility vs. the total mass of product manufactured by that specific facility. For our global sales and service fleet and offices, customer emissions were allocated based on the sales dollar amount of product purchased from that customer by Ecolab division and region vs. the total sales of all products sold by Ecolab.

---

**Requesting member**

Arcos Dorados

**Scope of emissions**

Scope 2

**Allocation level**

Facility

**Allocation level detail**

Emissions allocated based on purchased volume from our Barueri, Pilar, Greensboro, and Cuatitlan facilities.

**Emissions in metric tonnes of CO<sub>2</sub>e**

16



**Uncertainty ( $\pm\%$ )**

5

**Major sources of emissions**

Offices and Facilities

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

The GHG sources for Scope 2 emissions include our global manufacturing and office facilities. Allocations were generated to quantify customer level emissions using two methods based on the GHG source and available customer level data: production mass by manufacturing plant and the market value of the products and services delivered to that customer. For our global manufacturing facilities, customer emissions were allocated based on the purchased mass of product manufactured at a specific facility vs. the total mass of product manufactured by that specific facility. For our global offices, customer emissions were allocated based on the sales dollar amount of product purchased from that customer by Ecolab division and region vs. the total sales of all products sold by Ecolab.

---

**Requesting member**

Braskem S/A

**Scope of emissions**

Scope 1

**Allocation level**

Facility

**Allocation level detail**

Emissions allocated based on purchased volume from our Lerma, Barueri, and Suzano facilities.

**Emissions in metric tonnes of CO<sub>2</sub>e**

67

**Uncertainty ( $\pm\%$ )**

5

**Major sources of emissions**

Fleet and Facilities

**Verified**

No

**Allocation method**

Allocation based on mass of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

The GHG sources for Scope 1 emissions include our global sales & service fleet, manufacturing and office facilities. Allocations were generated to quantify customer level emissions using two methods based on the GHG source and available customer level data: production mass by manufacturing plant and the market value of the products and services delivered to that customer. For our global manufacturing facilities, customer emissions were allocated based on the purchased mass of product manufactured at a specific facility vs. the total mass of product manufactured by that specific facility. For our global sales and service fleet and offices, customer emissions were allocated based on the sales dollar amount of product purchased from that customer by Ecolab division and region vs. the total sales of all products sold by Ecolab.

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**Requesting member**

Braskem S/A

**Scope of emissions**

Scope 2

**Allocation level**

Facility

**Allocation level detail**

Emissions allocated based on purchased volume from our Lerma, Barueri, and Suzano facilities.

**Emissions in metric tonnes of CO<sub>2</sub>e**

8

**Uncertainty (±%)**

5

**Major sources of emissions**

Offices and Facilities

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

The GHG sources for Scope 2 emissions include our global manufacturing and office facilities. Allocations were generated to quantify customer level emissions using two methods based on the GHG source and available customer level data: production mass by manufacturing plant and the market value of the products and services delivered to that customer. For our global manufacturing facilities, customer emissions were allocated based on the purchased mass of product manufactured at a specific facility vs. the total mass of product manufactured by that specific facility. For our global offices, customer emissions were allocated based on the sales dollar amount of product purchased from that customer by Ecolab division and region vs. the total sales of all products sold by Ecolab.

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**Requesting member**

Caesars Entertainment

**Scope of emissions**

Scope 1

**Allocation level**

Facility

**Allocation level detail**

Emissions allocated based on purchased volume from our Carson, Clearing, Ellwood City, Garyville, Port Allen, Joliet, Garland, Martinsburg, Huntington, COI, and McDonough facilities.

**Emissions in metric tonnes of CO<sub>2</sub>e**

93

**Uncertainty (±%)**

5

**Major sources of emissions**

Fleet and Facilities

**Verified**

No

**Allocation method**

Allocation based on mass of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

The GHG sources for Scope 1 emissions include our global sales & service fleet, manufacturing and office facilities. Allocations were generated to quantify customer level emissions using two methods based on the GHG source and available customer level data: production mass by manufacturing plant and the market value of the products and services delivered to that customer. For our global manufacturing facilities, customer emissions were allocated based on the purchased mass of product manufactured at a specific facility vs. the total mass of product manufactured by that specific facility. For our global sales and service fleet and offices, customer emissions were allocated based on the sales dollar amount of product purchased from that customer by Ecolab division and region vs. the total sales of all products sold by Ecolab.

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**Requesting member**

Caesars Entertainment

**Scope of emissions**

Scope 2

**Allocation level**

Facility

**Allocation level detail**

Emissions allocated based on purchased volume from our Carson, Clearing, Ellwood City, Garyville, Port Allen, Joliet, Garland, Martinsburg, Huntington, COI, and McDonough facilities.

