

Navigating Brexit with **ECOLAB**[®]



Ecolab in the UK



1700 associates supporting commercial, manufacturing and operations

We supply and service customers across a variety of sectors from hospitality, healthcare, food and beverages to agriculture, oil and gas and more and we operate a complex supply chain



6 plants manufacturing products for both domestic and export use



Ecolab is a net importer of goods into the UK to support our customers operations.

Anticipated disruption in case of no-deal



Tariffs and cost of goods increase

- 4-6% average tariff rates as a result of moving to WTO rules
- Cost of new administrative process



Borders overload and delivery delays

- Hard border with long lead times
- Stricter border controls



Regulatory divergence

- High cost and efforts to meet new regulatory requirements in the UK
- Potential delays to manufacture products until registration approved

Ecolab getting ready for Brexit

We have established a **special task force** of skilled leaders, who are responsible for **monitoring, assessing and preparing actions**, as the outcome of the negotiations between UK and EU becomes clearer. We have developed and are implementing contingency plans for the following business areas:



Supply Chain



Export/ Import



Regulatory



Foreign Exchange



Talent



IT/ System

Activities in flight



Protecting access to registration in both UK and EU – **relocation of REACH Only Representative**



Application for **trusted trader status (AEO)** at all manufacturing sites for export



Planning **stock build** to ensure product availability pre and post Brexit



Optimizing our **product portfolio** and manufacturing network to avoid border movement

A smooth transition through Brexit

We are closely collaborating with our customers to anticipate the change as early as possible.



Forecasting and planning collaboratively to anticipate stock needs



Flexible product ordering to maximize supply chain and identify alternatives produced locally



Where mitigating actions are limited, Brexit related costs to be passed on final product price