

HESS CORP
Form 4
April 09, 2007

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
HESS JOHN B

(Last) (First) (Middle)

**HESS CORPORATION, 1185
AVENUE OF THE AMERICAS**

(Street)

NEW YORK, NY 10036

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
HESS CORP [HES]

3. Date of Earliest Transaction
(Month/Day/Year)
04/05/2007

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner
 Officer (give title below) Other (specify below)
Chairman of the Board and CEO

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
| Common Stock, \$1.00 par value | 04/05/2007 | | S ⁽¹⁾ | 1,000 D | \$ 56.31 11,337,179 | I | Charitable Lead Annuity Trust ⁽²⁾ |
| Common Stock, \$1.00 par value | 04/05/2007 | | S | 2,100 D | \$ 56.39 11,335,079 | I | Charitable Lead Annuity Trust ⁽²⁾ |
| Common Stock, \$1.00 par value | 04/05/2007 | | S | 2,100 D | \$ 56.3 11,332,979 | I | Charitable Lead Annuity Trust ⁽²⁾ |

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|--------------------------------|------------|---|-------|---|----------|------------|---|--|
| Common Stock, \$1.00 par value | 04/05/2007 | S | 2,100 | D | \$ 56.38 | 11,330,879 | I | Charitable Lead Annuity Trust ⁽²⁾ |
| Common Stock, \$1.00 par value | 04/05/2007 | S | 800 | D | \$ 56.24 | 11,330,079 | I | Charitable Lead Annuity Trust ⁽²⁾ |
| Common Stock, \$1.00 par value | 04/05/2007 | S | 400 | D | \$ 56.25 | 11,329,679 | I | Charitable Lead Annuity Trust ⁽²⁾ |
| Common Stock, \$1.00 par value | 04/05/2007 | S | 600 | D | \$ 56.18 | 11,329,079 | I | Charitable Lead Annuity Trust ⁽²⁾ |
| Common Stock, \$1.00 par value | 04/05/2007 | S | 100 | D | \$ 56.1 | 11,328,979 | I | Charitable Lead Annuity Trust ⁽²⁾ |
| Common Stock, \$1.00 par value | 04/05/2007 | S | 1,000 | D | \$ 56.23 | 11,327,979 | I | Charitable Lead Annuity Trust ⁽²⁾ |
| Common Stock, \$1.00 par value | 04/05/2007 | S | 300 | D | \$ 56.22 | 11,327,679 | I | Charitable Lead Annuity Trust ⁽²⁾ |
| Common Stock, \$1.00 par value | 04/05/2007 | S | 2,500 | D | \$ 56.33 | 11,325,179 | I | Charitable Lead Annuity Trust ⁽²⁾ |
| Common Stock, \$1.00 par value | 04/05/2007 | S | 1,100 | D | \$ 56.27 | 11,324,079 | I | Charitable Lead Annuity Trust ⁽²⁾ |
| Common Stock, \$1.00 par value | 04/05/2007 | S | 1,600 | D | \$ 56.28 | 11,322,479 | I | Charitable Lead Annuity Trust ⁽²⁾ |
| Common Stock, \$1.00 par value | 04/05/2007 | S | 1,100 | D | \$ 56.2 | 11,321,379 | I | Charitable Lead Annuity Trust ⁽²⁾ |
| | 04/05/2007 | S | 300 | D | | 11,321,079 | I | |

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|--------------------------------|------------|---|-----|---|----------|------------|---|--|
| Common Stock, \$1.00 par value | | | | | \$ 56.14 | | | Charitable Lead Annuity Trust ⁽²⁾ |
| Common Stock, \$1.00 par value | 04/05/2007 | S | 400 | D | \$ 56.13 | 11,320,679 | I | Charitable Lead Annuity Trust ⁽²⁾ |
| Common Stock, \$1.00 par value | 04/05/2007 | S | 100 | D | \$ 56.12 | 11,320,579 | I | Charitable Lead Annuity Trust ⁽²⁾ |
| Common Stock, \$1.00 par value | 04/05/2007 | S | 500 | D | \$ 56.11 | 11,320,079 | I | Charitable Lead Annuity Trust ⁽²⁾ |
| Common Stock, \$1.00 par value | 04/05/2007 | S | 200 | D | \$ 55.98 | 11,319,879 | I | Charitable Lead Annuity Trust ⁽²⁾ |
| Common Stock, \$1.00 par value | 04/05/2007 | S | 500 | D | \$ 56.19 | 11,319,379 | I | Charitable Lead Annuity Trust ⁽²⁾ |
| Common Stock, \$1.00 par value | 04/05/2007 | S | 300 | D | \$ 56.02 | 11,319,079 | I | Charitable Lead Annuity Trust ⁽²⁾ |
| Common Stock, \$1.00 par value | 04/05/2007 | S | 400 | D | \$ 56.03 | 11,318,679 | I | Charitable Lead Annuity Trust ⁽²⁾ |
| Common Stock, \$1.00 par value | 04/05/2007 | S | 100 | D | \$ 56.06 | 11,318,579 | I | Charitable Lead Annuity Trust ⁽²⁾ |
| Common Stock, \$1.00 par value | 04/05/2007 | S | 200 | D | \$ 56.05 | 11,318,379 | I | Charitable Lead Annuity Trust ⁽²⁾ |
| Common Stock, \$1.00 par value | 04/05/2007 | S | 200 | D | \$ 56.01 | 11,318,179 | I | Charitable Lead Annuity Trust ⁽²⁾ |
| | 04/05/2007 | S | 100 | D | | 11,318,079 | I | |

