



SUSTAINABILITY

# EVERYWHERE IT MATTERS

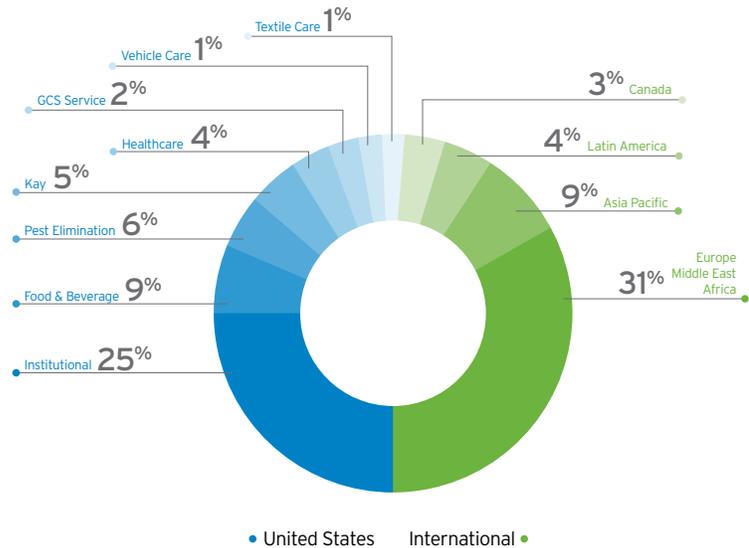
Helping to keep people safe and healthy is a critical part of preserving quality of life on our planet – and at Ecolab, it's what we do. We are the global leader in cleaning, food safety and health protection, and we take our responsibility seriously. We know that future generations depend on our ability to find innovative solutions to the changing needs of an evolving world. In 2009, we worked closely with customers, industry, environmental associations and more to help advance our vision to make the world a cleaner, safer, healthier place. We focused on doing what matters – everywhere it matters.

Ecolab is the world's leading provider of cleaning, food safety and health protection products and services.

### About Ecolab

Ecolab reaches customers in more than 160 countries, employing 26,000 associates worldwide. Customers include hotels and restaurants; foodservice, healthcare and educational facilities; quick service (fast food) units; commercial laundries; light industry; dairy plants and farms; and food and beverage processors.

**Business Mix 2009** | Percent of Total Sales



### Table of Contents

A Message from Ecolab Chairman, President and CEO	2	Our Operations	17
Financial Highlights	3	Our Associates	25
Ecolab Global Locations	4	Our Communities	31
Global Sustainability Principles	6	2010 Goals	34
2009 Highlights	8	GRI Index	36
Our Programs	11		

## A Message from Ecolab Chairman, President and CEO

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This marks our sixth year of reporting on Ecolab's sustainability efforts and progress. Sustainability is core to Ecolab's vision to help create a cleaner, safer, healthier world, and has been a cornerstone of how we do business since our company's founding.

In 2009, we made great progress toward our goals around economic progress, environmental stewardship and social responsibility. We established a formal, global and cross-functional team to more systematically drive sustainability initiatives throughout the company – in fleet, facilities, product development, customer support, procurement, regulatory, government affairs and industry relations.

Many of our Lean Six Sigma projects focused on improving sustainability, including discovering better ways to manage water use in manufacturing processes, reducing the impact of the raw materials used in our products, and using Information Technology to reduce energy usage.

We also continued to set goals for ourselves: In this report, we are pledging to reduce our global water consumption, disposed waste and effluent water by 18 percent per metric tonne of shipped product by the end of 2015.

Most importantly, in 2009 we continued to develop products and programs that help our customers reduce the impact of their businesses on the environment. Our sales and service teams helped our customers identify opportunities to conserve resources and cut costs. Through on-site consultation and training – and backed with effective products, controlled dispensing and monitoring technology – those opportunities were transformed into measurable environmental and economic savings.

All of our accomplishments in 2009 were made possible through our most valuable asset: our employees. We employed 26,000 associates around the world, and were recognized by several organizations as a great place to work. With the help of our associates, we continued to support the communities where we live and work through volunteering and charitable giving – which totaled \$7.8 million in 2009.

Today's economic conditions pose challenges, but they also create opportunities. Finding ways to run our business more efficiently – and helping our customers do the same – has helped us reduce costs and significantly reduce the impact to the environment. Going forward, we will continue to look for ways to improve our own practices and, as always, we will focus on delivering innovative, sustainable solutions that help customers optimize their operations.

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**As a global leader, Ecolab is perfectly positioned to make a difference in the world.**

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The steps we're taking to meet today's challenges will help us – and all of our stakeholders – prosper and prepare for a promising future. As a global leader, Ecolab is perfectly positioned to make a difference in the world. We embrace this opportunity and responsibility and know that the difference we can make in helping the world be a cleaner, safer and healthier place matters more now than ever.



**Douglas M. Baker, Jr.**  
*Chairman of the Board,  
President and Chief Executive Officer*

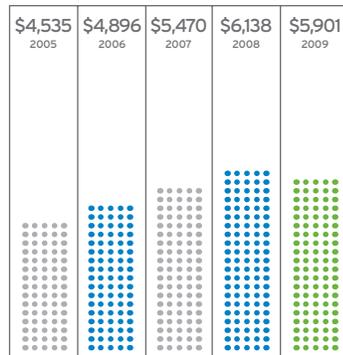


## Financial Highlights

Millions, Except Per Share

	PERCENTAGE CHANGE				
	2009	2008	2007	2009	2008
Net Sales	\$5,900.6	\$6,137.5	\$5,469.6	(4)%	12%
Net Income Attributable to Ecolab	417.3	448.1	427.2	(7)	5
Percent of Sales	7.1%	7.3%	7.8%		
Diluted Net Income Attributable to Ecolab per Common Share	1.74	1.80	1.70	(3)	6
Diluted Weighted-Average Common Shares Outstanding	239.9	249.3	251.8	(4)	(1)
Cash Dividends Declared per Common Share	0.5750	0.5300	0.4750	8	12
Cash Provided by Operating Activities	695.0	753.2	797.6	(8)	(6)
Capital Expenditures	252.5	326.7	306.5	(23)	7
Ecolab Shareholders' Equity	2,000.9	1,571.6	1,935.7	27	(19)
Return on Beginning Equity	26.6%	23.1%	25.4%		
Total Debt	967.3	1,138.2	1,003.4	(15)	13
Total Debt to Capitalization	32.5%	41.9%	34.1%		
Total Assets	\$5,020.9	\$4,756.9	\$4,722.8	6%	1%

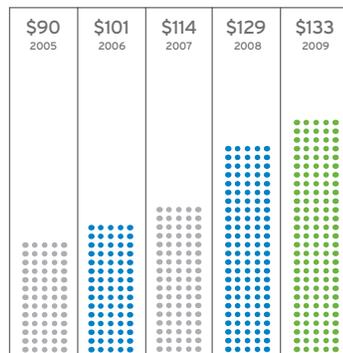
### Net Sales Millions



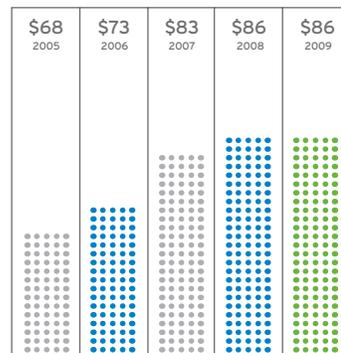
### Ecolab Stock Performance Comparison



### Dividends Paid Millions



### R&D Investments Millions





## Ecolab Global Locations

With manufacturing and distribution facilities around the globe, the distance our products travel is below the median for our industry, reducing fuel use and related carbon emissions. We are also able to provide jobs in each of these communities.

### **NORTH AMERICA**

City of Industry, Calif.  
San Jose, Calif.  
Jacksonville, Fla.  
McDonough, Ga.  
Elk Grove Village, Ill.  
Joliet, Ill.  
South Beloit, Ill.  
Huntington, Ind.  
Eagan, Minn.  
St. Louis, Mo.  
Columbus, Miss.  
Greensboro, N.C.  
Carrollton, Texas

Fort Worth, Texas  
Garland, Texas  
Tyler, Texas  
Martinsburg, W.Va.  
Mississauga, Canada  
San José, Costa Rica  
Mexico City, Mexico  
Acuña, Mexico

### **LATIN AMERICA**

Pilar, Argentina  
São Paulo, Brazil  
Santiago, Chile  
Bogotá, Colombia  
La Romana,  
Dominican Republic

### **ASIA PACIFIC**

Melbourne, Australia  
Perth, Australia  
Revesby, Australia  
Guangzhou, China  
Shanghai, China  
Cikarang, Indonesia  
Noda, Japan  
Shika, Japan  
Hamilton, New Zealand  
Manila, Philippines  
Singapore, Singapore  
Seoul, South Korea  
Bangkok, Thailand



## EUROPE

Tessenderlo, Belgium  
Chalons, France  
Siegsdorf, Germany  
Mandras, Greece  
Mullingar, Ireland  
Rozzano, Italy  
Mosta, Malta  
Nieuwegein, Netherlands  
Varsseveld, Netherlands  
Zutphen, Netherlands  
Racibor, Poland  
Maribor, Slovenia  
Baglan, United Kingdom  
Cheadle (Hulme), United Kingdom  
Leeds, United Kingdom

## AFRICA

Johannesburg, South Africa  
Dar es Salaam, Tanzania

# Global Sustainability Principles

At Ecolab, making the world a cleaner, safer, healthier place is our business. We are committed to providing our customers with the most effective and efficient cleaning, food safety and infection control programs available.



Sustainability is inherent in our products and services. From concentrated, solid formulations to innovative packaging and dispensing methods, our products are designed to help increase safety, lower the use of water and energy, and reduce the chemicals and waste released to the environment. Strengthened by the expertise of our associates and combined with our dedication to social responsibility, these offerings provide value to our customers and the global economy – and help foster a more sustainable world.

## Economic Progress

Ecolab is the world's leading provider of cleaning, food safety and health protection products and services. Our ongoing commitment to exceeding our customers' cleaning and sanitation needs has helped Ecolab achieve sustainable, profitable growth in the past and continues to guide us into the future.