**Emissions in metric tonnes of CO<sub>2</sub>e**

34

**Uncertainty (±%)**

5

**Major sources of emissions**

Offices and Facilities

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

The GHG sources for Scope 2 emissions include our global manufacturing and office facilities. Allocations were generated to quantify customer level emissions using two methods based on the GHG source and available customer level data: production mass by manufacturing plant and the market value of the products and services delivered to

that customer. For our global manufacturing facilities, customer emissions were allocated based on the purchased mass of product manufactured at a specific facility vs. the total mass of product manufactured by that specific facility. For our global offices, customer emissions were allocated based on the sales dollar amount of product purchased from that customer by Ecolab division and region vs. the total sales of all products sold by Ecolab.

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**Requesting member**

Givaudan SA

**Scope of emissions**

Scope 1

**Allocation level**

Facility

**Allocation level detail**

Emissions allocated based on purchased volume from our Tai Cang, Barueri, Cuatitlan, Pilar, Eagan, Joliet, Martinsburg, McDonough, Cikarang, Gul Lane, Greensboro, Chalon, and Tessendero facilities.

**Emissions in metric tonnes of CO<sub>2</sub>e**

62

**Uncertainty ( $\pm\%$ )**

5

**Major sources of emissions**

Fleet and Facilities

**Verified**

No

**Allocation method**

Allocation based on mass of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

The GHG sources for Scope 1 emissions include our global sales & service fleet, manufacturing and office facilities. Allocations were generated to quantify customer level emissions using two methods based on the GHG source and available customer level data: production mass by manufacturing plant and the market value of the products and services delivered to that customer. For our global manufacturing facilities, customer emissions were allocated based on the purchased mass of product manufactured at a specific facility vs. the total mass of product manufactured by that specific facility. For our global sales and service fleet and offices, customer emissions were allocated based

on the sales dollar amount of product purchased from that customer by Ecolab division and region vs. the total sales of all products sold by Ecolab.

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**Requesting member**

Givaudan SA

**Scope of emissions**

Scope 2

**Allocation level**

Facility

**Allocation level detail**

Emissions allocated based on purchased volume from our Tai Cang, Barueri, Cuatitlan, Pilar, Eagan, Joliet, Martinsburg, McDonough, Cikarang, Gul Lane, Greensboro, Chalon, and Tessengero facilities.

**Emissions in metric tonnes of CO<sub>2</sub>e**

11

**Uncertainty (±%)**

5

**Major sources of emissions**

Offices and Facilities

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

The GHG sources for Scope 2 emissions include our global manufacturing and office facilities. Allocations were generated to quantify customer level emissions using two methods based on the GHG source and available customer level data: production mass by manufacturing plant and the market value of the products and services delivered to that customer. For our global manufacturing facilities, customer emissions were allocated based on the purchased mass of product manufactured at a specific facility vs. the total mass of product manufactured by that specific facility. For our global offices, customer emissions were allocated based on the sales dollar amount of product purchased from that customer by Ecolab division and region vs. the total sales of all products sold by Ecolab.

**Requesting member**

L'Oréal

**Scope of emissions**

Scope 1

**Allocation level**

Facility

**Allocation level detail**

Emissions allocated based on purchased volume from our Garland, Huntington, Joliet, Martinsburg, Mississauga, McDonough, and Montgomery facilities.

**Emissions in metric tonnes of CO<sub>2</sub>e**

73

**Uncertainty (±%)**

5

**Major sources of emissions**

Fleet and facilities

**Verified**

No

**Allocation method**

Allocation based on mass of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

The GHG sources for Scope 1 emissions include our global sales & service fleet, manufacturing and office facilities. Allocations were generated to quantify customer level emissions using two methods based on the GHG source and available customer level data: production mass by manufacturing plant and the market value of the products and services delivered to that customer. For our global manufacturing facilities, customer emissions were allocated based on the purchased mass of product manufactured at a specific facility vs. the total mass of product manufactured by that specific facility. For our global sales and service fleet and offices, customer emissions were allocated based on the sales dollar amount of product purchased from that customer by Ecolab division and region vs. the total sales of all products sold by Ecolab.

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**Requesting member**

L'Oréal

**Scope of emissions**

Scope 2

**Allocation level**

Facility

**Allocation level detail**

Emissions allocated based on purchased volume from our Garland, Huntington, Joliet, Martinsburg, Mississauga, McDonough, and Montgomery facilities.

**Emissions in metric tonnes of CO<sub>2</sub>e**

7

**Uncertainty (±%)**

5

**Major sources of emissions**

Offices and facilities

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

The GHG sources for Scope 2 emissions include our global manufacturing and office facilities. Allocations were generated to quantify customer level emissions using two methods based on the GHG source and available customer level data: production mass by manufacturing plant and the market value of the products and services delivered to that customer. For our global manufacturing facilities, customer emissions were allocated based on the purchased mass of product manufactured at a specific facility vs. the total mass of product manufactured by that specific facility. For our global offices, customer emissions were allocated based on the sales dollar amount of product purchased from that customer by Ecolab division and region vs. the total sales of all products sold by Ecolab.