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|--------------------------------|------------|--|---|-------|----------|----------|------------|---|--|
| Common Stock, \$1.00 par value | | | | | \$ 56.08 | | | | Charitable Lead Annuity Trust ⁽²⁾ |
| Common Stock, \$1.00 par value | 04/05/2007 | | S | 200 | D | \$ 56 | 11,317,879 | I | Charitable Lead Annuity Trust ⁽²⁾ |
| Common Stock, \$1.00 par value | 04/05/2007 | | S | 100 | D | \$ 55.94 | 11,317,779 | I | Charitable Lead Annuity Trust ⁽²⁾ |
| Common Stock, \$1.00 par value | 04/05/2007 | | S | 1,400 | D | \$ 56.29 | 11,316,379 | I | Charitable Lead Annuity Trust ⁽²⁾ |
| Common Stock, \$1.00 par value | 04/05/2007 | | S | 2,100 | D | \$ 56.32 | 11,314,279 | I | Charitable Lead Annuity Trust ⁽²⁾ |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

SEC 1474
(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) | 8. Price of Derivative Security (Instr. 5) | 9. Number of Derivative Securities Beneficially Owned (Instr. 6) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|--|
| | | | | | | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| | | | | | | Code | V | (A) | (D) |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|-------------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| HESS JOHN B HESS CORPORATION 1185 AVENUE OF THE AMERICAS NEW YORK, NY 10036 | X | X | Chairman of the Board and CEO | |

Signatures

| | |
|-------------------------------------|------------|
| George C. Barry for John B. Hess | 04/09/2007 |
| **Signature of Reporting Person | Date |

Explanation of Responses:

- * If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
 - ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) The sales of shares set forth herein are made in connection with a selling plan by the charitable lead annuity trust referred to below dated August 1, 2006, as amended February 5, 2007, that is intended to comply with Rule 10b5-1(c).
 - (2) Held by a previously reported charitable lead annuity trust established under the will of Leon Hess. The reporting person is one of five trustees of the trust.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number. ">

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PROPOSAL 3: APPROVAL OF AN AMENDMENT TO THE ECOLAB INC. 2001 NON-EMPLOYEE DIRECTOR STOCK OPTION AND DEFERRED COMPENSATION PLAN

the dollar amount of the Share Unit Compensation the director has earned for that quarter by the Market Price of a share of our Common Stock on the date the credit is made.

Deferral of Other Compensation. Non-employee directors may annually elect to defer the receipt of up to 100 percent of all cash compensation payable during the next calendar year for their services to the Company as directors, including annual cash retainers, meeting fees and supplemental retainers for service as lead director or chair of a Board committee. Cash compensation earned during each calendar quarter that is to be deferred will be credited to a director's Cash Account and/or Share Account, in accordance with the director's allocation election, as of the last day of each calendar quarter. A deferred amount credited to a Share Account will be converted into a number of deferred share units by dividing the dollar amount allocated and credited to the Share Account by the Market Price of a share of our Common Stock on the date the credit is made.

Earnings Credits. As of the last day of each calendar quarter, a 2001 Plan participant's Cash Account will be credited with interest, calculated monthly at the composite prime rate published by Bloomberg. As and when dividends are paid on our Common Stock, a 2001 Plan participant's Share Unit Account will be credited with additional share units, the number of which will be determined by dividing the dollar amount of dividends that would have been payable on a number of shares equal to the number of share units credited to the participant's Share Unit Account on the record date for such dividend payment by the Market Price of a share of our Common Stock on the dividend payment date.

Distributions of Accounts. Distributions of a participant's Cash and Share Unit Accounts will be made or commence after the participant ceases to be a member of the Board (and, if applicable, has ceased to provide services as an independent contractor to the Company and its subsidiaries). Distributions from a participant's Cash and Share Unit Accounts will be made in the form of a lump sum payment unless the participant has elected to receive distributions in the form of annual installment payments for a period of not more than 10 years. If a participant dies or becomes disabled, distributions will be made to the participant's designated beneficiary or to the participant, as applicable, in a lump sum payment whether or not payments had already commenced in the form of installments, unless the participant had specifically elected to have installment payments continue after his or her death or disability. Any distribution from a participant's Cash Account will be made in cash only, and any distribution from a participant's Share Unit Account will be made only in shares of our Common Stock.

The normal distribution times under the 2001 Plan may be changed under very limited circumstances involving an unforeseeable event that causes a severe financial hardship to a participant that cannot be satisfied through other means, or involving deferrals credited before January 1, 2005. A participant may also change the time of distribution of amounts deferred after 2004 as permitted by Internal Revenue Code Section 409A, which requires that the change be made 12 months before separation from service and must not become effective for 12 months after the election is made (the 1-year rule), and the payment commencement date must be delayed for five years after it would otherwise be paid (the 5-year rule).

Change in Control. If a Change in Control of the Company occurs, any outstanding Option will immediately become exercisable in full, and the Board may, in its sole discretion, determine that some or all participants holding outstanding Options will receive in exchange for those Options cash in an amount equal to the excess of the Market Price of the shares subject to such Options immediately prior to the effective date of such Change in Control over the aggregate exercise price of such Options.