### Economic Principles

- ▲ We provide innovative and effective solutions that help our customers prosper and grow.
- ▲ We invest in research and development to create the best solutions at the best value.
- ▲ We deliver effective results at the lowest total impact environmentally and economically.
- ▲ We serve customers around the world with consistent global solutions.
- ▲ We invest in our people, equipping them with the tools, technology and training they need to do their jobs while providing opportunities for personal growth and development.
- ▲ We contribute financial investments that increase the long-term vitality of our communities.
- ▲ We provide our shareholders with superior value.

## Environmental Stewardship

Through continuous improvement and sustainable innovation, Ecolab creates solutions that maximize product and environmental performance. We make sound decisions based on good science, and are committed to reducing our carbon footprint and overall impact on the environment.

### Environmental Principles

- ▲ We actively develop products and services that minimize our customers' water and energy use, with innovative packaging and dispensing methods that reduce waste.
- ▲ We make every effort to use environmentally responsible and sustainable resources to meet our needs, and conserve nonrenewable natural resources through efficient use and careful planning.
- ▲ We recognize and support the human right to water. As such, we help protect local water supplies through conservation in our own operations, as well as through developing technologies that help our customers use less water, and where possible, recondition and reuse water.
- ▲ We use environmentally responsible and sustainable energy sources, and invest in improving energy efficiency in our operations on an ongoing basis.

EMPLOYING

26,000

ASSOCIATES

We are dedicated to the communities in which we live and work, and we support them through charitable giving and community involvement.

- ▲ We minimize emissions, effluents and waste caused by our operations, and dispose of all wastes through safe and responsible methods.
- ▲ We review the environmental attributes of raw materials and make environmental sustainability a key requirement in the selection of ingredients for new products and services.
- ▲ We monitor the environmental, health and safety compliance standards of our manufacturing facilities and participate in third-party audits to continuously improve our performance. We promptly respond to situations where our operations have had an adverse effect on people or the environment.



### Social Responsibility

Ecolab is a respected leader that takes our responsibility to the communities we serve seriously. We promote the well-being of our associates, our customers and our customers' customers by contributing to programs and initiatives that enhance quality of life in the communities in which we work and live.

#### Social Principles

- ▲ We respect the human rights of all people.
- ▲ We are committed to supporting and encouraging diversity throughout our organization.
- ▲ We provide a safe work environment for our associates through comprehensive safety policies, programs and training.
- ▲ We support small, disadvantaged and women-owned businesses by actively seeking such suppliers in our competitive bidding processes, and are committed to fostering relationships with diverse suppliers throughout the world.
- ▲ We hold our suppliers to the same high standards of social responsibility that we follow. Our suppliers must protect the health, safety and human rights of their associates and be committed to continuous improvement.

- ▲ We provide our customers with products and services that help protect the health and safety of their customers and employees, and enhance safety by offering comprehensive product information, training and emergency support.
- ▲ We are dedicated to the communities in which we live and work, and we support them through charitable giving and community involvement.
- ▲ We conduct business fairly and ethically. Our Code of Conduct defines our corporate culture – our associates worldwide are held to the highest level of integrity.

## 2009 Highlights

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Our global reach, paired with our ability to respond quickly at a local level, enabled us to provide unparalleled service at a time when our customers were faced with the uncertainty of an emerging pandemic.

### Health Protection

#### H1N1 and Pandemic Preparedness

At a time of global uncertainty, our work in the area of health protection took on particular importance in 2009, with the onset in March of what would eventually be labeled the H1N1 Pandemic Flu. To protect and prevent our customers, partners and associates worldwide from falling ill with the flu, we immediately began work with our supply chain and on business continuity planning to ensure we would be able to meet customer demand for hand sanitizers and surface disinfectants around the world. Additionally, to minimize risk, Ecolab dispensed equipment and training tools.

From foodservice to hospitality to healthcare, Ecolab worked with customers worldwide to develop customized solutions addressing their specific business risks and providing training tools to educate their employees about flu prevention. To facilitate awareness and prevention, we were also involved in a number of educational initiatives around the H1N1 pandemic. We partnered with the American

Hotel & Lodging Association, the Society for Foodservice Management and others to help educate their members and industries. With the National Restaurant Association, we offered webinars and created an H1N1 toolkit to help the restaurant industry fight H1N1 flu and prevent the spread of the virus in restaurants.

#### CLUB MÉDITERRANÉE Ψ

For **Club Med** – a leader in vacation resorts with 80 villages on five continents – we mobilized quickly to provide a pandemic preparedness plan tailored specifically to their needs, established new H1N1 cleaning protocols and provided hygiene supplies. Our team assessed their need for disinfectants to ensure products were available at all times in all locations, which included taking into consideration the regulations of 40 different countries. We created an employee training plan and involved Ecolab associates in many different countries to deliver the training locally.

Club Med needed a partner who could work closely with their H1N1 steering committee as long as there was risk – which for the first several months included daily phone calls. The involvement of our associates in numerous countries enabled us to provide Club Med headquarters with continuously updated information on the status of the pandemic and the organization's preparedness around the world.



When **McDonald's** restaurants in Europe asked us for support in planning for an H1N1 outbreak,

we immediately provided advice on preparedness procedures customized to their quick service restaurant environment. We adjusted our production and distribution capabilities for hand sanitizer and hand soap to meet their increased demand. We responded quickly and nimbly to each response – remaining flexible to provide service and product tailored to each of their requests, which varied by country. McDonald's supply chain in France and the UK recognized Ecolab's ability to rapidly provide practical solutions in substantial volumes as the mark of a flexible and reactive supplier – a response indicative of our long-term partnership approach.

#### Improving Patient Safety

In September, we announced our partnership with the Joint Commission's new Center for Transforming Healthcare to support a study to improve hand hygiene. The goal of the study is to eliminate hand hygiene as a cause of healthcare-associated infections (HAIs).

Ecolab shares the Joint Commission's vision and commitment to reduce HAIs and improve patient safety. Poor hand hygiene and improperly cleaned patient rooms can elevate the risk of infection, so we have designed comprehensive infection prevention solutions, integrated with training and support, to optimize overall performance and drive continuous improvement.

ECOLAB RECEIVED  
THE 2009 TEKNE

# GREEN COMPANY AWARD

GIVEN TO ECOLAB BY  
THE MINNESOTA HIGH TECH ASSOCIATION

 The award honors businesses that practice environmental awareness/responsibility and incorporate sustainability into their overall business model.

## Food Safety

 Ecolab was named a 2009 recipient of the IFT Food Expo Innovation Award for the development of the first peroxyacetic acid-based commercial sterilant system registered with the U.S. Environmental Protection Agency (EPA) for use against the highly resistant pathogen, *Bacillus cereus*.

Presented to Ecolab by the Institute of Food Technologists (IFT), the award is designed to honor outstanding innovation in products, ingredients, applications, instruments, equipment, technology and services. Ecolab's patented program allows for effective antimicrobial sterilization with lower concentrations of peroxyacetic acid, designed for use in aseptic packaging of low-acid beverages in plastic packaging materials.



On the Ecolab system, one judge wrote:

**"In these days of ever-growing need to improve safety and absolutely ensure consumer protection, this technology should provide a very valuable and important added safety."**

## Environmental Stewardship

### LEED® Certification

Our corporate research, development and engineering facilities on the Allan L. Schuman Campus in Eagan, Minn., were awarded LEED-EB Gold Certification by the U.S. Green Building Council (USGBC).

The Leadership in Energy and Environmental Design (LEED®) Green Building Rating System™ is an established certification system providing third-party verification that a building was designed, built and operated to reduce the environmental impact of the building throughout its functional life cycle.



To achieve existing building certification, we instituted a number of changes to reduce the environmental impact of the RD&E

center, including reducing the irrigation needed for landscaping, improving the recycling program, reducing natural gas consumption, adding bicycle storage and providing preferred parking for alternative fuel vehicles, increasing the percentage of recycled content office supplies purchased, and working with the Department of Natural Resources to develop a forestry and wildlife stewardship plan for the campus.



## Social Responsibility

 Ecolab was named one of the “World’s Most Ethical Companies” by *Ethisphere* magazine for the third consecutive year. The fundamental criteria used to measure companies examined ethical leadership and corporate social responsibility – which are integral to the way we do business.

 Ecolab was recognized by the *Minneapolis-St. Paul Business Journal* as one of the “Best Places to Work” in the Twin Cities, the home of our global headquarters, for the fourth year in a row. Rankings were based on a survey of employees conducted by Quantum Market Research and the *Business Journal*.

 For the sixth consecutive year, Ecolab was named to *Selling Power’s* list of “The 50 Best Companies to Sell For” among the largest sales forces in the U.S. The magazine uses key metrics including compensation, training and career mobility to make its determination.

 Ecolab was selected as one of the top 10 companies for *iSixSigma Magazine’s* Best Places to Work™ award. The rankings were determined from two surveys completed by more than 50 of Ecolab’s Lean Six Sigma associates and included five separate evaluation categories: job satisfaction, culture, compensation/rewards and recognition, and training and career development.

## Associations

**Our partnerships and associations help us advance our vision and support our principles aimed at economic progress, environmental stewardship and social responsibility. In 2009, our involvement included these organizations and more:**

- ACCORD
- Brazilian Association of Cleaning Products (ABIPLA)
- Business Ethics Leadership Alliance (BELA)
- California Green Chemistry Initiative
- Canadian Consumer Specialty Products Association (CCSPA)
- Canadian Institute of Public Health Inspectors (CIPHI)
- Carbon Disclosure Project (CDP)
- Chemical Business Association of Thailand
- CleanGredients
- Consumer Specialty Products Association (CSPA)
- Corporate EcoForum (CEF)
- EC3 Global
- Ecologo
- EU Ecolabel
- Global Environmental Management Initiative (GEMI)
- Green Seal
- Healthy Schools Campaign
- International Association for Soaps, Detergents and Maintenance Products (AISE)
- International Organization for Standardization (ISO)
- Japan Food Hygiene Association
- Mexican Association of Chemical Industry (ANIQ)
- New Zealand Chemical Industry Council
- Nordic Ecolabel
- Plastics and Chemicals Industry Association (PACIA)
- Soap and Detergent Association (SDA)
- U.S. EPA Climate Leaders
- U.S. EPA Design for the Environment (DFE)
- U.S. Green Building Council (USGBC) LEED
- The Worldwide Cleaning Association (ISSA)

## Goals

We know that sustainability is a journey, and setting goals is an important part of that journey. We have already set a goal to reduce our U.S. greenhouse gas emissions by 20 percent per dollar sales from 2006 to 2012.