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**Requesting member**

McDonald's Corporation

**Scope of emissions**

Scope 1

**Allocation level**

Facility

**Allocation level detail**

Emissions allocated based on purchased volume from our Greensboro and Carrollton facilities.



**Emissions in metric tonnes of CO<sub>2</sub>e**

2,813

**Uncertainty (±%)**

5

**Major sources of emissions**

Fleet and facilities

**Verified**

No

**Allocation method**

Allocation based on mass of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

The GHG sources for Scope 1 emissions include our global sales & service fleet, manufacturing and office facilities. Allocations were generated to quantify customer level emissions using two methods based on the GHG source and available customer level data: production mass by manufacturing plant and the market value of the products and services delivered to that customer. For our global manufacturing facilities, customer emissions were allocated based on the purchased mass of product manufactured at a specific facility vs. the total mass of product manufactured by that specific facility. For our global sales and service fleet and offices, customer emissions were allocated based on the sales dollar amount of product purchased from that customer by Ecolab division and region vs. the total sales of all products sold by Ecolab.

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**Requesting member**

McDonald's Corporation

**Scope of emissions**

Scope 2

**Allocation level**

Facility

**Allocation level detail**

Emissions allocated based on purchased volume from our Greensboro and Carrollton facilities.

**Emissions in metric tonnes of CO<sub>2</sub>e**

332

**Uncertainty (±%)**

5

**Major sources of emissions**

Offices and facilities

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

The GHG sources for Scope 2 emissions include our global manufacturing and office facilities. Allocations were generated to quantify customer level emissions using two methods based on the GHG source and available customer level data: production mass by manufacturing plant and the market value of the products and services delivered to that customer. For our global manufacturing facilities, customer emissions were allocated based on the purchased mass of product manufactured at a specific facility vs. the total mass of product manufactured by that specific facility. For our global offices, customer emissions were allocated based on the sales dollar amount of product purchased from that customer by Ecolab division and region vs. the total sales of all products sold by Ecolab.

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**Requesting member**

Walmart, Inc.

**Scope of emissions**

Scope 1

**Allocation level**

Facility

**Allocation level detail**

Emissions allocated based on purchased volume from our Greensboro, Carrollton, and COI facilities.

**Emissions in metric tonnes of CO<sub>2</sub>e**

2,362.27

**Uncertainty (±%)**

5

**Major sources of emissions**

Fleet and facilities

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

The GHG sources for Scope 1 emissions include our global sales & service fleet, manufacturing and office facilities. Allocations were generated to quantify customer level emissions using two methods based on the GHG source and available customer level data: production mass by manufacturing plant and the market value of the products and services delivered to that customer. For our global manufacturing facilities, customer emissions were allocated based on the purchased mass of product manufactured at a specific facility vs. the total mass of product manufactured by that specific facility. For our global sales and service fleet and offices, customer emissions were allocated based on the sales dollar amount of product purchased from that customer by Ecolab division and region vs. the total sales of all products sold by Ecolab.

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**Requesting member**

Walmart, Inc.

**Scope of emissions**

Scope 2

**Allocation level**

Facility

**Allocation level detail**

Emissions allocated based on purchased volume from our Greensboro, Carrolton, and COI facilities.

**Emissions in metric tonnes of CO<sub>2</sub>e**

669.61

**Uncertainty (±%)**

5

**Major sources of emissions**

Offices and facilities

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

The GHG sources for Scope 2 emissions include our global manufacturing and office facilities. Allocations were generated to quantify customer level emissions using two methods based on the GHG source and available customer level data: production mass by manufacturing plant and the market value of the products and services delivered to that customer. For our global manufacturing facilities, customer emissions were allocated based on the purchased mass of product manufactured at a specific facility vs. the total mass of product manufactured by that specific facility. For our global offices, customer emissions were allocated based on the sales dollar amount of product purchased from that customer by Ecolab division and region vs. the total sales of all products sold by Ecolab.

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**Requesting member**

Ambev S.A

**Scope of emissions**

Scope 1

**Allocation level**

Facility

**Allocation level detail**

Emissions allocated based on purchased volume from our Barueri, COI, Darra, Joliet, Lerma, Martinsburg, Nanjing, Pilar, Tai Cang, Tessengerio, and Toronto facilities

**Emissions in metric tonnes of CO<sub>2</sub>e**

1,188

**Uncertainty (±%)**

5

**Major sources of emissions**

Fleet and facilities

**Verified**

No

**Allocation method**

Allocation based on mass of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

The GHG sources for Scope 1 emissions include our global sales & service fleet, manufacturing and office facilities. Allocations were generated to quantify customer level

emissions using two methods based on the GHG source and available customer level data: production mass by manufacturing plant and the market value of the products and services delivered to that customer. For our global manufacturing facilities, customer emissions were allocated based on the purchased mass of product manufactured at a specific facility vs. the total mass of product manufactured by that specific facility. For our global sales and service fleet and offices, customer emissions were allocated based on the sales dollar amount of product purchased from that customer by Ecolab division and region vs. the total sales of all products sold by Ecolab.