For purposes of the 2001 Plan, a "Change in Control of the Company" generally means: (i) a person or group acquires 25% or more of the Company's outstanding voting power, except that the triggering percentage is 34% if the acquisition was approved by the Board, and is 50% if the acquiring person, prior to becoming a 25% shareholder, enters into and otherwise complies with a shareholder agreement which imposes limits on the person's maximum

shareholding; (ii) during any 36 consecutive calendar month period, “incumbent directors” cease for any reason to constitute at least a majority of the Board, where incumbent directors consist of individuals who were members of the Board on the first day of such 36 month period or whose election or nomination for election to the Board during such period was approved by a vote of at least two-thirds of the then-incumbent directors; (iii) a merger or consolidation involving the Company or any of its subsidiaries is consummated, other than a merger or consolidation which would result in the voting power of the Company immediately prior to the transaction continuing to represent (either by remaining outstanding or by being converted into voting

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securities of the surviving entity) over 50% of the voting power of the Company or the surviving entity immediately after such transaction and in which no person or group acquires 50% or more of the voting power of the Company or surviving entity; or (iv) the Company's stockholders approve a plan of complete liquidation or dissolution or a sale of all or substantially all of the Company's assets is consummated, other than to an entity more than 50% of the voting power of which is owned by the stockholders of the Company in substantially the same proportion as their ownership of the Company immediately prior to such sale.

Effect of Actions Constituting Cause. If the Board determines that a 2001 Plan participant has engaged in dishonesty, fraud, misrepresentation or embezzlement with respect to the Company or any subsidiary, or deliberately injured or attempted to injure the Company or any subsidiary, or materially breached any confidentiality or non-compete agreement with the Company or any subsidiary, then the participant's outstanding Options will terminate and be forfeited. Amounts credited to the participant's Cash and Share Unit Accounts will not be forfeited.

Source of Payments; Nature of Interests. The 2001 Plan is unfunded and all benefits and costs under the 2001 Plan will be paid from the Company's general assets, and participants have no greater rights to receive benefits than any unsecured general creditor of the Company. The Company may establish a "rabbi" trust with an independent corporate trustee for the purpose of paying benefits under the 2001 Plan. Except for limited permitted transfers of Options as described above, benefits payable under the 2001 Plan may not be sold, transferred, assigned, pledged, encumbered or subjected to any charge or legal process.

Amendment and Termination of the 2001 Plan. The Board may amend or terminate the 2001 Plan at any time. No termination or amendment of the 2001 Plan will be effective to deprive any 2001 Plan participant of any benefit to which he or she has become entitled prior to such amendment or termination, and may not adversely affect any outstanding Option without the consent of the affected participant. The Company may, however, amend the 2001 Plan to change the manner of determining earnings to be credited to participants' Cash and Share Unit Accounts, and such changes may be applied to existing Account balances, and may amend the 2001 Plan in any manner deemed necessary to comply with Section 409A of the Internal Revenue Code.

Material Federal Income Tax Consequences

The following description of the U.S. federal income tax consequences of awards made under the 2001 Plan is based on current statutes, regulations and interpretations, all of which are subject to change, possibly with retroactive effect. The description does not include state or local income tax consequences. In addition, the description is not intended to address specific tax consequences applicable to an individual participant under the 2001 Plan.

Options. Neither the participant nor the Company incurs any federal income tax consequences as a result of the grant of an Option. Upon exercise of an Option, a participant will recognize ordinary income equal to the difference between the fair market value of the shares purchased, determined on the date of exercise, and the exercise price paid for the shares. Special rules will apply if previously acquired shares of our Common Stock are permitted to be delivered in payment of an Option exercise price. At the time of a subsequent sale or disposition of any shares obtained upon exercise of an Option, any gain or loss will be a capital gain or loss. Whether the gain or loss constitutes long or short-term capital gain or loss will depend upon the length of time the participant held the stock prior to its disposition.

In general, the Company will be entitled to a compensation expense deduction in connection with the exercise of an Option for any amounts includable in the taxable income of the participant as ordinary income.

Share Unit Compensation. We believe that a participant's receipt of credits to his or her Share Unit Account as a result of Share Unit Compensation paid pursuant to the 2001 Plan will not be a taxable event for federal income tax purposes. A participant will generally not recognize taxable income until he or she receives a distribution of shares of our Common Stock in settlement of stock units credited to the Stock Unit Account, and at that time the fair market value of the distributed shares will be taxable as ordinary income. A participant will generally recognize a capital gain or loss upon a subsequent taxable sale or disposition of any such shares. Whether the gain or loss constitutes long or short-term capital gain or loss will depend upon the length of time the participant held the stock prior to its disposition.

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In general, the Company will be entitled to a compensation expense deduction for any amounts includable in the taxable income of a participant as ordinary income.

Deferrals. We believe that a participant's election to defer the receipt of cash compensation pursuant to the 2001 Plan will not be a taxable event for federal income tax purposes. A participant will generally not recognize taxable income until he or she receives distributions of cash or shares of our Common Stock pursuant to the 2001 Plan, and at that time the amount of cash or the fair market value of the distributed shares will be taxable as ordinary income. A participant will generally recognize a capital gain or loss upon a subsequent taxable sale or disposition of any shares received under the 2001 Plan. Whether the gain or loss constitutes long- or short-term capital gain or loss will depend upon the length of time the participant held the stock prior to its disposition.

In general, the Company will be entitled to a compensation expense deduction for any amounts includable in the taxable income of a participant as ordinary income.