This year, we are pleased to expand our commitment through our new goal to reduce global water consumption, disposed waste and effluent water by 18 percent per metric tonne of shipped product from 2009 to 2015. Please see pages 18-21 and 34 for more information.



## SUSTAINABILITY

# OUR PROGRAMS

Our customers have enough to worry about. Whether they're concerned with cleaning, food safety or health protection – or all of the above – they need to know the products and services they choose will do what they're supposed to do. And they want to know that they can feel good about the environmental impact of the choices they make. That's why Ecolab designs our products and programs using a total impact approach. We wouldn't think of just removing a few controversial ingredients and calling our solutions "green." We look at how our solutions will improve safety, conserve resources and reduce waste – from manufacturing to use to disposal. And we wouldn't think of just delivering products and considering our job done. We are there when our customers need us – to monitor results, solve problems and maximize efficiency. We are there everywhere it matters.

We look at how our solutions will improve safety, conserve resources and reduce waste – from manufacturing to use to disposal.



First and foremost, our products are effective.



SAFETY



ENERGY



WATER



WASTE

Personal service has always been at the heart of meeting our customers' sustainability needs. We have the industry's largest sales-and-service team – and have earned a reputation for unparalleled expertise and round-the-clock dedication. Our representatives are highly trained, equipped with the best tools and technology available, and backed by an extensive technical support system. We partner with customers to analyze their needs and results, and consult with them on ways to conserve resources and reduce costs in their operations while providing the quality results they need.

Innovations like no-rinse formulas, solid concentrates and formulations that require fewer wash cycles directly reduce the amount of water our customers use on a regular basis. Products that are effective at low temperatures and solid concentrates that can be shipped using less fuel help customers conserve energy, and we reduce waste by using minimal packaging and recyclable or renewable packaging materials where safety is not compromised.

### Our Total Impact Approach

Ecolab is a leader in designing products and services that help our customers conserve resources and run their businesses more efficiently. We have invested millions in research and development to create solutions that minimize our customers' water and energy use, increase safety and reduce waste.

#### Safety

Our products are carefully designed to help people use them safely and effectively. When used as directed, our products will not harm the environment or those who handle the products. We offer systems that feature color-coded, controlled dispensing and language-free training materials. We help customers by providing programs that include educational videos, wall charts and manuals. We also offer training assistance for our customers' employees to help with the optimum and safe use of our products, and provide a toll-free emergency telephone number on product labels.

While our sales have grown, medical emergencies have declined. Design changes, such as replacing liquid products with solids, have made our products safer for customers. We have also improved our hazard communication systems – including labels and wall charts – and our material safety data sheet (MSDS) system.

We continually work to upgrade our MSDS system and processes globally to ensure that product safety information is up-to-date and that good information is available in local languages. In 2009, we expanded our system to cover several new eastern European countries and completed work necessary to expand support for additional countries in Asia.

#### Energy and Water

We have a strong history of developing solutions that help our customers conserve water and energy. Since the 1920s, we have made improving operational efficiency a required component in the performance of our offerings. In 2009, we received recognition for several of these solutions.

 In Europe, Ecolab received the Royal Association of British Dairy Farmers Prince Philip Award for its Lactivate™ System, a milking equipment cleaning program that allows for a lower cleaning temperature and leads to considerable water and energy savings as well as farm waste reduction.

 Ecolab Ireland received a Green Hospitality Innovation Award at the National Hospitality Environmental Conference in Dublin. Ecolab won the award in the reduced water consumption category for its integrated mopping unit, the Rasant™ 360, in conjunction with the cleaning product Magic Maxx™, a no-rinse floor cleaner for front-of-house use.

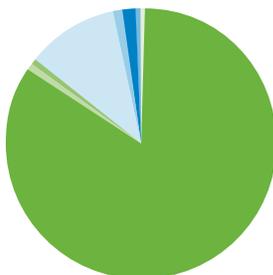


ECOLAB SERVICE CAN ANNUALLY  
SAVE A TYPICAL ON-PREMISE  
LAUNDRY CUSTOMER

**137,000**  
GALLONS OF WATER  
And 1,100 therms of energy

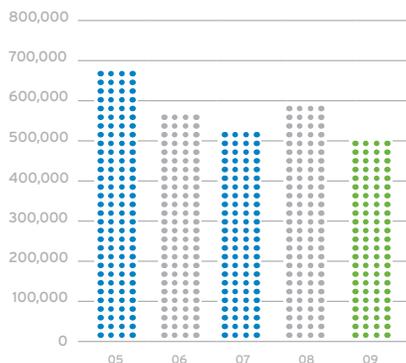
Ecolab service experts are trained to help customers identify opportunities to save energy and water. For example, for a customer operating an on-premise laundry, inefficient wash processes can compromise results, waste resources and increase operational costs. Our service experts are trained and certified in the proper use of chemistries and in effective management of wash formulas for all brands of washers and dryers – and can eliminate unnecessary wash cycles, reduce reclaim rates and provide monthly reporting to monitor operational efficiency. By eliminating redundant wash cycles and over-drying, Ecolab service can annually save a customer 137,000 gallons of water and 1,100 therms of energy.

MSDS Authoring Activity

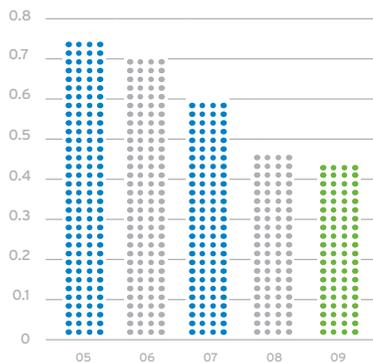


- Europe (85%)
- U.S./Canada (11%)
- China/Hong Kong (2%)
- Latin America (1%)
- Australia (<1%)
- Japan (<1%)
- Korea (<1%)
- Taiwan (<1%)

U.S. MSDS Distribution



Normalized Medical Assistance Call Volume  
Per \$1 Million Net Sales



DURING A RECENT TWELVE-MONTH PERIOD

# 186,000

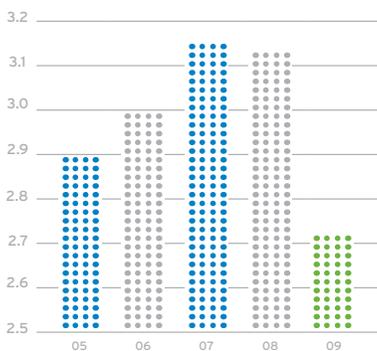
DRUMS WERE RECYCLED BY CUSTOMERS

STACKED ONE ON TOP OF ANOTHER, THESE DRUMS  
WOULD EQUAL THE COMBINED HEIGHT OF OVER

## 350 Empire State Buildings

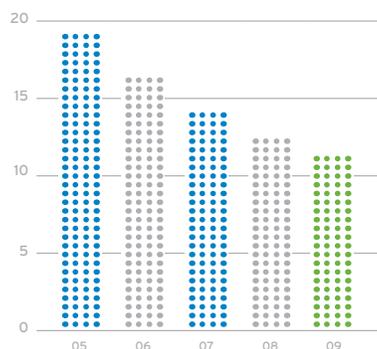
### Post-Consumer Recycled Plastic Usage (U.S.)

Million lbs.



### Normalized Recycled Plastic Usage (U.S.)

Percent of Total Plastic



*Our percentage of recycled plastic usage has declined as we continue to favor flexible plastics over rigid plastic containers. Flexible plastic packaging is less conducive to incorporating recycled plastic, but has a positive net impact on landfilling and can be produced using 75 percent less energy.*

### Waste

We are committed to using minimal resources to package our products, and we have led the industry with innovative product designs that significantly reduce the necessary packaging. In 2009, our Small Business Solutions group launched a new corrugated display tray for 12 of its 14 products. The new tray was chosen to improve the sustainability of the packaging, as well as lower cost, increase pallet stability and be consistent with plant packaging capabilities. The new design reduces the amount of paper used by more than 460,000 pounds.

Our super concentrated products use less plastic packaging to deliver the same amount of solution as less concentrated products. The 2-liter pouches of our Oasis Pro™ housekeeping line of products reduce plastic waste by 98 percent compared with 1-gallon concentrates, generating 86 percent lower emissions when transported.

### Drum Recycling

Ecolab offers a complimentary drum recycling program to its contiguous U.S. customers. During a recent twelve-month period, over 186,000 drums were recycled by our customers through this program. Stacked one on top of another, these drums would equal the combined height of over 350 Empire State Buildings. Recycling these drums reduced Ecolab's need for nearly 3 million pounds of virgin resin.



WATER

A laundry operator in North America was using more than 10 million gallons of water annually to process 12 million pounds of healthcare laundry.

To help the customer reduce water usage, Ecolab installed the Aqua Reuse system, which reuses water in the rinse modules of the tunnel washer. The laundry minimized its overall water consumption and significantly reduced the volume of wastewater discharged to sewers.



A woman wearing a traditional conical hat and a patterned jacket is walking away from the camera on a busy street. She is carrying a large stack of folded laundry, including colorful towels and cloths, on a cart or basket. The background is blurred, showing other people and motorcycles, suggesting a bustling urban environment. A green vertical bar is on the left side of the image.

WATER SAVINGS ANNUALLY  
**3,960,000 gallons**  
enough to wash more than  
99,000 loads of residential laundry

Ecolab's superior technology, global knowledge base and commitment to research and development allow us to continue investing in creating innovative solutions that provide superior performance while minimizing impact on our environment.

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### Our Product Formulations

We believe that improving product performance and environmental impact is a never-ending journey. We continually review the environmental attributes of raw materials and make environmental sustainability a key requirement in the selection of ingredients for new products and services. We make sound decisions based on scientific evidence – and consider the total, long-term environmental impact of each opportunity we evaluate.

### Raw Material Guidance Council

In 2009, we launched our Raw Material Guidance Council. This global council evaluates and rates our ingredients on an ongoing basis to continually improve the sustainability of our product portfolio. With representatives from Regulatory, Procurement, Quality, R&D, KIR (Knowledge and Information Resources) and the Sustainability Team, the council monitors information on substances that have been identified by regulatory agencies, academic research groups and political organizations as having environmental or human health concerns.

