

Ecolab Pty. Ltd.  
Australia Modern Slavery Act Statement  
May 2021

**1. Identify the reporting entity.**

Ecolab Pty. Ltd. (the “Company”) is providing this statement in compliance with the Australia Modern Slavery Act 2018 (No. 153, 2018). The Company incorporated in Australia as a private company in 1964, Australia Business Number 59 000 449 990, and provides cleaning, sanitizing, and infection prevention products and services to the food and beverage, healthcare, hospitality, retail industries as well as government and education industries. The Company and its corporate affiliates also manufacture, distribute, and market detergents, germicides, water treatment products, and control equipment.

**2. Describe the reporting entity’s structure, operations and supply chains.**

**a. Structure**

**i. Global Structure**

Ecolab Pty. Ltd. is a corporate subsidiary of global parent company Ecolab Inc. (“Ecolab”), a corporation founded in the United States in 1924. Ecolab’s organizational structure consists of a global business unit headquartered in St. Paul, Minnesota, United States, and global regional leadership teams overseeing global regions as follows:

- North America
- Asia Pacific
- India, Middle East, Africa
- Europe
- Latin America
- China

Ecolab’s eleven global operating units are grouped into four segments as follows:

- **Global Industrial** includes the Water, Food & Beverage, Paper, and Downstream operating segments. It provides water treatment and process applications and cleaning and sanitizing solutions primarily to large industrial customers within the manufacturing, food and beverage processing, transportation, chemical, primary metals and mining, power generation, pulp and paper, commercial laundry, global petroleum and petrochemical industries.
- **Global Institutional & Specialty** includes the Institutional and Specialty operating segments. It provides specialized cleaning and sanitizing products to the foodservice, hospitality, lodging, government, education and retail industries.
- **Global Healthcare & Life Sciences** includes the Healthcare and Life Sciences operating segments. It provides specialized cleaning and sanitizing products to the healthcare, personal care and pharmaceutical industries.

- **Other** includes the Pest Elimination operating segment, which provides services to detect, eliminate and prevent pests such as rodents and insects, the Colloidal Technologies Group operating segment, which produces and sells colloidal silica comprised of nano-sized particles of silica in water used primarily for binding and polishing applications, and the Textile Care operating segment which provides products and services that manage the entire wash process through custom designed programs, premium products, dispensing equipment, water and energy management and reduction, and real time data management.

Ecolab has direct operations in approximately 90 countries worldwide. As of December 31, 2020, Ecolab employed approximately 44,000 employees, including approximately 24,000 sales and service and 1,300 research, development, and engineering associates. Approximately 43% of the associates are employed in North America, 22% in Europe, 8% in Asia Pacific, 16% in Latin America, 4% in India, Middle East Africa, and 7% in China.

#### ii. Structure of Ecolab Pty. Ltd. in Australia

Ecolab Pty. Ltd. manufactures, distributes and sells products and provides services in Australia under business names including Ecolab, Nalco Water, Ecolab Pest Elimination, Cleantec, Kay Chemical, and Gallay Medical & Scientific. Ecolab Pty. Ltd. has five subsidiaries, including Ecolab (Fiji) Pty Limited, Ecolab AU2 Pty Ltd, Gallay Medical & Scientific Pty Ltd, and GallayTrac Pty. Ltd. None of these five Australian subsidiaries sells, manufactures, processes or distributes any products. Gallay Medical & Scientific was an independent company acquired by Ecolab in 2019, and its business was integrated directly into Ecolab Pty. Ltd. in 2020.

#### b. Operations

##### i. Global Operations

Ecolab is a global leader in water, hygiene and infection prevention solutions and services that protect people and vital resources. Ecolab's 44,000 employees deliver comprehensive solutions, data-driven insights and personalized service to advance food safety, maintain clean and safe environments, optimize water and energy use and improve operational efficiencies and sustainability for customers in the food and food service, healthcare, hospitality, government and education, and industrial markets in more than 170 countries. Ecolab's products and technologies are also used in water treatment, pollution control, energy conservation, refining, primary metals manufacturing, papermaking, mining and other industrial processes.