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**Requesting member**

Ambev S.A

**Scope of emissions**

Scope 2

**Allocation level**

Facility

**Allocation level detail**

Emissions allocated based on purchased volume from our Barueri, COI, Darra, Joliet, Lerma, Martinsburg, Nanjing, Pilar, Tai Cang, Tessengerio, and Toronto facilities

**Emissions in metric tonnes of CO<sub>2</sub>e**

259

**Uncertainty (±%)**

5

**Major sources of emissions**

Offices and facilities

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

The GHG sources for Scope 2 emissions include our global manufacturing and office facilities. Allocations were generated to quantify customer level emissions using two methods based on the GHG source and available customer level data: production mass by manufacturing plant and the market value of the products and services delivered to that customer. For our global manufacturing facilities, customer emissions were allocated based on the purchased mass of product manufactured at a specific facility vs. the total mass of product manufactured by that specific facility. For our global offices,

customer emissions were allocated based on the sales dollar amount of product purchased from that customer by Ecolab division and region vs. the total sales of all products sold by Ecolab.

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**Requesting member**

Downer EDI

**Scope of emissions**

Scope 1

**Allocation level**

Facility

**Allocation level detail**

Emissions allocated based on purchased volume from our Revesby facility

**Emissions in metric tonnes of CO<sub>2</sub>e**

5

**Uncertainty (±%)**

5

**Major sources of emissions**

Fleet and Facilities

**Verified**

No

**Allocation method**

Allocation based on mass of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

The GHG sources for Scope 1 emissions include our global sales & service fleet, manufacturing and office facilities. Allocations were generated to quantify customer level emissions using two methods based on the GHG source and available customer level data: production mass by manufacturing plant and the market value of the products and services delivered to that customer. For our global manufacturing facilities, customer emissions were allocated based on the purchased mass of product manufactured at a specific facility vs. the total mass of product manufactured by that specific facility. For our global sales and service fleet and offices, customer emissions were allocated based on the sales dollar amount of product purchased from that customer by Ecolab division and region vs. the total sales of all products sold by Ecolab.

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**Requesting member**

Downer EDI

**Scope of emissions**

Scope 2

**Allocation level**

Facility

**Allocation level detail**

Emissions allocated based on purchased volume from our Revesby facility

**Emissions in metric tonnes of CO<sub>2</sub>e**

1

**Uncertainty (±%)**

5

**Major sources of emissions**

Offices and Facilities

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

The GHG sources for Scope 2 emissions include our global manufacturing and office facilities. Allocations were generated to quantify customer level emissions using two methods based on the GHG source and available customer level data: production mass by manufacturing plant and the market value of the products and services delivered to that customer. For our global manufacturing facilities, customer emissions were allocated based on the purchased mass of product manufactured at a specific facility vs. the total mass of product manufactured by that specific facility. For our global offices, customer emissions were allocated based on the sales dollar amount of product purchased from that customer by Ecolab division and region vs. the total sales of all products sold by Ecolab.

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**Requesting member**

Keurig Dr Pepper

**Scope of emissions**

Scope 1

**Allocation level**

Facility

**Allocation level detail**

Emissions allocated based on purchased volume from our COI, Garland, Joliet and Martinsburg facilities

**Emissions in metric tonnes of CO<sub>2</sub>e**

159

**Uncertainty (±%)**

5

**Major sources of emissions**

Fleet and facilities

**Verified**

No

**Allocation method**

Allocation based on the volume of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

The GHG sources for Scope 1 emissions include our global sales & service fleet, manufacturing and office facilities. Allocations were generated to quantify customer level emissions using two methods based on the GHG source and available customer level data: production mass by manufacturing plant and the market value of the products and services delivered to that customer. For our global manufacturing facilities, customer emissions were allocated based on the purchased mass of product manufactured at a specific facility vs. the total mass of product manufactured by that specific facility. For our global sales and service fleet and offices, customer emissions were allocated based on the sales dollar amount of product purchased from that customer by Ecolab division and region vs. the total sales of all products sold by Ecolab.

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**Requesting member**

Keurig Dr Pepper

**Scope of emissions**

Scope 2

**Allocation level**

Facility

**Allocation level detail**

Emissions allocated based on purchased volume from our COI, Garland, Joliet and Martinsburg facilities

**Emissions in metric tonnes of CO<sub>2</sub>e**

15



**Uncertainty ( $\pm\%$ )**

5

**Major sources of emissions**

Offices and facilities

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

The GHG sources for Scope 2 emissions include our global manufacturing and office facilities. Allocations were generated to quantify customer level emissions using two methods based on the GHG source and available customer level data: production mass by manufacturing plant and the market value of the products and services delivered to that customer. For our global manufacturing facilities, customer emissions were allocated based on the purchased mass of product manufactured at a specific facility vs. the total mass of product manufactured by that specific facility. For our global offices, customer emissions were allocated based on the sales dollar amount of product purchased from that customer by Ecolab division and region vs. the total sales of all products sold by Ecolab.