The Council uses scientific evidence to evaluate these substances and provides our product development teams with real-time data and guidance early in the development of new cleaning solutions. This information helps us make sound decisions regarding the raw materials we use – and ensures that we remain at the forefront of developing effective and environmentally responsible solutions.



Around the world,  
we are continuously  
looking for ways to  
be more efficient.

## SUSTAINABILITY

# OUR OPERATIONS

At Ecolab, sustainability is everybody's job – and it's built in to the way we operate. From manufacturing products to operating our fleet to interacting with suppliers, we respect people and the environment. We never have to choose between doing what's right for our planet and doing what's right for our business – because they're one and the same. Around the world, we are continuously looking for ways to be more efficient. We'd like to ensure that the net impact of our operations is a positive one. It's part of our commitment to being sustainable in everything we do – everywhere it matters.



# Ecolab is committed to reducing our carbon footprint.

Around the world, Ecolab facilities are implementing initiatives designed to reduce environmental impact.

## Carbon Footprint

To manage risks from greenhouse gas (GHG) emissions and identify cost-effective reduction opportunities, we've joined the U.S. Environmental Protection Agency (EPA) Climate Leaders program. Through the program, we've committed to the following:

- ▲ Developing a U.S. inventory of the six major greenhouse gases emitted by our U.S. facilities.
- ▲ Reporting our progress annually to the EPA.
- ▲ Setting an aggressive corporate-wide GHG reduction goal to be achieved over five years.

Under the Climate Leaders program, our goal is to reduce U.S. GHG emissions by 20 percent per dollar sales from 2006 to 2012.



Our U.S. GHG emissions from our direct and indirect energy uses total approximately 200,000 metric tons annually. To achieve our goal, we are focusing on our two largest GHG emissions categories – fleet ground transport and our facilities for manufacturing, headquarters, research and

development and other facilities in St. Paul, Minn. We have developed an energy and GHG reduction program for our facilities and will be moving toward more fuel-efficient vehicles and vehicle service routes, as well as less GHG-intensive fuels when feasible.

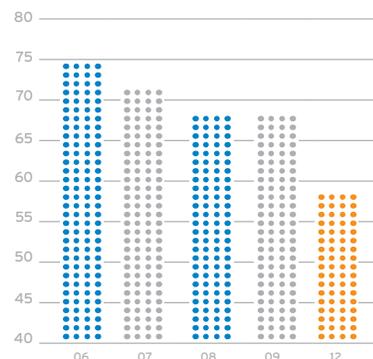
To date, we have achieved a reduction of approximately 7.5 percent and are confident we will meet our 2012 goal.

Additionally, Ecolab is expanding our GHG inventories beyond the scope of our Climate Leaders reporting. Data on U.S. business travel and global manufacturing emissions are being tracked and will be reported via the Carbon Disclosure Project.

For 2009, emissions from our global manufacturing operations totaled 25,000 metric tons. Emissions from U.S. business travel (including air travel, personal vehicles and rental vehicles used for business), totaled approximately 10,000 metric tons.

## U.S. CO2e Emissions

Normalized CO2e  
Metric Tons/\$1 Million Sales



## Managing Our Global Fleet

To help meet our Climate Leaders goal and improve the sustainability of our fleet around the world, our fleet teams have made significant moves to reduce our greenhouse gas emissions. With fleets in 60 countries, we follow the best practices learned from our operations in Europe and the other regions of the world where we drive smaller, more fuel-efficient vehicles. We also continue to work with manufacturers to provide vehicles that are more fuel efficient and meet our different business needs.

In 2009, we continued implementing our fleet strategies aimed at using more fuel-efficient vehicles and vehicle service routes, as well as less GHG-intensive fuels when feasible.

## 2009 Fleet Highlights

- ▲ Through right-sizing our fleet and management of routes and territories, our fleet drove 4.3 million fewer miles than in 2008.
- ▲ 98 percent of our fleet drivers completed eco-driving training to minimize fuel consumption and change their driving habits.
- ▲ We continued our efforts to procure more fuel efficient vehicles:
  - 811 cab/chassis trucks with 47 percent better fuel efficiency (compared with prior vehicles)



# 262

## TONS OF PLASTIC

KEPT OUT OF  
LANDFILLS IN ONE YEAR

- 150 diesel cargo vans with 25 percent better fuel efficiency (compared with gas-powered vans)
- 300 U.S. EPA-certified SmartWay vehicles
- More than 30 hybrid vehicles

### Managing Our Operations

#### Greensboro, North Carolina

Our plant in Greensboro continued to build on its successful recycling initiatives this year and found new ways to keep waste out of landfills. For each identified waste stream (including bottles, cartons, caps, sprayers, raw materials, obsolete product, totes, drums, cartons and plastic), the plant sustainability team asked:

- ▲ Can we reuse or rework the item?
- ▲ Can we sell to another source that can reuse?
- ▲ Can we give away or donate the item?
- ▲ Can we repurpose the item?

Fiber drums, which had previously been sent to the local landfill, are now used to hold powder from dust collectors and to collect process waste from a manufacturing line – avoiding the need to dispose of the drums, as well as the need to purchase new containers. In 2009, the plant repurposed 2,100 fiber drums.

The sustainability team also engaged a vendor to recycle plastic bottles, which are reground and sold to make flower pots and curbside trash cans. Even with a 1.3 percent increase in production, the plant managed to increase the amount of material kept out of landfills by 57 percent over 2008 – 26 tons reused and 361 tons recycled.

#### Cheadle, United Kingdom

At the Ecolab plant in Cheadle, all large packaging is returned to the plant once emptied by the customer. In the past, it wasn't feasible to wash and reuse the 20-liter containers, because their adhesive labels left a residual glue that needed to be removed with a solvent and compromised the quality of the containers.

With a switch to plastic sleeves, the plant was able to re-evaluate the recycling of the containers. In 2009, the Cheadle team began washing and reusing the containers. The PE (polyethylene) sleeves are also recycled. In one year, this program kept 262 tons of plastic out of landfills.

#### Grapevine, Texas

We changed our lighting system at our distribution center in Grapevine, reducing power usage by 673,744 kWh per year – the equivalent of saving 55,618 gallons of gasoline or 1,324 barrels of fuel oil, and the air-scrubbing equivalent of a 124-acre forest or taking 109 cars off the road.

#### Mandras, Greece

As a result of Lean Six Sigma and SKU rationalization projects, our Mandras plant had five pallets of cardboard – 3,000 units – that were obsolete and no longer could be used in production. Rather than disposing of the cardboard, the plant cut the cardboard and used it in place of cartons they had previously had to purchase, avoiding the need to buy additional cardboard.

#### St. Paul, Minnesota

Early in 2009, we replaced the signage on the exterior of our corporate headquarters building in St. Paul with signage lit by LED (light-emitting diode) lights. LED lights have a 15- to 20-year life cycle, and reduce energy usage over the former neon tube lighting. The new signage also allows for better air flow in and around the ductwork at the top of the building, further reducing energy use by making it easier to cool the building in the summer.

At our facilities in St. Paul and Eagan, Minn., we implemented power management features to put PCs and monitors to sleep when not in use. Information Technology updated systems to automatically turn off monitors after 20 minutes of inactivity and enter standby mode after two hours of inactivity. Nearly 3,000 desktop computers and 1,200 laptops were affected by the project, reducing carbon dioxide by approximately 1,200 metric tons.

Ecolab pledges to reduce global water consumption, disposed waste and effluent water by 18 percent per metric tonne of shipped product from 2009 to 2015.

### Manufacturing Metrics

We have been striving to reduce the impact of our operations for years by setting internal goals for improvement. Our 2009 data, shown here, serves as our baseline as we work to increase transparency by publicly committing to our 2015 reduction goal.



Water Consumption	2009 (m3)	2009 Normalized (m3 per mt product)
Asia Pacific	143,783	1.07
EMEA*	354,291	0.98
Latin America	47,360	0.98
North America	1,088,634	1.46
<b>GLOBAL</b>	<b>1,634,068</b>	<b>1.27</b>

Disposed Waste	2009 (mton)	2009 Normalized (kg per mt product)
Asia Pacific	3,108	23.2
EMEA*	7,354	20.4
Latin America	851	17.7
North America	9,239	12.4
<b>GLOBAL</b>	<b>20,552</b>	<b>15.9</b>

*(Disposed waste includes both solid and hazardous wastes)*

Effluent Water	2009 (mton)	2009 Normalized (mton per mt product)
Asia Pacific	67,894	0.51
EMEA*	216,774	0.60
Latin America	12,115	0.25
North America	579,259	0.78
<b>GLOBAL</b>	<b>876,042</b>	<b>0.68</b>

\*Europe, Middle East, Africa

## SUSTAINABILITY ACTIONS

In 2009, we launched an internal campaign aimed at educating our associates about sustainability. *Sustainability Actions* is an e-newsletter sent regularly to associates around the world with information on steps they can take to reduce their impact on the environment on and off the job – including topics like conserving energy, reducing paper usage and improving fuel efficiency.



## Reducing Our Manufacturing Footprint

We are committed to continuous improvement and are announcing our goal to reduce global water consumption, disposed waste and effluent water by 18 percent per metric tonne of shipped product from 2009 to 2015.

## Monitoring and Management

Ecolab strives to use resources efficiently in our manufacturing operations and to reduce waste to improve our environmental performance. We invest in improving energy efficiency and conservation in our operations. We also minimize and seek to eliminate the release of pollutants that may cause damage to our planet's air, water, land or inhabitants.

We continuously monitor the environmental, health and safety compliance standards of our manufacturing facilities around the globe. Internal and third-party audits lend integrity to the process and lead us toward a more sustainable business model.

## ISO 14001 Environmental Management Systems

The International Organization for Standardization (ISO) 14001 environmental management system is a voluntary system for managing environmental aspects of business operations, somewhat similar to the ISO 9001 quality system. This sought-after designation includes guidelines for how organizations work to prevent pollution, conform to legal requirements, minimize impact on the environment and continuously improve environmental performance. Currently, 42 percent of Ecolab facilities worldwide are ISO 14001 certified.