Options and Share Units Granted and Deferrals Made Under the 2001 Plan

Because the grant of Options and the amount of Share Unit Compensation to be provided to non-employee directors under the 2001 Plan is discretionary with the Board, and because the amount of cash compensation to be deferred under the 2001 Plan is discretionary with each non-employee director, neither the number nor types of future 2001 Plan awards to be received by or allocated to particular participants or to the group of non-employee director participants is presently determinable. Information regarding Option awards and Share Unit Compensation provided to non-employee directors under the 2001 Plan during 2015, and deferral elections made by non-employee directors with respect to 2015 cash compensation is provided under the caption "Director Compensation for 2015" on page 16 of this Proxy Statement.

Board of Directors' Recommendation

The Board of Directors recommends that the stockholders vote FOR approval of the amendment to the 2001 Plan. Unless a contrary choice is specified, proxies solicited by the Board of Directors will be voted FOR approval of the amendment to the 2001 Plan. If the amendment to the 2001 Plan is not approved by the stockholders, the 2001 Plan will remain in effect as it existed immediately prior to the proposed amendment.

PROPOSAL 4: ADVISORY VOTE TO APPROVE THE COMPENSATION OF EXECUTIVES DISCLOSED IN THIS PROXY STATEMENT

Ecolab's executive compensation program is intended to: (1) support our corporate vision and long-term financial objectives, (2) communicate the importance of business results, (3) retain and motivate executives important to our success and (4) reward executives for contributions at a level reflecting our performance. We believe that our compensation policies and procedures have met these objectives. They have contributed to the Company's historically strong growth and returns, rewarded executives based on performance and are aligned with the long-term interests of our stockholders. See "Compensation Discussion and Analysis," beginning at page 26.

The Company is presenting this proposal, which gives you as a stockholder the opportunity to endorse or not endorse our executive pay program through an advisory vote for or against the following resolution:

"RESOLVED, that the stockholders approve, on an advisory basis, the compensation of our named executive officers, as disclosed in the Company's Proxy Statement for the 2016 Annual Meeting of Stockholders pursuant to the compensation disclosure rules of the SEC, including the Compensation Discussion and Analysis, the compensation tables, and the related disclosure contained in the Proxy Statement."

The Company has presented this proposal for the past six years and each year the proposal has received support from greater than 95% of the total shares cast on the proposal.

The Board of Directors urges stockholders to endorse the compensation program for our named executive officers by voting FOR the above resolution. As discussed in the Compensation Discussion and Analysis contained in this Proxy Statement, we believe that the executive compensation for 2015 is reasonable and appropriate and is justified by the performance of the Company. Our compensation program is the result of a carefully considered approach, including input and advice from the Compensation Committee's independent compensation consultant.

Because your vote is advisory, it will not be binding upon the Board of Directors. However, the Compensation Committee will take into account the outcome of the vote when considering future executive compensation arrangements.

Board of Directors' Recommendation – The Board of Directors recommends that you vote FOR approval of the compensation of Ecolab's executives as described in the Compensation Discussion and Analysis and the compensation tables and otherwise in this Proxy Statement pursuant to the compensation disclosure rules of the SEC. Proxies solicited by our Board of Directors will be voted FOR approval of the proposal unless otherwise specified.

PROPOSAL 5: STOCKHOLDER PROPOSAL REGARDING PROXY ACCESS

John Chevedden, 2215 Nelson Avenue, No. 205, Redondo Beach, CA 90278, who owns 100 shares of our Common Stock, has notified the Company that he intends to present the following resolution at the Annual Meeting. The Company disclaims any responsibility for the content of this proposal and statement of support, the text of which, in accordance with rules of the Securities and Exchange Commission, is printed verbatim from its submission, with only minor formatting changes.

After careful consideration, the Board of Directors unanimously recommends that you vote AGAINST the stockholder proposal set forth below.

STOCKHOLDER PROPOSAL

Proposal 5 – Shareholder Proxy Access

RESOLVED: Shareholders ask our board of directors to adopt, and present for shareholder approval, a “proxy access” bylaw as follows:

Require the Company to include in proxy materials prepared for a shareholder meeting at which directors are to be elected the name, Disclosure and Statement (as defined herein) of any person nominated for election to the board by a shareholder or an unrestricted number of shareholders forming a group (the “Nominator”) that meets the criteria established below.

Allow shareholders to vote on such nominee on the Company’s proxy card.

The number of shareholder-nominated candidates appearing in proxy materials should not exceed one quarter of the directors then serving or two, whichever is greater. This bylaw should supplement existing rights under Company bylaws, providing that a Nominator must:

a) have beneficially owned 3% or more of the Company’s outstanding common stock, including recallable loaned stock, continuously for at least three years before submitting the nomination;

b) give the Company, within the time period identified in its bylaws, written notice of the information required by the bylaws and any Securities and Exchange Commission (SEC) rules about (i) the nominee, including consent to being named in proxy materials and to serving as director if elected; and (ii) the Nominator, including proof it owns the required shares (the “Disclosure”); and

c) certify that (i) it will assume liability stemming from any legal or regulatory violation arising out of the Nominator’s communications with the Company shareholders, including the Disclosure and Statement; (ii) it will comply with all applicable laws and regulations if it uses soliciting material other than the Company’s proxy materials; and (iii) to the best of its knowledge, the required shares were acquired in the ordinary course of business, not to change or influence control at the Company.

The Nominator may submit with the Disclosure a statement not exceeding 500 words in support of the nominee (the “Statement”). The Board should adopt procedures for promptly resolving disputes over whether notice of a nomination was timely, whether the Disclosure and Statement satisfy the bylaw and applicable federal regulations, and the priority given to multiple nominations exceeding the one-quarter limit. No additional restrictions that do not apply to other board nominees should be placed on these nominations or re-nominations.