The COVID-19 pandemic has imposed significant challenges on Ecolab's global operations, as it has on most corporations. Ecolab employees have been directly involved in combating the pandemic, working to disrupt and diminish the spread of COVID-19 through the provision of hygiene and infection prevention solutions and services to our customers. Ecolab has also taken additional measures and incurred additional expenses to protect the health and safety of our employees during the pandemic and to comply with applicable government requirements and safety guidance. Many Ecolab employees, as well as

customers and others with whom we do business, continue to work remotely in response to the COVID-19 pandemic. In addition, Ecolab's customers in the restaurant and hospitality industries were severely impacted by measures taken to alleviate the pandemic, such as stay-at-home orders, in turn impacting Ecolab's operations and business.

## ii. Australian Operations

Ecolab Pty. Ltd. employs approximately 894 people in Australia, approximately 52% in sales and service, 12% in manufacturing and distribution, and 36% in other functions. The Company operates five manufacturing facilities in Australia, each supporting our global institutional and industrial business segments, including facilities in Cheltenham, Darra, Kwinana, Canning Vale and Revesby. Each of these manufacturing facilities has an accompanying warehouse, and there are seven additional warehouses leased by Ecolab Pty. Ltd. The Company manufactures, distributes, processes and/or sells products in Australia under business names including Ecolab, Nalco Water, Ecolab Pest Elimination, Cleantec, Kay Chemical, and Gallay Medical & Scientific.

## c. Supply Chains:

Ecolab operates an extensive, integrated global supply chain, which comprises more than 300 manufacturing plants, distribution centers and other facilities owned and operated by Ecolab in approximately 90 different countries to support the company's direct sales, marketing and distribution activities. We procure more than \$3.3 billion of direct raw material, contract manufacturing and equipment from more than 9,000 suppliers worldwide and manage distribution through various channels to external customers.

Raw materials purchased for use in manufacturing our products include:

- inorganic chemicals, including alkalis, acids, biocides, phosphonates, phosphorous materials, silicates and salts;
- organic chemicals, including acids, alcohols, amines, fatty acids, surfactants, solvents, monomers and polymers.
- plastic films and parts utilized in our Healthcare business segment to manufacture medical devices that serve the surgical and infection prevention markets;
- pesticides utilized by our Pest Elimination business;
- packaging materials for our manufactured products; and
- components for our specialized cleaning equipment and systems.

In total, we purchase more than 10,000 raw materials, with the largest single raw material representing less than 4% of raw material purchases. Our raw materials, except for a few specialized chemicals that we manufacture, are generally purchased on an annual contract basis from a diverse group of suppliers globally. When practical, global sourcing is used so that purchasing or production locations can be shifted to control product costs at globally competitive levels.

Fundamentally, we choose to buy from suppliers within the regions in which we operate that abide by the ethical and sustainability goals set forth by Ecolab, including our Global Anti-Slavery Policy. We base our purchasing decisions on safety, quality, service and price, opting to purchase within the region whenever possible to minimize emissions from shipping materials overseas and support local economies.

**3. Describe the risks of modern slavery practices in operations and supply chains.**

**a. Overview of modern slavery and the anti-slavery effort**

An estimated 40 million people worldwide were victims of modern slavery in 2016, with 24 million of those victims subject to forced labor. Of the 24 million people estimated to be subject to forced labor, 16 million people are exploited in the private economy rather than by a government entity. The Walk Free Foundation, the United Nations' International Labour Organization ("ILO") and other non-profit and governmental entities have, through research over the past decade, identified countries and industries with elevated risks of modern slavery. They have found that the risks of modern slavery are higher in countries where there is political instability, violent conflict or war, lack of basic needs, disenfranchised groups of people, and high levels of inequality among people, and they have published rankings identifying the highest risk countries and regions as well as the highest risk products and industries. The research completed by these organizations has enabled companies worldwide, including Ecolab and its Australian affiliate Ecolab Pty. Ltd., to conduct more targeted assessment of their operations and global supply chains in support of the effort to eliminate modern slavery.

**b. Risks of modern slavery in Ecolab's industry sector and operational locations**

Ecolab's business lines, including the manufacture and sale of cleaning chemicals and provision of water, hygiene and infection prevention services to other businesses, have not been identified by the ILO, Walk Free or other organizations as high-risk industries (the five highest risk industries are identified as the computer/mobile phone industry, the garment industry, and the fishing, cocoa and sugarcane industries). We have not received reports of evidence or indications of modern slavery within our operations or our industry sector. Nonetheless, Ecolab and the Company remain vigilant for indications of modern slavery within our operations and industry, particularly in higher risk countries identified by non-governmental organizations and the U.S. Department of Labor.