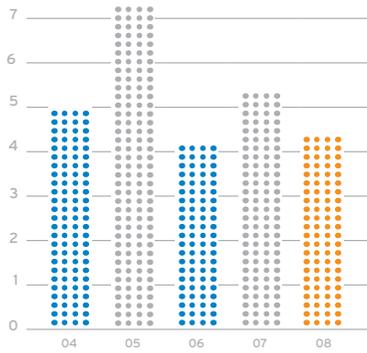
We are in the process of implementing plans to certify additional facilities. In 2010, our locations in Toronto and St. Paul, Minn., will complete the ISO 14001 certification process, with the remainder of North American locations planned to achieve certification by 2012.

## EHS Compliance Auditing and Capital Expenditures

To enhance environmental health and safety compliance in our manufacturing operations, North American facilities are audited by a third-party consultant on a periodic basis. Similarly, in Europe and Asia Pacific, an outside EHS consultant audits our plants. Audits are performed when facilities are acquired, and our property and casualty insurers conduct fire and worker safety assessments and pressure vessel certifications at Ecolab facilities. These auditing programs help us continually improve our EHS performance.

**EPCRA SARA 313  
Form R Releases**

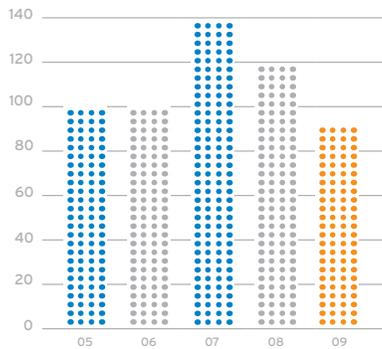
Thousand lbs.



2009 release volumes will not be available until mid-2010.

**Product Shipment  
Spills or Incidents**

U.S. DOT Form 5800



**Releases to the Air/Environment**

As required by the U.S. Emergency Planning and Community Right-to-Know Act (EPCRA), Ecolab facilities make information available about releases of EPA-listed chemicals to the environment. The primary chemicals reportable are formula components that evaporate during production.

**Remediation Sites**

Ecolab makes aggressive efforts to avoid pollution in our operations. We continue to work in cooperation with regulatory authorities for successful closure of the few sites where Ecolab has been named as a “potentially responsible party.”

In 2009, Ecolab spent approximately \$1,725,000 worldwide on environmental remediation. Our environmental remediation expenses have related primarily to two categories: businesses acquired by Ecolab and accounted for in connection with the transaction; or historic businesses divested years ago.

**Safe Transportation of Goods**

Ecolab works with national and international agencies to help craft future standards regarding the safe transport of goods and to ensure that Ecolab products are delivered to our customers safely.



ENERGY



WATER

**A team of Ecolab Water, Energy & Waste experts assessed 11 plants for a North American food and beverage processing chain.**

Our Total Plant Assessment process enabled the team to evaluate each plant holistically, then prioritize recommendations so those with the lowest investment and greatest return could be implemented first. The team found opportunities to reduce water use by 22 percent and energy use by 27 percent.





WATER SAVINGS ANNUALLY

**280,000,000 gallons**

equivalent to the needs of more than

**3,000 U.S. households**

ENERGY SAVINGS ANNUALLY 310,000 DECATHERMS

## Our Supply Chain

### Ethical Sourcing Standards

Our Ethical Sourcing Standards represent a global supply chain initiative to require our direct suppliers to protect the health, safety and human rights of their associates. Suppliers must meet standards for forced labor, child labor, health and safety in the workplace, fair pay, harassment in the workplace, diversity and ethics and environmental policies. We require that our suppliers identify and act swiftly to eliminate any unacceptable conditions or practices in their facilities. We will not do business with suppliers who do not support the fundamental principles of human dignity and rights of workers to fair and equitable treatment.

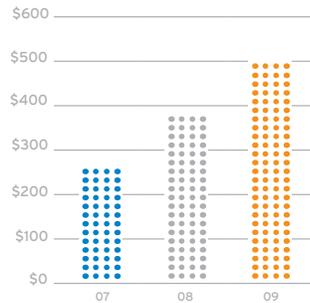
**Our supplier requirements are based on these international standards:**

- ▲ United Nations Universal Declaration of Human Rights, which sets a common standard of achievement for all peoples and nations and represents a set of core international ethical standards.
- ▲ United Nations Convention on the Rights of the Child, which has been ratified by almost all member states in the UN and provides a framework for interpreting the best interests of the child.
- ▲ Conventions of the International Labour Organization, which sets international labor standards including Fundamental Principles and Rights at Work.

For 2010, our objectives are to further enhance spend coverage under this program and to expand documentation requirements to provide better disclosure on our suppliers' environmental policies and practices.

### Ethical Sourcing

Value of Covered Spend in Millions



### Purchasing from Diverse Suppliers

To promote sustainable growth across different sectors, Ecolab policy encourages and affords opportunities to diverse suppliers while ensuring that we receive the highest quality products and services at the most competitive prices. Our Supplier Diversity Program is founded on the principles of fair and equitable business practices and social responsibility to the communities we serve.

Ecolab continued to strengthen its supplier diversity program this year by overseeing the registration of diverse suppliers on its Supplier Diversity Portal and providing internal diversity education and training. Community involvement remained a focus with Ecolab associates, representing a variety of purchasing areas. Associates took part in matchmaking events at both the Minority Business Opportunity Fair and Government Procurement Fair.

In 2009, our U.S. purchases from small businesses totaled approximately 11 percent of total spend, with new contracts awarded to diverse and woman-owned small businesses in the areas of travel management and pharmaceutical contract manufacturing.

SUSTAINABILITY

## OUR ASSOCIATES

Our strength has always been in our people. Our customers feel safe, secure and supported because they know they have a whole team of Ecolab associates backing them up, with expertise in every area of business – research and development, customer service, legal and regulatory, finance, operations and procurement, human resources. The Ecolab experience is unparalleled in our industry because of each and every one of our 26,000 associates. We are all a part of something bigger, adding value to the world. We feel good about coming to work because we all have the ability to make an impact – everywhere it matters.

The Ecolab experience is unparalleled in our industry because of each and every one of our 26,000 associates.





Ecolab is committed to the growth and development of each team member.

With 26,000 associates globally, we understand that investing in our people is one way we will remain an industry leader and continue our commitment to excellence.

#### DESIGN EXCELLENCE TRAINING

In 2007, we began training our scientists on tools and techniques designed to improve the product development process from a statistical standpoint. The training focuses on key customer requirements and makes the product development process faster and more cost-effective, with better statistical significance. All of our scientists receive this training, which equips them with technical skills more advanced and specialized than what is taught at the university level.

#### Compensation and Benefits

Our pay-for-performance compensation policy provides associates the opportunity to earn increases higher than the market average; and our employee stock purchase plan offers associates the opportunity to personally benefit from Ecolab's growth. Associate benefits programs are designed to provide associates with financial security and work-life balance. We offer healthcare, dental, vision and group legal coverage, disease management and long-term care, home, auto and pet insurance, as well as vacation and holiday time, flexible spending and dependent care accounts, life insurance, disability, pension, 401(k) savings and an employee assistance plan. We also provide a comprehensive benefits package to U.S. associates who work part-time. On average, benefits at Ecolab add about 40 percent to total compensation.

#### Training and Education

Ecolab offers job-specific technical and skills training, as well as leadership development and associate development training opportunities, on a corporate-wide level. A tuition reimbursement program is also available to all U.S. associates. We utilize the Talent Pipeline, which serves as the foundation for our talent development efforts at Ecolab. The Talent Pipeline includes a talent development and performance management framework for

associates, with Individual Development Plans designed to prepare associates for current and future opportunities. Aimed at helping associates take an active role in their own development, the Talent Pipeline includes training and tools focused on building the right skill sets to accomplish both personal and business goals.

#### Ida C. Koran Trust

Thanks to the significant generosity of Ida Koran, Ecolab's first associate, current and former Ecolab associates worldwide have a place to turn when they face financial hardship due to disabilities, medical problems, catastrophic and other unforeseen situations; when their children need financial assistance for education; and when they seek treatment for chemical dependency.

In 2009, the Ida C. Koran Trust granted 21 scholarships in Australia, Singapore, Israel, Chile, Poland, South Africa, New Zealand, Canada, Mexico and the United States. Total giving for the scholarship program was \$1.5 million.

Also in 2009, the trust distributed more than \$47,000 to 13 associates in the Philippines, Europe and Brazil for hardship and disaster relief assistance, and provided special assistance to associates faced with unexpected expenses related to the H1N1 pandemic.

## Associate Safety

Ecolab actively promotes and pursues a safe work environment for all associates. Our Associate and Driver Safety Programs are in place to provide guidelines for industry best practices, and include safety training, personal protective equipment, accident prevention and accident investigation as well as performance metrics.

In 2009, we fully implemented the Global Incident Management System in the U.S. for reporting, investigation and analysis of vehicle accidents and associate injuries. The system improved accident investigations, getting to the root cause and contributing factors so corrective actions can be implemented to help prevent future incidents.

Also in 2009, we began training managers and associates in behavior-based safety process. We introduced a 1:1 driver safety training program for drivers with poor driving records. Managers conducted at least two safety coaching ride-alongs with 99 percent of our field associates and drivers, and drivers completed more than 6,100 online safety training sessions.

We developed and distributed the following materials to strengthen our programs:

- ▲ Associate Safety Cardinal Rules
- ▲ Driver Safety Cardinal Rules
- ▲ Distracted Driving Rules

Driver safety improved in 2009, with total moving accidents down 2 percent from 2008 – the second best rate we have had since the program was launched in 2003.

### Safety Award in Guangzhou

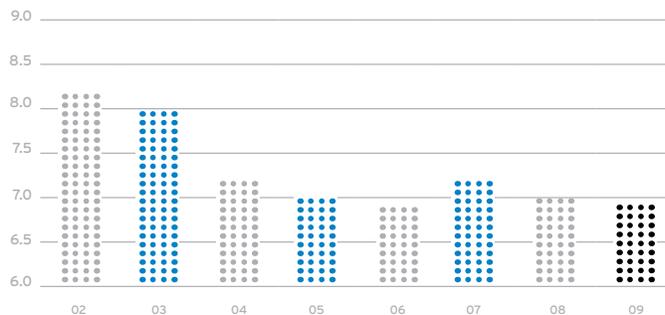
 The Ecolab production plant in Guangzhou, China, received an “Advanced Unit in Safe Production” award from the local government in March. The Ecolab team was recognized for excellence in its safety management system, operator protection and implementation of government reports and requirements areas.