The Security and Exchange Commission’s universal proxy access Rule 14a-11 was unfortunately vacated by a 2011 court decision. Therefore, proxy access rights must be established on a company-by-company basis.

PROPOSAL 5: STOCKHOLDER PROPOSAL REGARDING PROXY ACCESS

Subsequently, Proxy Access in the United States: Revisiting the Proposed SEC Rule, a cost-benefit analysis by the CFA Institute (Chartered Financial Analyst), found proxy access would “benefit both the markets and corporate boardrooms, with little cost or disruption,” raising US market capitalization by up to \$140 billion.

Please vote to enhance shareholder value:

Shareholder Proxy Access — Proposal 5

RESPONSE OF THE BOARD OF DIRECTORS

After careful consideration, our Board of Directors recommends that you vote AGAINST this proposal for the following reasons:

We have already adopted a carefully considered proxy access framework that strikes the appropriate balance between enhancing stockholder rights and adequately protecting the best interests of all of our stockholders.

On December 3, 2015, the Board amended the Company’s By-Laws to implement proxy access. Under our By-Laws, a stockholder or a group of up to 20 stockholders owning 3% or more of the Company’s outstanding shares continuously for at least three years may nominate and include in our proxy materials director candidates constituting up to the greater of two individuals or 20% of the Board, provided that the stockholder(s) and the nominee(s) satisfy the requirements specified in the By-Laws.

In connection with amending our By-Laws, we closely monitored proxy access developments. We believe that our overall proxy access framework is consistent with the frameworks implemented by many other Fortune 500 companies, including having a 20 stockholder limit for purposes of satisfying the 3% test, with certain related funds being counted as one stockholder for this purpose.

Based on the information available to the Board, as well as its own deliberations on the topic, the Board proactively adopted a proxy access by-law that contains reasonable procedural safeguards to protect the interests of all of our stockholders, while at the same time remaining accessible and not overly restrictive.

We have a strong corporate governance structure and record of accountability.

Our current corporate governance structure reflects a significant and ongoing commitment to strong and effective governance practices and a willingness to be responsive and accountable to our stockholders. We regularly assess and refine our corporate governance policies and procedures to take into account evolving best practices and to address feedback provided by our stockholders and other stakeholders.

In addition to adopting a proxy access by-law last year, we have implemented numerous other corporate governance measures to ensure the Board remains accountable to stockholders and to provide our stockholders with a meaningful voice in the nomination and election of directors and the ability to communicate with directors and promote the consideration of stockholder views. For example:

- Annual Election of Directors — Each of our directors serves a one-year term and stands for re-election at each annual meeting.
- Majority Voting — Directors must be elected by a majority vote in an uncontested election and a director who fails to receive the required number of votes for re-election must tender his or her written resignation for consideration by the Board.
- Substantial Majority of Board Is Independent — All of our directors, with the exception of our Chief Executive Officer, are independent.

PROPOSAL 5: STOCKHOLDER PROPOSAL REGARDING PROXY ACCESS

- Independent Lead Director — We have an independent Lead Director with substantial and clearly delineated authority. Our Lead Director provides strong independent leadership of our Board by, among other things, presiding at executive sessions in connection with every regularly scheduled Board meeting.
- Stockholder Right to Call Special Meetings — Our By-Laws permit stockholders holding 25% of the voting power of our outstanding capital stock to call a special stockholder meeting.
- No Supermajority Voting — In 2012, in response to a non-binding stockholder proposal at the 2011 Annual Meeting, the Board recommended and stockholders approved amendments to the Company's Certificate of Incorporation to eliminate the supermajority voting provisions.
- No Stockholder Rights Plan — We do not have a stockholder rights plan.
- Stockholder Input on Nominations Outside of Proxy Access — In addition to the current proxy access right, our stockholders have the ability to recommend director candidates to the Board's Governance Committee, which considers such recommendations in the same manner as recommendations received from other sources (as described further under "Stockholder Access" on page 7). Stockholders also have the option to directly nominate director candidates and solicit proxies for the election of those candidates in accordance with our By-Laws and the federal securities laws.
- Stockholder Engagement — Stockholders can communicate directly with the Board and/or individual directors, and we regularly engage with our investors to solicit views on important issues such as executive compensation.

Consistent with its current practice, the Board will continue to evaluate appropriate corporate governance measures and changes to our governance structure, policies and practices that it believes will serve the best interests of Ecolab and its stockholders.

In light of the carefully considered proxy access by-law adopted last year, as well as the Board's continuing commitment to ensuring effective corporate governance, the Board believes that this proposal is moot and unnecessary.

Board of Directors' Recommendation — The Board of Directors recommends that you vote AGAINST this proposal. Unless a contrary choice is specified, proxies solicited by our Board of Directors will be voted AGAINST the stockholder proposal.

The proposal is advisory in nature, and approval of the proposal would serve as a recommendation to the Board of Directors to amend our proxy access by-law as necessary to reflect the terms set forth in the proposal. As with all proposals, if the proposal is not properly presented by the proponent at the Annual Meeting, it will not be voted upon.