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**Requesting member**

Marfrig Global Foods S/A

**Scope of emissions**

Scope 1

**Allocation level**

Facility

**Allocation level detail**

Emissions allocated based on purchased volume from our Pilar and Suzano facilities

**Emissions in metric tonnes of CO<sub>2</sub>e**

1

**Uncertainty ( $\pm\%$ )**

5

**Major sources of emissions**

Fleet and Facilities

**Verified**

No

**Allocation method**

Allocation based on mass of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

The GHG sources for Scope 1 emissions include our global sales & service fleet, manufacturing and office facilities. Allocations were generated to quantify customer level emissions using two methods based on the GHG source and available customer level data: production mass by manufacturing plant and the market value of the products and services delivered to that customer. For our global manufacturing facilities, customer emissions were allocated based on the purchased mass of product manufactured at a specific facility vs. the total mass of product manufactured by that specific facility. For our global sales and service fleet and offices, customer emissions were allocated based on the sales dollar amount of product purchased from that customer by Ecolab division and region vs. the total sales of all products sold by Ecolab.

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**Requesting member**

Marfrig Global Foods S/A

**Scope of emissions**

Scope 2

**Allocation level**

Facility

**Allocation level detail**

Emissions allocated based on purchased volume from our Pilar and Suzano facilities

**Emissions in metric tonnes of CO<sub>2</sub>e**

0.4

**Uncertainty (±%)**

5

**Major sources of emissions**

Offices and Facilities

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

The GHG sources for Scope 2 emissions include our global manufacturing and office facilities. Allocations were generated to quantify customer level emissions using two methods based on the GHG source and available customer level data: production mass by manufacturing plant and the market value of the products and services delivered to that customer. For our global manufacturing facilities, customer emissions were allocated based on the purchased mass of product manufactured at a specific facility vs. the total mass of product manufactured by that specific facility. For our global offices, customer emissions were allocated based on the sales dollar amount of product purchased from that customer by Ecolab division and region vs. the total sales of all products sold by Ecolab.

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**Requesting member**

NHS England and NHS Improvement

**Scope of emissions**

Scope 1

**Allocation level**

Facility

**Allocation level detail**

Emissions allocated based on purchased volume from our Weavergate, Leeds, and Tessengerlo facilities.

**Emissions in metric tonnes of CO<sub>2</sub>e**

469

**Uncertainty (±%)**

5

**Major sources of emissions**

Fleet and facilities

**Verified**

No

**Allocation method**

Allocation based on mass of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

The GHG sources for Scope 1 emissions include our global sales & service fleet, manufacturing and office facilities. Allocations were generated to quantify customer level

emissions using two methods based on the GHG source and available customer level data: production mass by manufacturing plant and the market value of the products and services delivered to that customer. For our global manufacturing facilities, customer emissions were allocated based on the purchased mass of product manufactured at a specific facility vs. the total mass of product manufactured by that specific facility. For our global sales and service fleet and offices, customer emissions were allocated based on the sales dollar amount of product purchased from that customer by Ecolab division and region vs. the total sales of all products sold by Ecolab.

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**Requesting member**

NHS England and NHS Improvement

**Scope of emissions**

Scope 2

**Allocation level**

Facility

**Allocation level detail**

Emissions allocated based on purchased volume from our Weavergate, Leeds, and Tessengerlo facilities.

**Emissions in metric tonnes of CO<sub>2</sub>e**

48

**Uncertainty (±%)**

5

**Major sources of emissions**

Offices and Facilities

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

The GHG sources for Scope 2 emissions include our global manufacturing and office facilities. Allocations were generated to quantify customer level emissions using two methods based on the GHG source and available customer level data: production mass by manufacturing plant and the market value of the products and services delivered to that customer. For our global manufacturing facilities, customer emissions were allocated based on the purchased mass of product manufactured at a specific facility vs. the total mass of product manufactured by that specific facility. For our global offices,

customer emissions were allocated based on the sales dollar amount of product purchased from that customer by Ecolab division and region vs. the total sales of all products sold by Ecolab.

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**Requesting member**

OMV AG

**Scope of emissions**

Scope 1

**Allocation level**

Facility

**Allocation level detail**

Emissions allocated based on purchased volume from our Biebesheim facility.