### Good Catch Program

In February 2009, we launched the Good Catch Safety Program at our research, development and engineering facilities in Minnesota. This program encourages associates to report events or circumstances that have the potential to cause a safety incident before an incident actually occurs. Our associates identified 220 “good catches” during the year, allowing us to take corrective action and prevent safety incidents.

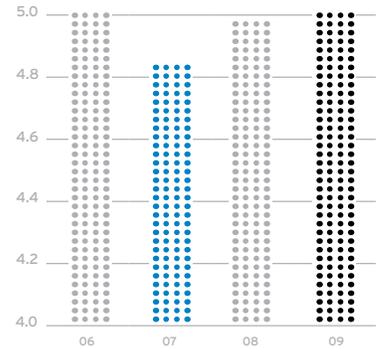
### Driver Safety (U.S.)

Total Collision Rate per Million Miles  
(Normalized with 100 as the Baseline for 2002)



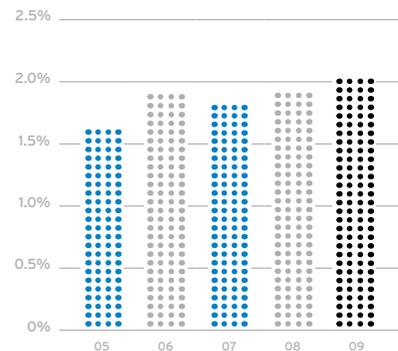
### OSHA Recordable Injury Rates (U.S.)

Per 100 Associates



### OSHA Lost Time Injury Rate

Per 100 Associates



## Culture and Inclusion

At Ecolab, we believe the success of our associates and the success of our company go hand in hand. We are committed to a culture that fully leverages our associates' talents by promoting an environment where all people can make a difference, be heard, be supported, be developed, and be rewarded for their contributions as we drive results and serve our customers. Ecolab values the energy, ideas and ultimate success that diversity brings to our industry, our company, and the global community we serve.

We have articulated eight aspirations that provide a roadmap to a more inclusive culture. Our eight journey aspirations are:

- ▲ Develop a global mindset and respect for local cultures.
- ▲ Respect and recognize all divisions, functions, regions and individuals.
- ▲ Create a diverse, multicultural global organization.
- ▲ Provide flexibility that enables people to excel.
- ▲ Empower people to make decisions, take action and be accountable.
- ▲ Encourage open dialogue and listening as an ally.
- ▲ Leverage and stretch peoples' capabilities, invest in their development, and promote based on performance and results.
- ▲ Build cross-divisional, cross-functional, cross-regional high-performing teams.

Ecolab has a unique method of engaging senior leaders on inclusion, which includes inviting associates from across the organization to join them in a strategy session where the associates tell stories about the current culture and work together on solutions. This method helps the senior leaders understand what it is really like to work at Ecolab and helps the team determine the right focus areas and a sense of urgency. We also use a grass roots method of engagement, called Inclusion Change Partners, which is a diverse cross-section of the organization trained as culture change experts that will help create a tipping point for change across Ecolab.

In 2009, we began work to build engagement by conducting an associate survey in North America. More than 1,500 managers were trained to interpret the results and create action plans that incorporate input from their team members, build on team strengths and improve in areas identified as priorities by the teams. A follow-up survey will be done in 2010.

### Associate Networks

Associate networks support people from historically underrepresented populations in building communities within Ecolab and bridging differences across the company.

Associate networks develop initiatives to help Ecolab fulfill our goal of creating and developing a diverse associate population. They drive networking forums, training and education events, leadership conferences and community outreach events. A member of Ecolab's Executive Leadership Team acts as a sponsor to each network.

- ▲ E3 is a women's network whose mission is to provide resources for women associates that encourage personal and career fulfillment through individual mentoring, focused skill-set education, community involvement and business and social networking.
- ▲ EcoEssence provides thought leadership on issues that are important to all associates, but specifically those of African descent. Its mission is to engage the Ecolab organization on issues related to identifying, hiring, on-boarding, developing, advancing and retaining associates of African descent now and in the future.
- ▲ EcoMondo provides an inclusive international business and social network open to Ecolab associates with international interests. Its mission is to support Ecolab's growth through the integration and development of global talent and the promotion of cultural diversity and global talent mobility.
- ▲ PRIDE is a formal organization for Ecolab associates who are gay, lesbian, bisexual, transgender or allies of the GLBT community. Its mission is to offer support and provide an official point of contact between its members, Ecolab and external GLBT organizations.



ENERGY



WATER

## One of the biggest hospitals in the Netherlands needed to improve the efficiency of the dishwasher in the kitchen where patient meals were prepared.

Ecolab installed the 360° Xplorer™ control system with web-based data capturing system, and collected information concerning process deficiencies and potential improvements. Using this information and working closely with the kitchen staff, the Ecolab representative developed a maintenance strategy to optimize performance. With the new system, the hospital was able to reduce water and energy use on the machine by 70 percent.



***In total, Ecolab has installed more than 250 360° Xplorers in Europe – on average saving 20 percent in energy and water consumption.***



ENERGY SAVINGS PER YEAR  
**180,000 kWh**

MORE THAN  
**2,063,000**

LITERS OF WATER SAVINGS PER YEAR

Total Carbon Footprint Reduction: 112 tons of CO<sub>2</sub> per year

### Communities of Practice

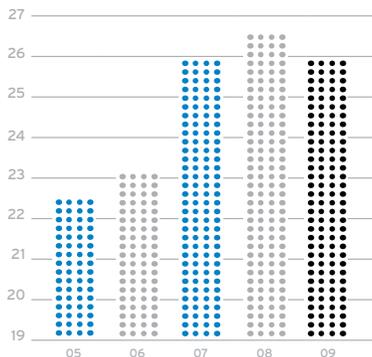
Communities of practice are groups of people who share a concern or a passion for something they do while enhancing their skills.

Membership implies a commitment to that area of interest, and therefore a shared competency that distinguishes members from other people. Members share information as they build relationships that enable them to learn from each other. They also share resources: experiences, stories, tools, and ways of addressing recurring problems – in short a shared practice. This takes time and sustained social and professional interaction.

- ▲ The Finance and Accounting Network and Global Finance and Accounting Network create networking opportunities for Ecolab Finance and Accounting associates.
- ▲ The Marketing Council provides professional development, educational and networking opportunities for associates with an interest in the areas of Marketing and Marketing Communications.
- ▲ The Professional Leadership Administrative Network ensures that administrative professionals have the tools, skills and relationships they need to build successful careers and to gain recognition as experts in providing administrative support at Ecolab.

### Worldwide Employment

In Thousands

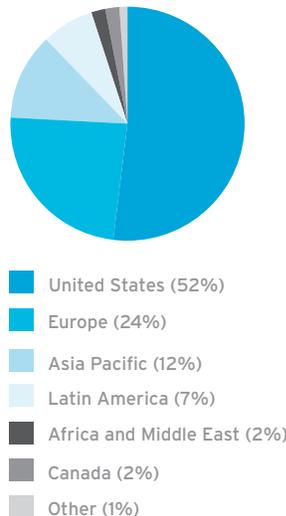


### Diversity Recruitment

Ecolab supports and encourages diversity in our workforce by recruiting and hiring the best people – without regard to race, gender, age, sexual orientation, gender identity or background – to represent our company. Ecolab currently partners with the following organizations and colleges:

- ▲ St. Catherine University, Center for Sales Innovation for Women Sales Professionals
- ▲ INROADS, an organization that develops and places talented minority youth in business and industry
- ▲ MANRRS - Minorities in Agriculture, Natural Resources and Related Sciences
- ▲ Morgan State University
- ▲ University of St. Thomas, Black MBA Multicultural Forum
- ▲ National Black MBA Association (NBMBA)
- ▲ National Society of Minorities in Hospitality (NSMH)
- ▲ Multicultural Foodservice & Hospitality Alliance (MFHA), Showcase of Stars Program
- ▲ Women’s Foodservice Forum

### Geographic Breakdown of Employment



### The Code of Conduct

At Ecolab, we maintain a clear, ethical standard of conduct: Our company’s business will be conducted in accordance with the law and stated corporate and societal standards of conduct. It follows that our associates are held to the highest standard of integrity, and are expected to avoid situations that conflict with our company responsibilities.

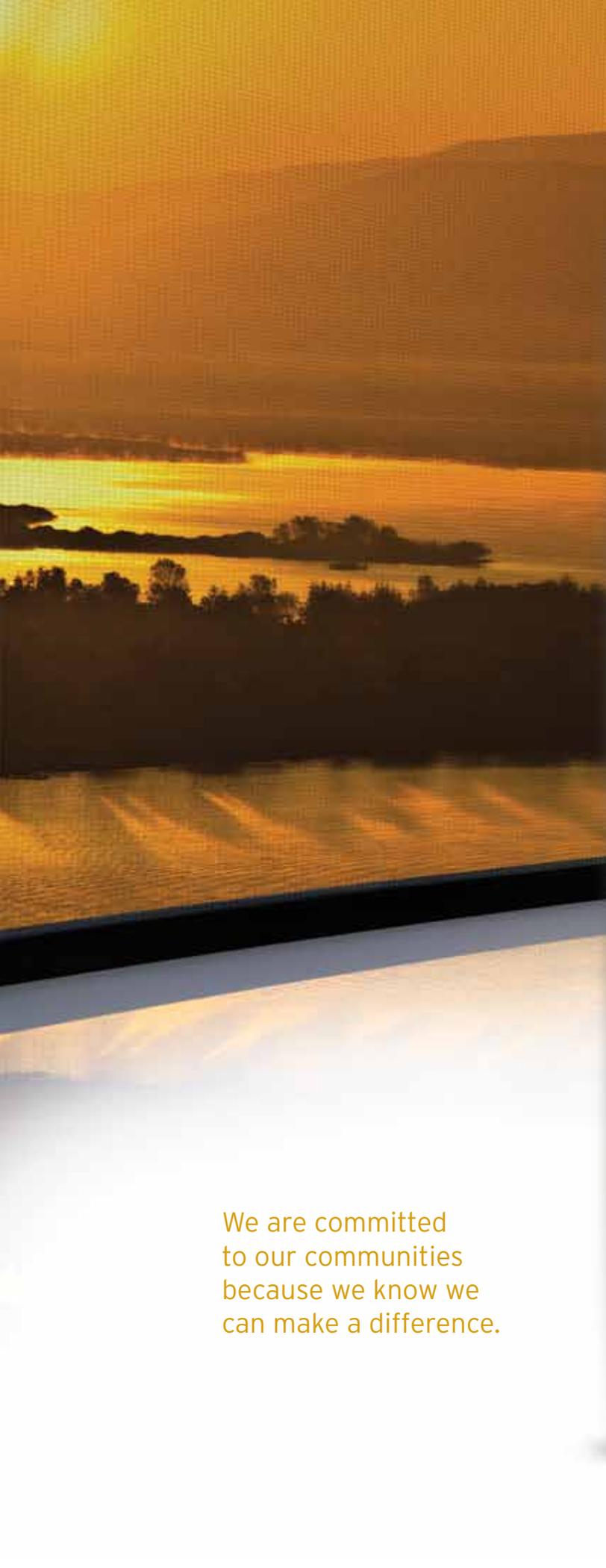
The Ecolab Code of Conduct is a set of guidelines designed to be read and followed by every associate in every location around the world. Available in printed form and translated into more than 25 languages, the Code of Conduct can also be accessed online at [www.ecolab.com/investor/governance](http://www.ecolab.com/investor/governance).