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OTHER MATTERS

Proxy Solicitation Costs

We will bear the cost of the preparation and solicitation of proxies, including the charges and expenses of brokerage firms, banks or other nominees for forwarding proxy material to beneficial owners. In addition to solicitation by mail, proxies may be solicited by telephone, the Internet or personally. We have retained Georgeson Inc., 480 Washington Blvd., 26th Floor, Jersey City, NJ 07310, to aid in the solicitation of proxies for a fee of \$12,000 plus expenses. Proxies may also be solicited by certain directors, officers and employees of the Company without extra compensation.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Exchange Act requires the Company's executive officers and directors, and persons who own more than ten percent of a registered class of the Company's equity securities, to file with the SEC and the New York Stock Exchange reports on ownership of Company securities and changes in reported ownership. As a practical matter, Company personnel assist executive officers and directors by monitoring transactions and completing and filing Section 16 reports (SEC Forms 3, 4 and 5) on their behalf based upon company records and information provided to us.

Based solely on a review of Section 16 reports and on written representations from reporting persons, the Company believes that during the fiscal year ended December 31, 2015 the Company's executive officers, directors and greater than ten percent owners timely filed all reports they were required to file under Section 16(a); however, the Company has determined two omissions with respect to prior years. (1) Despite timely notification to the Company by Mr. Grundhofer, one gift was inadvertently omitted from the Form 4 intended to report his gift and a Form 5 was not otherwise filed to report the gift. (2) Upon a review of Mr. Johnson's filings to reconcile his reported beneficial ownership with his personal records, it was discovered that he had made one gift that was not previously reported on a Form 4 or Form 5. These transactions were subsequently reported for Messrs. Grundhofer and Johnson promptly upon discovery of their omission.

Householding Information

Some banks, brokers and other nominee record holders may be participating in the practice of "householding" proxy soliciting material. This means that you and other holders of our Common Stock in your household may not receive separate copies of the Company's Proxy Statement or Annual Report. We will promptly deliver an additional copy of either document to any stockholder upon request to: Corporate Secretary, Ecolab Inc., 370 Wabasha Street North, Saint Paul, MN 55102; telephone (651) 250-2233; or e-mail investor.info@ecolab.com. If you desire to reduce the number of copies mailed to your household, please contact your bank or broker.

Important Notice Regarding the Availability of Proxy Materials for the Stockholder Meeting to be held on May 5, 2016

The Notice of 2016 Annual Meeting, Proxy Statement and Annual Report to Stockholders of Ecolab Inc. are available at www.edocumentview.com/ecl.

OTHER MATTERS

Voting by Plan Participants

Generally, you will receive only one notice, proxy card or voting instruction form covering all the shares you hold:

- in your own name;
- in the Dividend Reinvestment Plan sponsored by Computershare Trust Company, N.A., if any; and
- if you participate in one or more of the following Plans:
 - the Ecolab Savings Plan and ESOP*; or
 - the Ecolab Savings Plan and ESOP for Traditional Benefit Employees*; or
 - the Ecolab Puerto Rico Savings Plan*; or
 - the Ecolab Stock Purchase Plan administered by Computershare Limited; or
 - the Ecolab Canada Share Purchase Plan administered by SG Vestia Systems Inc.

* If you participate in the Ecolab Savings Plan and ESOP, the Ecolab Savings Plan and ESOP for Traditional Benefit Employees or the Ecolab Puerto Rico Savings Plan, you are entitled to direct the respective plan trustee to vote (or not to vote) the equivalent number of shares of Common Stock credited to your Plan account. Your proxy card will serve as a voting instruction to the Trustee and if your instructions are timely received, the Trustee will follow your voting instructions. If you do not timely submit your voting instructions, the Trustee will vote your Plan shares in the same proportion as to each respective proposal as the shares for which voting instructions have been received from other Plan participants. To allow sufficient time for voting of your shares by the Trustee, your voting instructions should be received by May 2, 2016 to ensure tabulation.

If you hold Ecolab shares through any other Ecolab plans, you will receive voting instructions from that plan's administrator.

By Order of the Board of Directors

Executive Vice President, General Counsel and Secretary
March 21, 2016

APPENDIX A

ECOLAB INC.

2001 NON-EMPLOYEE DIRECTOR STOCK OPTION AND
DEFERRED COMPENSATION PLAN

(As Amended and Restated Effective as of August 1, 2013)

DECLARATION OF AMENDMENT

Pursuant to the amending power reserved to the Board of Directors of Ecolab Inc. (the “Company”) by section 14.1 of the Ecolab Inc. 2001 Non-Employee Director Stock Option and Deferred Compensation Plan (As Amended and Restated Effective as of August 1, 2013) (the “Plan”), the Company hereby amends the Plan effective as of May 5, 2016 by adding to it the following Section 18.9:

“18.9Limit on Annual Awards. The aggregate grant date fair value (as determined in accordance with generally accepted accounting principles applicable in the United States) of all Share Unit Compensation and Periodic Options credited or granted during any calendar year to any Qualified Director shall not exceed \$800,000.”

IN WITNESS WHEREOF, the Company has caused this instrument to be executed by its duly authorized officers and its corporate seal to be affixed.

Dated: ECOLAB INC.
(Seal)

Attest:

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APPENDIX B

ECOLAB INC.

2001 NON-EMPLOYEE DIRECTOR STOCK OPTION AND
DEFERRED COMPENSATION PLAN

(As Amended and Restated Effective as of August 1, 2013)

1. Description.

1.1 Name. The name of the Plan is the “Ecolab Inc. 2001 Non-Employee Director Stock Option and Deferred Compensation Plan.”

1.2 Purposes. The purpose of the Plan is to attract and retain the services of experienced and knowledgeable non-employee directors by providing such directors with greater flexibility in the form and timing of receipt of compensation for their service on the Board of Directors and an opportunity to obtain a greater proprietary interest in the Company’s long-term success and progress through the receipt of Periodic Options and Annual Share Units and the deferral of cash compensation in the form of credits to their Share Accounts or Cash Accounts, thereby aligning such directors’ interests more closely with the interests of the Company’s stockholders.