**Emissions in metric tonnes of CO<sub>2</sub>e**

45

**Uncertainty (±%)**

5

**Major sources of emissions**

Fleet and Facilities

**Verified**

No

**Allocation method**

Allocation based on mass of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

The GHG sources for Scope 1 emissions include our global sales & service fleet, manufacturing and office facilities. Allocations were generated to quantify customer level emissions using two methods based on the GHG source and available customer level data: production mass by manufacturing plant and the market value of the products and services delivered to that customer. For our global manufacturing facilities, customer emissions were allocated based on the purchased mass of product manufactured at a specific facility vs. the total mass of product manufactured by that specific facility. For our global sales and service fleet and offices, customer emissions were allocated based on the sales dollar amount of product purchased from that customer by Ecolab division and region vs. the total sales of all products sold by Ecolab.

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**Requesting member**

OMV AG

**Scope of emissions**

Scope 2

**Allocation level**

Facility

**Allocation level detail**

Emissions allocated based on purchased volume from our Biebesheim facility

**Emissions in metric tonnes of CO<sub>2</sub>e**

20

**Uncertainty (±%)**

5

**Major sources of emissions**

Offices and facilities

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

The GHG sources for Scope 2 emissions include our global manufacturing and office facilities. Allocations were generated to quantify customer level emissions using two methods based on the GHG source and available customer level data: production mass by manufacturing plant and the market value of the products and services delivered to that customer. For our global manufacturing facilities, customer emissions were allocated based on the purchased mass of product manufactured at a specific facility vs. the total mass of product manufactured by that specific facility. For our global offices, customer emissions were allocated based on the sales dollar amount of product purchased from that customer by Ecolab division and region vs. the total sales of all products sold by Ecolab.

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**Requesting member**

Suzano Papel & Celulose

**Scope of emissions**

Scope 1

**Allocation level**

Facility

**Allocation level detail**

Emissions allocated based on purchased volume from our Suzano and Barueri facilities

**Emissions in metric tonnes of CO<sub>2</sub>e**

253

**Uncertainty (±%)**

5

**Major sources of emissions**

Fleet and Facilities

**Verified**

No

**Allocation method**

Allocation based on mass of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

The GHG sources for Scope 1 emissions include our global sales & service fleet, manufacturing and office facilities. Allocations were generated to quantify customer level emissions using two methods based on the GHG source and available customer level data: production mass by manufacturing plant and the market value of the products and services delivered to that customer. For our global manufacturing facilities, customer emissions were allocated based on the purchased mass of product manufactured at a specific facility vs. the total mass of product manufactured by that specific facility. For our global sales and service fleet and offices, customer emissions were allocated based on the sales dollar amount of product purchased from that customer by Ecolab division and region vs. the total sales of all products sold by Ecolab.

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**Requesting member**

Suzano Papel & Celulose

**Scope of emissions**

Scope 2

**Allocation level**

Facility

**Allocation level detail**

Emissions allocated based on purchased volume from our Suzano and Barueri facilities

**Emissions in metric tonnes of CO<sub>2</sub>e**

44

**Uncertainty (±%)**

5

**Major sources of emissions**

Offices and Facilities

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

The GHG sources for Scope 2 emissions include our global manufacturing and office facilities. Allocations were generated to quantify customer level emissions using two methods based on the GHG source and available customer level data: production mass by manufacturing plant and the market value of the products and services delivered to that customer. For our global manufacturing facilities, customer emissions were allocated based on the purchased mass of product manufactured at a specific facility vs. the total mass of product manufactured by that specific facility. For our global offices, customer emissions were allocated based on the sales dollar amount of product purchased from that customer by Ecolab division and region vs. the total sales of all products sold by Ecolab.

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**Requesting member**

The Coca-Cola Company

**Scope of emissions**

Scope 1

**Allocation level**

Facility

**Allocation level detail**

Emissions allocated based on purchased volume from our COI, Garland, Joliet, McDonough, Monterrey, Tai Cang and Tessengero facilities

**Emissions in metric tonnes of CO<sub>2</sub>e**

1,781

**Uncertainty (±%)**

5

**Major sources of emissions**

Fleet and Facilities

**Verified**



No

**Allocation method**

Allocation based on mass of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

The GHG sources for Scope 1 emissions include our global sales & service fleet, manufacturing and office facilities. Allocations were generated to quantify customer level emissions using two methods based on the GHG source and available customer level data: production mass by manufacturing plant and the market value of the products and services delivered to that customer. For our global manufacturing facilities, customer emissions were allocated based on the purchased mass of product manufactured at a specific facility vs. the total mass of product manufactured by that specific facility. For our global sales and service fleet and offices, customer emissions were allocated based on the sales dollar amount of product purchased from that customer by Ecolab division and region vs. the total sales of all products sold by Ecolab.