Since 1996, Ecolab has had a Code of Conduct Help Line for associates who need assistance or wish to report a possible violation. The Help Line is toll-free and is answered 24 hours a day, seven days a week by an independent company where interpretation services are available in up to 150 languages and confidentiality remains available.

### Associate Recognition

Recognition is an important part of our culture at Ecolab. We recognize hard work, innovation, and success because we value it and the people who make it happen. Recognizing excellence encourages all of us to try harder, to reach higher and to become better people – and a better company.

Since 1986, we have recognized outstanding associates through our Circle of Excellence Awards. Recipients are individuals who best reflect our company values of spirit, pride, determination, commitment, passion and integrity. Associates are nominated by their peers, and recipients are chosen by committees across functions and across the globe.



## SUSTAINABILITY

# OUR COMMUNITIES

Giving back is part of our culture. We give money and we give our time to causes we believe in. We've established dozens of programs and partnerships to improve education, support the arts, and alleviate hunger and homelessness. We help protect the environment and provide essential supplies and services to those in need. We recognize that healthy communities contribute to the success of our business, our associates and our customers. We are committed to our communities because we know we can make a difference. Everywhere it matters.

We are committed  
to our communities  
because we know we  
can make a difference.



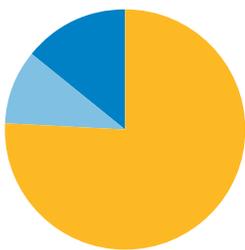


## Charitable Giving and Volunteerism

Over the past 10 years, the Ecolab Foundation has contributed more than \$45.6 million to our communities. We sustained this strong giving tradition in 2009 by contributing \$7.8 million in Foundation, corporate and in-kind giving.

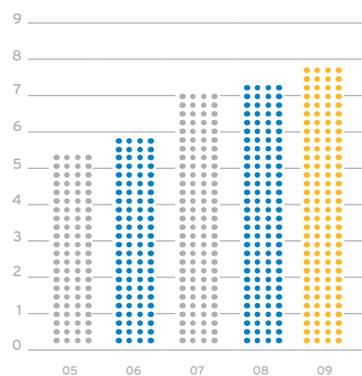
Ecolab's associate and retiree volunteers donated their skills, services and knowledge to support the community. In 2009, close to 16,500 volunteer hours were clocked by associates and retirees.

**Breakdown of Contributions by Type**  
\$7,800,000

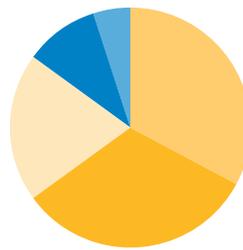


- Ecolab Foundation (76%)
- Corporate Giving (14%)
- In-Kind/Disaster Relief/Volunteer Hours (10%)

**Total Ecolab Contributions**  
Dollars in Millions



**Ecolab Foundation Giving**  
\$6,000,000



- Community Development (33%)
- Youth & Education (32%)
- Industry (20%)
- Arts & Culture (10%)
- Environment & Conservation (5%)

### United States

For more than 20 years, the Ecolab Foundation has awarded grants through its Visions for Learning program, which encourages and rewards individual teachers for their creativity in classroom teaching. The goal of the program is to provide additional opportunities to motivate and challenge students, raise their achievement levels, and increase their understanding of school and its connection to life. In 2009, this program provided funds to 280 schools.

Ecolab has also partnered with Humboldt Schools in St. Paul, Minn., for more than 20 years. These inner city schools serve students in grades 7 through 12. Our programs include face-to-face and e-mentoring, career counseling tutoring, and Ecolab leadership on a Humboldt strategic planning task force. Ecolab's support of Humboldt programming over the past three years has helped contribute to a 12 percent increase in graduation rate.

In 2009, the Foundation granted \$500,000 to the Minnesota Early Learning Foundation, payable over three years, to provide scholarships to inner city children to attend quality, accredited early learning centers.

Ecolab has a strong history of contributing to communities where our associates live and work. We believe it benefits the economic and social vitality of these communities; we believe this also enables us to attract the talent we need to continue our business growth and development.

ECOLAB SERVICE 2009

16,500  
VOLUNTEER HOURS

By Associates and Retirees

#### **American Heart Association**

In April, hundreds of associates participated in the American Heart Association's Twin Cities Heart Walk in St. Paul, Minn., and raised \$117,000 to help combat heart disease, stroke and other cardiovascular illnesses. The American Heart Association is a voluntary health agency whose mission is to build healthier lives, free of cardiovascular disease and stroke.

#### **United Way**

Our United Way campaign raised more than \$660,000 in associate contributions in the U.S. Ecolab matched associate donations, bringing the total to more than \$1.2 million. United Way is a worldwide network in 45 countries and territories, focusing on the key building blocks of education, income and health to advance the common good and create opportunities for better life for all.

#### **International Community Involvement**

##### **Habitat for Humanity**

More than 500 Ecolab associates working over 4,000 hours participated in this year's build for Habitat for Humanity, building a multi-family complex in St. Paul, Minn and a single-family home in Poland. Habitat for Humanity seeks to eliminate poverty housing and homelessness from the world and to make decent shelter a matter of conscience and action.

#### **Ronald McDonald House Charities**

In Europe, we made cash and product donations to Ronald McDonald Houses in the UK, Ireland, France, Hungary and Italy. Ecolab associates participated in various fundraising events, contributing more than \$10,000. In North America, we donated more than \$275,000 worth of product. With a global network of chapters in 52 countries and regions, the mission of Ronald McDonald House Charities is to create, find and support programs that directly improve the health and well being of children.

#### **Barretstown**

In Ireland, Ecolab supports Barretstown, a specially designed camp for children affected by cancer and other serious illness. In 2009, our contributions to Barretstown were valued at €10,000. Barretstown is a place where children can go for therapeutic recreation designed to rebuild their confidence, self-esteem, trust and courage.

#### **Social Responsibility in Central and Latin America**

In Central and Latin America, Ecolab has designed a program to motivate associates to take an active part in their communities. Areas of focus are Social Welfare, Environment, Development of Collaborators, Physical Activity and Health. Associates work with a local school providing books and scholarships as well as ongoing support for helping individuals get their GEDs. Numerous drives are held to collect blankets, pillows and Ecolab products to an orphanage, planting trees after the Christmas season, providing scholarships for union workers' children, and a health campaign for associates and their families.

#### **Charitable Giving in Asia Pacific**

Our team in New Zealand took an innovative approach to charitable giving in 2009, organizing several competitions to promote teamwork and support charities across the country.

In March, associates divided into teams and each chose a charity to support. The winning team organized a garage sale in the basement of the Hamilton office to raise money for Rainbow Place – a charitable organization that provides accommodations and support for the families of very sick children. Other charities benefitting from the competition included the Red Cross, the NZ Blood Service and the Cancer Society.

In October, the theme of the competition was "Random Acts of Kindness." Our associates helped elderly neighbors, picked up rubbish, mowed neighbors' lawns, paid parking meters for strangers and more. The winning team also collected food donations – one item for each act of kindness performed – for families in need.

In Australia, Ecolab focused on improving literacy in local schools by providing funding to purchase books for the Readers are Leaders program at Ferny Creek Public School. We also participated in Oakhill Public School Fun Day fundraiser, raising money for supplies and educational programs.

**For more information on Ecolab's community involvement, please visit [www.ecolab.com/CompanyProfile/Foundation/](http://www.ecolab.com/CompanyProfile/Foundation/).**

## Ecolab Sustainability Goals

- ▲ Sustain continuous growth of our business to support the health and welfare of our associates, customers and shareholders
- ▲ Measure, monitor and continuously improve progress on the performance metrics listed in this report
- ▲ Expand documentation requirements of our Ethical Sourcing Standards to provide detailed disclosure on our suppliers' environmental policies and practices
- ▲ Reduce U.S. GHG emissions by 20 percent per dollar sales from 2006 to 2012
- ▲ Reduce global water consumption, disposed waste and effluent water by 18 percent per metric tonne of shipped product from 2009 to 2015
- ▲ Execute our three-year plan for Culture and Inclusion focused on education and awareness, communication, enhanced policies, practices, and processes and metrics
- ▲ Improve associate safety performance through expanded training and communication, and expansion of the Global Incident Management System
- ▲ Deliver global regulatory initiatives including: developing a customer safety support process that combines SDS for concentrated products and their dilutions into a single document; expanding Ecolab's multilingual SDS customer safety support system to cover New Zealand and additional eastern European countries; develop implementation plan to address requirements of GHS/CLP in Europe and other applicable countries; implement REACH requirements for applicable chemical substances
- ▲ As a founding member of the GS1 U.S. Foodservice Initiative, help lead and shape product and company identification standards that improve food and patient safety through greater traceability and bring efficiency and visibility of supply chains globally and across sectors

Data in this report summarizes Ecolab's growing environmental, product stewardship and social responsibility activities from Jan. 1, 2009, through Dec. 31, 2009. Financial information is given in U.S. dollars. For more information on Ecolab's investor relations, please visit [www.ecolab.com/investor](http://www.ecolab.com/investor).