1.3 Type. The Plan is maintained primarily for the purpose of compensating Qualified Directors and providing them with the opportunity to obtain equity-based compensation and to defer cash compensation. The Plan is intended to be unfunded for tax purposes. It will be construed and administered in a manner that is consistent with and gives effect to the foregoing.

1.4 Components of Director Compensation. Qualified Directors who are eligible pursuant to Section 2.1 will receive Periodic Options, Share Unit Compensation and Other Director Compensation as part of their annual compensation for services rendered as directors of the Company, as determined by the Board from time to time. Qualified Directors who are eligible pursuant to Section 2.1 may defer the receipt of some or all of their Other Director Compensation in the form of credits to their Cash Accounts and Share Accounts.

1.5 American Jobs Creation Act (AJCA).

(a) It is intended that with respect to amounts deferred after December 31, 2004, the Plan, as amended, comply with the provisions of Section 409A of the Code, as enacted by the AJCA, so as to prevent the inclusion in gross income of any amount credited to a Participant’s Account hereunder in a taxable year that is prior to the taxable year or years in which such amounts would otherwise be actually distributed or made available to the Participant and the Plan shall be construed to give effect to such intention. It is intended that the Plan be administered in a manner that will comply with Section 409A of the Code, including proposed, temporary or final regulations or any other guidance issued by the Secretary of the Treasury and the Internal Revenue Service with respect thereto (collectively with the AJCA, the “409A Guidance”).

(b) The Administrator shall not take any action hereunder that would violate any provision of Section 409A of the Code. It is intended that all Participant elections hereunder will comply with Code Section 409A and the 409A Guidance, to the extent it applies. The Administrator is authorized to adopt rules or regulations deemed necessary or appropriate in connection therewith to anticipate and/or comply with the requirements thereof (including any transition or grandfather rules thereunder). In this regard, the Administrator is authorized to permit Participant elections with respect to amounts deferred after December 31, 2004 and is also permitted to give the Participants the right to amend or revoke such elections in accordance with the 409A Guidance.

(c) The Plan was amended effective as of January 1, 2005 to create two separate Sub-Accounts for each Participant’s Account hereunder — (i) the “Pre-2005 Sub-Account” for amounts that are “deferred” (as such

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terms is defined in the 409A Guidance) as of December 31, 2004 (and earnings thereon) and (ii) the “Post-2004 Sub-Account” for amounts that are deferred after December 31, 2004 (and earnings thereon).

(d) In furtherance of, but without limiting the foregoing, any deferrals (and the earnings thereon) that were deferred prior to January 1, 2005 and that qualify for “grandfathered status” under Section 409A Guidance shall continue to be governed by the law applicable to nonqualified deferred compensation prior to the addition of Section 409A to the Code and shall be subject to the terms and conditions specified in the Plan as in effect prior to January 1, 2005.

(e) It is intended that any Periodic Options issued under the Plan after December 31, 2004 be exempt from the requirements of Section 409A of the Code and the Plan shall be construed and administered in a manner consistent with such intent.

2. Participation.

2.1 Eligibility.

(a) Each individual who is a Participant under any of the Prior Deferred Compensation Plans will be eligible to have credits made to his or her Cash Account and Share Account pursuant to Section 4.

(b) Each individual who is a Qualified Director at any point during a Credit Period with respect to which a credit is made pursuant to Section 5.1 is eligible to have such credit made to his or her Share Account pursuant to Section 5.1.

(c) Each individual who is a Qualified Director on the first day of an Election Period is eligible to make a deferral election pursuant to Section 5.2 with respect to such Election Period. An individual who first becomes a Qualified Director after the first day of the Election Period is eligible to make a deferral election pursuant to Section 5.2 with respect to compensation for services rendered after the effective date of the election and for the remainder of such Election Period. Any deferral election under Section 5.2 by a Participant who receives a distribution (i) from his or her Post-2004 Sub-Account pursuant to Section 8.2(a) will be suspended, and no further amounts will be deferred under Section 5.2, until the Election Period that begins after the first anniversary of such distribution, or (ii) from his or her Pre-2005 Sub-Account pursuant to Section 8.2(a) or 8.2(c) will be suspended effective for the next Election Period, and no further amounts will be deferred under Section 5.2 for such Election Period. Each individual who has made a valid election pursuant to Section 5.2 and is a Qualified Director at any point during a Credit Period with respect to which a credit is made pursuant to Section 5.2 is eligible to have such credit made to his or her Account pursuant to Section 5.2.

(d) Each Qualified Director is eligible to receive Periodic Options pursuant to Section 7.

2.2 Ceasing to be Eligible. An individual who ceases to be a Qualified Director is not eligible to receive Periodic Options pursuant to Section 7, or Share Unit Compensation pursuant to Section 5.1, or to make any elections under Section 5.2, or receive Other Director Compensation (and related deferral credits pursuant to Section 5.2, except to the extent required under Code section 409A), other than such credits relating to the period prior to such cessation.

2.3 Condition of Participation. Each Participant, as a condition of participation in the Plan, is bound by all the terms and conditions of the Plan and the Plan Rules, including but not limited to the reserved right of the Company to amend or terminate the Plan, and must furnish to the Administrator such pertinent information, and execute such election forms and other instruments, as the Administrator or Plan Rules may require by such dates as the Administrator or Plan Rules may establish.