**c. Risks based on our suppliers' industries and locations**

The size and breadth of Ecolab's global supply chain necessitates that products and services are procured from direct and indirect suppliers operating in industries and countries where the risk of modern slavery is higher. Roughly 5% of Ecolab's global purchases of supplies and services are made in countries estimated to have a higher prevalence of forced labor – primarily chemicals, packaging, equipment and contract manufacturing that are purchased in or from China, but also such materials and services in or from Russia and Nicaragua, each of which is listed as a "Tier 3" country with elevated risk of human trafficking and modern slavery by the U.S. State Department's 2020 Trafficking in Persons Report.

The U.S. Department of Labor issues an annual List of Goods Produced by Child Labor or Forced Labor, which is generally consistent with lists issued by organizations such as Walk Free Foundation. The 2020 U.S. Department of Labor List identifies 155 goods produced by child labor and/or forced labor in 77 countries. Goods on that list that are or may be in Ecolab's global supply chain include palm oil from Malaysia and Indonesia and electronics from China.

The U.S. Custom & Border Patrol (CBP) also has authority to issue Withhold Release Orders, under which CBP can detain goods suspected of being produced with forced labor at U.S. ports unless the producer can demonstrate the goods were not manufactured with forced labor. There are roughly 60 active Withhold Release Orders imposed on specific goods being imported into the U.S. from twelve different countries. Several of these orders are specific to goods manufactured by a particular company within the country. Based on the types of goods from these countries that have been subject to Withhold Release Orders, risks of modern slavery in Ecolab's global supply chain may be elevated for chemical raw materials from China and agricultural raw materials such as palm oil from Malaysia.

**4. Describe the actions taken to assess and address these risks.**

**a. Ecolab Global Anti-Slavery Policy**

Ecolab has adopted a Global Anti-Slavery Policy (the "Ecolab Policy") that forms the basis of Ecolab's approach to combatting human trafficking and slavery. The policy applies to all Ecolab personnel, including directors, officers, and employees including those of Ecolab's subsidiaries, such as the Company. The Ecolab Policy applies equally to Ecolab's agents, subcontractors, product suppliers, distributors, vendors, and other firms that furnish supplies or services to or for Ecolab ("Suppliers").

Under the Ecolab Policy, Ecolab and its Suppliers shall not:

- Engage in trafficking in persons or the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery;
- Procure commercial sex acts;
- Use forced labor in the performance of any contract;
- Destroy, conceal, confiscate, or otherwise deny access by an employee to the employee's identity or immigration documents, such as passports or drivers' licenses, regardless of issuing authority;
- Use misleading or fraudulent practices during the recruitment of employees or offering of employment, such as failing to disclose, in a format and language accessible to the worker, basic information or making material misrepresentations during the recruitment of employees regarding the key terms and conditions of employment, including wages and fringe benefits, the location of work, the living conditions, housing and associated costs (if employer or agent provided or arranged), any significant cost to be charged to the employee, and, if applicable, the hazardous nature of the work;

- Use recruiters that do not comply with local labor laws of the country in which the recruiting takes place;
- Charge employee recruitment fees;
- Where housing is provided, provide or arrange housing that fails to meet the host country housing and safety standards; or
- If required by law or contract, fail to provide an employment contract, recruitment agreement, or other required work document in writing.

Ecolab's directors, officers, employees, and Suppliers are responsible for complying with this Policy, and Ecolab includes the substance of this Policy in applicable contracts with Suppliers.

Any violation of the Ecolab Policy could result in disciplinary action, up to and including removal from a contract, reduction in benefits, termination of a business relationship, or termination of employment. Any credible information regarding a potential violation of this Policy, whether discovered by an Ecolab employee or a Covered Entity, must be promptly reported to a manager, the Human Resources Department, or to the Law Department by phone, email, or in person. Alternatively, violations may be reported anonymously through the Company's toll-free Code of Conduct Helpline. Any manager or Human Resources personnel receiving notification of a potential violation of this Policy must immediately report the matter to the Law Department. The Ecolab Policy also prohibits retaliation against those who make reports of misconduct and prohibit interfering with employees' cooperation with Government authorities investigating allegations of prohibited activity.