Copies of our Annual Report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and amendments to these reports, are available free of charge on our website at [www.ecolab.com/investor](http://www.ecolab.com/investor) as soon as practical after such material is filed with the Securities and Exchange Commission.

In addition, the following governance materials are available on our website at [www.ecolab.com/investor/governance](http://www.ecolab.com/investor/governance), and the same information is available in print to any requesting persons, free of charge, by writing to the corporate secretary at our headquarters, or by submitting an e-mail request to [investor.info@ecolab.com](mailto:investor.info@ecolab.com): (i) charters of the Audit, Compensation, Finance and Governance Committees of our Board of Directors; (ii) our Board's Corporate Governance Principles; and (iii) our Code of Conduct and Code of Ethics for Senior Officers and Finance Associates.

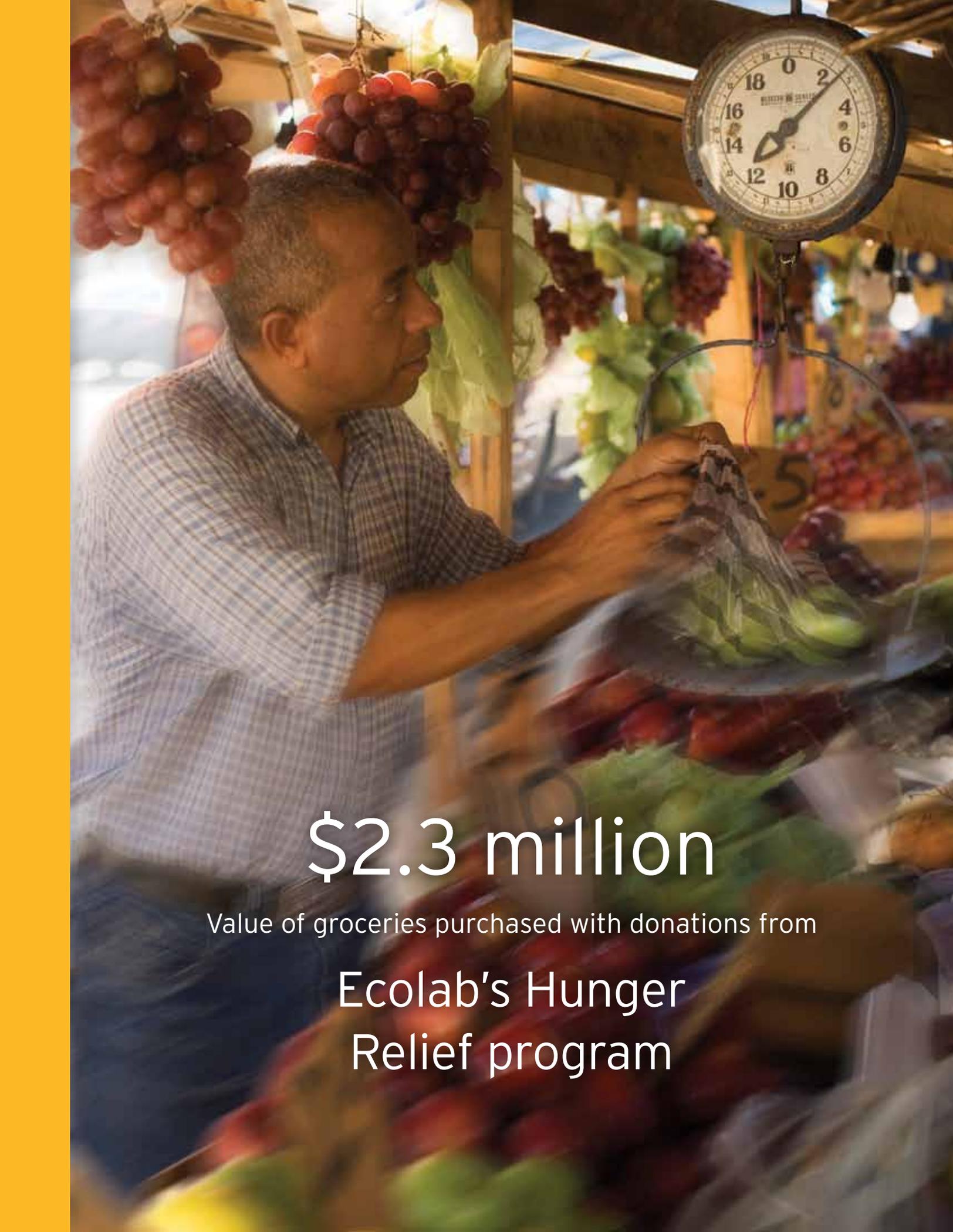


GIVING

In 2009, a Hunger Relief Matching Gift program was established so U.S. associates could make donations to their local food shelves and have their gifts matched dollar for dollar through the program.

More than 750 associates participated and more than \$290,000 was donated to food shelves. With every dollar donated equivalent to the buying power of \$8 worth of groceries, Ecolab's contributions amount to \$2.3 million worth of groceries to aid individuals and families challenged by hunger this year.





\$2.3 million

Value of groceries purchased with donations from

Ecolab's Hunger  
Relief program

# GRI Content Index

This report was prepared using the Global Reporting Initiative's (GRI) G3 Sustainability Reporting Guidelines. [www.globalreporting.org](http://www.globalreporting.org)

Profile	G3 Indicator	Pages
Strategy and Analysis	1.1-1.2	2
Organizational Profile	2.1-2.10	1, 3, 4-5, 30
Report Parameters	3.1-3.13	34, 36
Governance, Commitments and Engagement	4.1-4.7	6-7, 30, 34
<b>Economic Principles</b>		
We provide innovative and effective solutions that help our customers prosper and grow.	EC1	8-9, 11-15
We invest in research and development to create the best solutions at the best value.	EC1	3, 8-9, 11-16
We deliver effective results at the lowest total impact environmentally and economically.	EC1, EN6, EN26	12-15, 22-23, 28-29
We serve customers around the world with consistent global solutions.	EC9	4-5, 8
We invest in our people, equipping them with the tools, technology and training they need to do their jobs while providing opportunities for personal growth and development.	EC1, EC3, LA11	25-28, 30
We contribute financial investments that increase the long-term vitality of our communities.	EC1, EC8	31-35
We provide our shareholders with superior value.	EC1	3
<i>Additional information on the above principles can be found in the Ecolab 2009 Annual Report.</i>		
<b>Environmental Principles</b>		
We actively develop products and services that minimize our customers' water and energy use, with innovative packaging and dispensing methods that reduce waste.	EN2, EN6, EN7, EN26	11-16, 22-23, 28-29
We make every effort to use environmentally responsible and sustainable resources to meet our needs, and conserve nonrenewable natural resources through efficient use and careful planning.	EN3, EN4, EN5, EN7, EN8, EN10	17-21
We recognize and support the human right to water. As such, we help protect local water supplies through conservation in our own operations, as well as through developing technologies that help our customers use less water, and where possible, recondition and reuse water.	EN9, EN10	12-15, 20, 22-23, 28-29
We use environmentally responsible and sustainable energy sources, and invest in improving energy efficiency in our operations on an ongoing basis.	EN3, EN4, EN5, EN6, EN7, EN29	17-21
We minimize emissions, effluents and waste caused by our operations, and dispose of all wastes through safe and responsible methods.	EN16, EN17, EN18, EN22, EN23, EN29	17-22
We review the environmental attributes of raw materials and make environmental sustainability a key requirement in the selection of ingredients for new products and services.	EN1, EN26	16
We monitor the environmental, health and safety compliance standards of our manufacturing facilities and participate in third-party audits to continuously improve our performance. We promptly respond to situations where our operations have had an adverse effect on people or the environment.	EN27, EN30	21-22
<b>Social Principles</b>		
We respect the human rights of all people.	HR2, HR5, HR6, HR7	24, 30
We are committed to supporting and encouraging diversity throughout our organization.	LA1, LA3, LA11, LA13	28, 30
We provide a safe work environment for our associates through comprehensive safety policies, programs and training.	LA7, LA8	27
We support small, disadvantaged and women-owned businesses by actively seeking such suppliers in our competitive bidding processes, and are committed to fostering relationships with diverse suppliers throughout the world.	HR2	24
We hold our suppliers to the same high standards of social responsibility that we follow. Our suppliers must protect the health, safety and human rights of their associates and be committed to continuous improvement.	HR2, HR5, HR6, HR7	24
We provide our customers with products and services that help protect the health and safety of their customers and employees, and enhance safety by offering comprehensive product information, training and emergency support.	PR1, PR3	12-13
We are dedicated to the communities in which we live and work, and we support them through charitable giving and community involvement.	SO1	31-35
We conduct business fairly and ethically. Our Code of Conduct defines our corporate culture – our associates worldwide are held to the highest level of integrity.	SO1, SO3, SO6	30

SUSTAINABILITY

# EVERYWHERE IT MATTERS

At Ecolab, sustainability isn't just about being responsible in our own operations. We consider the total impact of our products, and design them to conserve water and energy and reduce waste. As the world's leading provider of cleaning, food safety and health protection products and services, we also recognize the importance of performance. Our solutions help prevent the spread of germs and bacteria in schools, restaurants, hospitals, retail stores, hotels and other public places around the world. The health and safety of our customers – and their customers – depend on the effectiveness of our offerings.

This means we can't just sell products. We need to be there for our customers as a partner, analyzing their needs and results, and ensuring they get the best results at the lowest total environmental impact. We observe procedures, monitor results, check products and equipment, and make adjustments as needed. We train our customers' employees on safe and sustainable practices. We are there to help them feel safe and secure, so they can focus on their customers.

In addition to environmental stewardship, our responsibility also includes contributing to our communities and the global economy – and we know this work is never done. So we strive to innovate in research and development, manage our manufacturing impact, conduct business ethically and set higher standards in everything we do. As the industry leader, it's our job to push to do more and to do better. **And to do it everywhere it matters.**

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