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**Requesting member**

The Coca-Cola Company

**Scope of emissions**

Scope 2

**Allocation level**

Facility

**Allocation level detail**

Emissions allocated based on purchased volume from our COI, Garland, Joliet, McDonough, Monterrey, Tai Cang and Tessendero facilities

**Emissions in metric tonnes of CO<sub>2</sub>e**

317

**Uncertainty (±%)**

5

**Major sources of emissions**

Offices and Facilities

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

The GHG sources for Scope 2 emissions include our global manufacturing and office facilities. Allocations were generated to quantify customer level emissions using two methods based on the GHG source and available customer level data: production mass by manufacturing plant and the market value of the products and services delivered to that customer. For our global manufacturing facilities, customer emissions were allocated based on the purchased mass of product manufactured at a specific facility vs. the total mass of product manufactured by that specific facility. For our global offices, customer emissions were allocated based on the sales dollar amount of product purchased from that customer by Ecolab division and region vs. the total sales of all products sold by Ecolab.

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**Requesting member**

WestRock Company

**Scope of emissions**

Scope 1

**Allocation level**

Facility

**Allocation level detail**

Emissions allocated based on purchased volume from our Ellwood City, Montgomery, Vancouver, Clearing, and Texarkana facilities

**Emissions in metric tonnes of CO<sub>2</sub>e**

3,346

**Uncertainty (±%)**

5

**Major sources of emissions**

Fleet and Facilities

**Verified**

No

**Allocation method**

Allocation based on the volume of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

The GHG sources for Scope 1 emissions include our global sales & service fleet, manufacturing and office facilities. Allocations were generated to quantify customer level

emissions using two methods based on the GHG source and available customer level data: production mass by manufacturing plant and the market value of the products and services delivered to that customer. For our global manufacturing facilities, customer emissions were allocated based on the purchased mass of product manufactured at a specific facility vs. the total mass of product manufactured by that specific facility. For our global sales and service fleet and offices, customer emissions were allocated based on the sales dollar amount of product purchased from that customer by Ecolab division and region vs. the total sales of all products sold by Ecolab.

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**Requesting member**

WestRock Company

**Scope of emissions**

Scope 2

**Allocation level**

Facility

**Allocation level detail**

Emissions allocated based on purchased volume from our Ellwood City, Montgomery, Vancouver, Clearing, and Texarkana facilities

**Emissions in metric tonnes of CO<sub>2</sub>e**

165

**Uncertainty (±%)**

5

**Major sources of emissions**

Offices and Facilities

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

The GHG sources for Scope 2 emissions include our global manufacturing and office facilities. Allocations were generated to quantify customer level emissions using two methods based on the GHG source and available customer level data: production mass by manufacturing plant and the market value of the products and services delivered to that customer. For our global manufacturing facilities, customer emissions were allocated based on the purchased mass of product manufactured at a specific facility vs. the total mass of product manufactured by that specific facility. For our global offices,

customer emissions were allocated based on the sales dollar amount of product purchased from that customer by Ecolab division and region vs. the total sales of all products sold by Ecolab.

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**Requesting member**

Zimmer Biomet Holdings, Inc.

**Scope of emissions**

Scope 1

**Allocation level**

Facility

**Allocation level detail**

Emissions allocated based on purchased volume from our Baglan and Leeds facilities

**Emissions in metric tonnes of CO<sub>2</sub>e**

0.188

**Uncertainty (±%)**

5

**Major sources of emissions**

Fleet and Facilities

**Verified**

No

**Allocation method**

Allocation based on mass of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

The GHG sources for Scope 1 emissions include our global sales & service fleet, manufacturing and office facilities. Allocations were generated to quantify customer level emissions using two methods based on the GHG source and available customer level data: production mass by manufacturing plant and the market value of the products and services delivered to that customer. For our global manufacturing facilities, customer emissions were allocated based on the purchased mass of product manufactured at a specific facility vs. the total mass of product manufactured by that specific facility. For our global sales and service fleet and offices, customer emissions were allocated based on the sales dollar amount of product purchased from that customer by Ecolab division and region vs. the total sales of all products sold by Ecolab.

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**Requesting member**

Zimmer Biomet Holdings, Inc.

**Scope of emissions**

Scope 2

**Allocation level**

Facility

**Allocation level detail**

Emissions allocated based on purchased volume from our Baglan and Leeds facilities

**Emissions in metric tonnes of CO<sub>2</sub>e**

0.067

**Uncertainty (±%)**

5

**Major sources of emissions**

Offices and Facilities

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

The GHG sources for Scope 2 emissions include our global manufacturing and office facilities. Allocations were generated to quantify customer level emissions using two methods based on the GHG source and available customer level data: production mass by manufacturing plant and the market value of the products and services delivered to that customer. For our global manufacturing facilities, customer emissions were allocated based on the purchased mass of product manufactured at a specific facility vs. the total mass of product manufactured by that specific facility. For our global offices, customer emissions were allocated based on the sales dollar amount of product purchased from that customer by Ecolab division and region vs. the total sales of all products sold by Ecolab.

