

Completed acquisition by Ecolab Inc. of The Holchem Group Limited.

Notice of Acceptance of Final Undertakings pursuant to section 82 of the Enterprise Act 2002

Background

1. On 30 November 2018, Ecolab Inc. (**'Ecolab US'**) acquired 100% of the issued share capital of The Holchem Group Limited (**'Holchem'**). As a result, Ecolab US has ownership and control of Holchem (the **'Merger'**).
2. On 24 December 2018, the Competition and Markets Authority (the **'CMA'**) made an initial enforcement order (**'IEO'**) pursuant to section 72(2) of the Enterprise Act 2002 (the **'Act'**) for the purpose of preventing pre-emptive action in accordance with that section. On 10 May 2019, the CMA issued directions pursuant to paragraph 10 of the IEO requiring Ecolab US, Ecolab U.S. 2 Inc. (**'Ecolab US 2'**) and Ecolab (U.K.) Holdings Limited (**'Ecolab UK'**) and together with Ecolab US and Ecolab US 2, **'Ecolab'**) to appoint a monitoring trustee. [REDACTED] was appointed as monitoring trustee on 17 May 2019.
3. On 24 April 2019, the CMA, in accordance with section 22(1) of the Act, referred the Merger to a group of CMA panel members to determine, pursuant to section 35 of the Act:
 - (a) whether a relevant merger situation has been created; and
 - (b) if so, whether the creation of that situation has resulted, or may be expected to result, in a substantial lessening of competition (**'SLC'**) in any market or markets in the United Kingdom (**'UK'**) for goods or services.
4. On 8 October 2019, the CMA published a final report pursuant to section 38 of the Act (the **'Report'**) which concluded that:
 - (a) the Merger has created a relevant merger situation;
 - (b) the creation of that situation has resulted in, and may be expected to result in an SLC in relation to the supply of formulated cleaning

chemicals and ancillary services to food and beverage ('F&B') customers in the UK; and

- (c) the CMA should take action to remedy the SLC and any adverse effects resulting from it.
5. The CMA has reached agreement with Ecolab and Holchem (**the Parties**) as to the terms of Final Undertakings for the purpose of remedying, mitigating or preventing the SLC it has identified and any adverse effects arising from it.
 6. On 27 November 2019, the CMA gave notice of a proposal to accept Final Undertakings on its website. The CMA received no responses to its notice and only minor clarificatory modifications to the draft undertakings consulted on have been made.
 7. 18 December 2019, the Parties gave the CMA Final Undertakings, giving effect to the CMA's decisions as published in its Final Report and which are in the same terms as those consulted on.
 8. The CMA, under section 82 of the Act, now accepts those Final Undertakings as given by the Parties. A copy of the Final Undertakings is attached. The Final Undertakings now come into force and the reference is finally determined. In accordance with section 72(6) of the Act, the IEO ceases to be in force.
 9. The Final Undertakings may be varied, superseded or released by the CMA under section 82(2) of the Act.
 10. This Notice and a non-confidential version of the Final Undertakings will be published on the CMA website. The CMA has excluded from the non-confidential version of the Final Undertakings information which it considers should be excluded, having regard to the considerations set out in section 244 of the Act. These omissions are indicated by [✂].

Signed by authority of the CMA

Kirstin Baker

Group Chair

20 December 2019