#### **b. Verification of Supplier Practices.**

To evaluate and address risks of human trafficking and slavery in its supply chains, Ecolab developed a supplier ethical assessment that Suppliers in parts of Ecolab's business where there is an elevated risk of slavery and human trafficking complete in order to verify compliance with Ecolab's ethical sourcing requirements. Ecolab has required such suppliers in the chemical, packaging, equipment and contract manufacturing categories to complete the assessment, and we plan to expand the number and scope of suppliers required to complete the assessment within the next three years. Suppliers are questioned not only on their policies, but on management practices and specific performance related to protection of employees' human rights and prevention and elimination of trafficking and slavery.

Ecolab's Global Procurement Team has also begun monitoring sources of information on forced labor such as the U.S. Customs & Border Patrol's (CBP's) Withhold Release Orders to identify potential risks within the Ecolab Supply Chain. For example, CBP issued Withhold Release Orders against two Malaysian companies, Sime Darby Plantation Berhad and FGV Holdings Berhad, in late 2020, withholding release of palm oil and palm oil products being imported at U.S. ports based on information that reasonably indicated the presence of forced labor in the companies' product processes. The Ecolab Global Procurement Team analyzed the Ecolab global supply chain to identify purchases of palm oil or products containing palm oil, then conducted an inquiry with those suppliers to verify the sources of palm oil. No palm oil originating from FGV or Sime Darby was identified through this process.

**c. Supplier, Contractor and Employee Accountability**

Ecolab's employees are held internally accountable for ensuring that Ecolab meets its standards regarding slavery and trafficking through Ecolab's Code of Conduct and Global Anti-Human Trafficking Policy. The Code of Conduct requires employees and contractors to engage in ethical source selection. It also makes clear that compliance with applicable government regulations and Company policies and procedures is required of all Ecolab suppliers, agents and consultants. The Global Anti-Human Trafficking Policy provides additional detail regarding the specific requirements and prohibitions on Ecolab directors, officers and employees, as well as agents, subcontractors, suppliers, distributors and vendors with respect to prevention of trafficking-related activities.

**d. Training.**

Ecolab currently provides training to its Supply Chain employees and its suppliers regarding Ecolab's ethical sourcing policies and procedures. This training includes a segment on modern slavery and how Ecolab works with its suppliers and employees to combat it. Ecolab plans to evaluate opportunities to enhance training on modern slavery in the next year, including to provide more targeted training to Supply Chain and other employees who work in or with countries or products where the risks of modern slavery are elevated, such as chemical raw materials in China or agricultural raw materials from Malaysia or Indonesia.

**5. Describe how the reporting entity assesses the effectiveness of these actions.**

Ecolab, like most corporations, is relatively early in its process of assessing the effectiveness of its actions to combat modern slavery in its supply chain. Legislation like the Australia Modern Slavery Act has focused needed attention on this topic, and as standard measures or assessment tools are developed, Ecolab plans to enhance its process for assessing the effectiveness of its actions.

**6. Describe the process of consultation with any owned or controlled entities.**

Ecolab Pty. Ltd. worked closely with global parent company Ecolab Inc. in developing this statement, because the Global Supply Chain team at Ecolab Inc. headquarters oversees implementation of the Ecolab Global Anti-Slavery Policy and has the ability to monitor the global supply chains of the company and its global affiliates and further enhance Ecolab's global efforts to ensure against modern slavery in its supply chains. The entities owned or controlled by Ecolab Pty. Ltd. are non-operational and thus do not have any independent supply chains to which the Modern Slavery Act would apply.

**7. Provide any other relevant information**


Ecolab Inc. and its Australian affiliate Ecolab Pty. Ltd. are committed to combatting modern slavery and look forward to working with our suppliers, customers and governmental authorities worldwide to enhance the effectiveness of our efforts and, ultimately, to eradicate modern slavery.



2 Drake Avenue  
Macquarie Park NSW 2113  
ABN 59 000 449 990

This Australia Modern Slavery Act Statement was approved by the Board of Directors of Ecolab Pty. Ltd.  
on May 21, 2021.

**ECOLAB PTY. LTD.**

Signed by:   
Printed name: James Sullivan  
Title: Director