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**Requesting member**

Accor

**Scope of emissions**

Scope 1

**Allocation level**

Facility

**Allocation level detail**

Emissions allocated based on purchased volume from our Joliet, COI, Toronto, Santiago, and Istanbul facilities. Allocation based on available data for US, Canada, Japan, Latin America and IMEA and is not globally representative.

**Emissions in metric tonnes of CO<sub>2</sub>e**

40.3

**Uncertainty (±%)**

5

**Major sources of emissions**

Fleet and Facilities

**Verified**

No

**Allocation method**

Allocation based on mass of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

The GHG sources for Scope 1 emissions include our global sales & service fleet, manufacturing and office facilities. Allocations were generated to quantify customer level emissions using two methods based on the GHG source and available customer level data: production mass by manufacturing plant and the market value of the products and services delivered to that customer. For our global manufacturing facilities, customer emissions were allocated based on the purchased mass of product manufactured at a specific facility vs. the total mass of product manufactured by that specific facility. For our global sales and service fleet and offices, customer emissions were allocated based on the sales dollar amount of product purchased from that customer by Ecolab division and region vs. the total sales of all products sold by Ecolab.

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**Requesting member**

Accor

**Scope of emissions**

Scope 2

**Allocation level**

Facility

**Allocation level detail**

Emissions allocated based on purchased volume from our Joliet, COI, Toronto, Santiago, and Istanbul facilities. Allocation based on available data for US, Canada, Japan, Latin America and IMEA and is not globally representative.

**Emissions in metric tonnes of CO2e**

4.5

**Uncertainty (±%)**

5

**Major sources of emissions**

Offices and Facilities

**Verified**

No

**Allocation method**

Allocation based on the market value of products purchased

**Please explain how you have identified the GHG source, including major limitations to this process and assumptions made**

The GHG sources for Scope 2 emissions include our global manufacturing and office facilities. Allocations were generated to quantify customer level emissions using two methods based on the GHG source and available customer level data: production mass by manufacturing plant and the market value of the products and services delivered to that customer. For our global manufacturing facilities, customer emissions were allocated based on the purchased mass of product manufactured at a specific facility vs. the total mass of product manufactured by that specific facility. For our global offices, customer emissions were allocated based on the sales dollar amount of product purchased from that customer by Ecolab division and region vs. the total sales of all products sold by Ecolab.

**SC1.2**

**(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).**

No published information has been used to complete SC1.1 beyond what is publicly reported in our CDP Climate response and in our GRI Index reports - including our corporate scope 1 and 2 emissions, and annual revenues.

**SC1.3**

**(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?**

Allocation challenges	Please explain what would help you overcome these challenges
Diversity of product lines makes accurately accounting for each product/product line cost ineffective	Customer level emissions tracking remains a challenge and has been difficult to achieve without deploying significant resources and expense. Ecolab serves a diverse global customer base providing a diverse set of products and services, the combination of which makes it difficult and cost-prohibitive to effectively track and quantify all

	customer level GHG emissions. Improved data management tools aligned with our existing systems may help to defray the cost to better track and quantify this impact. Additionally, being able to differentiate and quantify the impact of our services delivered versus products sold by volume to customers would enhance the granularity of the emissions impact and performance we have with our customers. In the interim, we have developed an enhanced methodology to estimate allocated customer level emissions, as described in SC 1.1 and SC 1.4a.
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## SC1.4

**(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future?**

Yes

### SC1.4a

**(SC1.4a) Describe how you plan to develop your capabilities.**

Ecolab continues to explore ways to further engage with its value chain to track and manage the impact we have in helping to reduce GHG emissions. We currently are not planning to develop additional capabilities or public reporting that allocates our emissions to our customers in the near term, but rather, are focused on working with our customers to reduce their energy and GHG emissions, water and waste footprints through the use of our products and services.

Specifically, we partner with our customers to increase their efficiency, improve their sustainability performance and enhance their business results at more than three million locations globally. Through helping our customers we play an important role in meeting the changing needs of our evolving world, and we strategically work with our customers to reduce their energy demands and GHG emissions. From the oil and gas industry to hospitality, our people are using their expertise and our innovative technologies to help a variety of industries operate more efficiently.

Our innovation leads to documenting and communicating quantified environmental and financial results we call eROI. Built upon a system of people, processes and tools, our eROI program provides a uniform approach that ensures the value we deliver is aligned with the needs and available natural resources of each customer we serve.

## SC2.1

**(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.**



## SC2.2

**(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?**

No

## SC4.1

**(SC4.1) Are you providing product level data for your organization's goods or services?**

No, I am not providing data

## Submit your response

**In which language are you submitting your response?**

English

**Please confirm how your response should be handled by CDP**

	<b>I am submitting to</b>	<b>Public or Non-Public Submission</b>	<b>Are you ready to submit the additional Supply Chain questions?</b>
I am submitting my response	Investors Customers	Public	Yes, I will submit the Supply Chain questions now

**Please confirm below**

I have read and accept the applicable Terms