2.4 Termination of Participation. An individual will cease to be a Participant as of the date on which he or she is neither eligible to receive Periodic Options pursuant to Sections 2.2 and 7, nor to make any elections or receive further credits pursuant to Sections 2.2, 5 and 6 and his or her outstanding Periodic Options have been exercised, cancelled or expired and his or her entire Account balances have been distributed.

3. Participant Cash and Share Accounts. For each Participant, the Administrator will establish and maintain a Cash Account and a Share Account to evidence amounts credited with respect to the Participant pursuant to Sections 4, 5 and 6. Subject to Section 8.2(c), each Participant will always have a fully vested nonforfeitable interest in his or her Account. For each Participant, each of the Cash Account and Share Account shall be further divided into the following two Sub-Accounts: (a) the "Pre-2005 Sub-Account" for amounts that are "deferred" (as such term is defined in the 409A Guidance) as of December 31, 2004 (and earnings thereon), including carryover credits described in Article 4, and (b) the "Post-2004 Sub-Account" for amounts that are deferred after December 31, 2004 (and earnings thereon).

4. Carryover Credits from Prior Deferred Compensation Plans. As of the 2001 Annual Meeting Date, the Cash Account and Share Account of each then-current Participant were credited with the amount of cash or Share Units, if any, in such Participant's corresponding cash account and share account under the Prior Deferred Compensation Plans, and such accounts were reduced to zero.

5. Compensation and Deferral Credits.

5.1 Share Unit Compensation: Credits to Share Account. Each Qualified Director will receive additional annual compensation (the "Share Unit Compensation") in the form of credits to the Qualified Director's Share Account. The amount of the Share Unit Compensation will be expressed in U.S. dollars and determined from time to time by the Board. A Qualified Director's Share Account will be credited pursuant to this section as of the last day of each Credit Period (a "Credit Date") with the number of whole and fractional Share Units equal to the quotient of: (a) the dollar amount of the Share Unit Compensation allocated to such full Credit Period, divided by (b) the Market Price on the Credit Date. If a Qualified Director has not served for the entire Credit Period for which the Share Unit Compensation relates, the amount credited to the Qualified Director's Share Account will be based on the dollar amount of the Share Unit Compensation earned by the Qualified Director during the portion of the Credit Period for which he or she served. All credits made to the Qualified Director's Share Account after December 31, 2004 will be made to the Post-2004 Sub-Account.

5.2 Other Director Compensation: Credits to Cash and Share Accounts. Elective deferrals of Other Director Compensation will be made in accordance with the following rules:

(a) Election to Defer Other Director Compensation. Each Qualified Director may elect, in accordance with this section, to defer the receipt of all or a portion (in increments of ten percent) of his or her Other Director Compensation relating to services performed during an Election Period (or for a newly eligible Qualified Director such shorter period as provided in Section 5.2(b)) in the form of credits to his or her Cash Account and/or Share Account. Any such deferral election will automatically apply to the Participant's Other Director Compensation, as the amount of such Other Director Compensation is adjusted from time to time. Notwithstanding the foregoing, all Qualified Directors shall be required to make a deferral election for the 2005 Plan Year and prior elections shall not be given any further force or effect.

(b) Time of Filing Election. A deferral election pursuant to this section will not be effective unless it is made on a properly completed election form received by the Administrator before the first day of the Election Period to which the deferral election relates or, in the case of an individual who first becomes a Qualified Director on or after the first day of the Election Period, within 30 days after the date such individual becomes a Qualified Director. Any election delivered or deemed to be delivered under this Section 5.2(b) applies only to Other Director Compensation relating to services performed after the effective date of the election.

(c) Allocation of Deferral. In conjunction with each deferral election made pursuant to this section, a Qualified Director must elect, in accordance with and subject to the Plan Rules, how the deferral is to be allocated (in increments of ten percent only) among his or her Cash Account and Share Account. The sum of such percentages must not exceed 100 percent. Any portion of the deferral for which no election is made will be allocated to the Qualified Director's Cash Account.

(d) Credits. Other Director Compensation deferred pursuant to this section will be credited to a Qualified Director's Cash Account and/or Share Account, as elected, as of the last day of each Credit Period. Such credits to the Qualified Director's Cash Account will be in United States dollars equal to the amount of the deferral

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allocated to each such Account. Such credits to a Qualified Director's Share Account will be the number of whole and fractional Share Units determined by dividing the United States dollar amount of the deferral allocated to the Share Account by the Market Price of a Share on the Credit Date. If a Qualified Director has not served or will not serve for the entire Credit Period for which the Other Director Compensation relates, the amounts credited to the Qualified Director's Cash Account and/or Share Account, as elected, on the last day of the Credit Period will be based on the amount of the Other Director Compensation that the Qualified Director has earned during the portion of the Credit Period for which he or she served. All credits made to the Qualified Director's Cash Account and/or Share Account after December 31, 2004 will be made to the respective Post-2004 Sub-Account.

(e) Succeeding Election Periods. A deferral election pursuant to this section will remain in effect until revoked or modified for future Election Periods by the Qualified Director by delivering a new deferral election not later than the day before the first Election Period to which the new deferral election relates.

(f) Irrevocability. A deferral election for a given Election Period is effective and becomes irrevocable after the latest date by which the deferral election is required to be given to the Administrator for such Election Period.

6. Earnings Credits.

6.1 Earnings Credits to Cash Accounts. As of the last day of each Credit Period, and before any credits have been made pursuant to Section 5 on such date, a Participant's Cash Account will be credited with interest, calculated monthly on the balance in the Cash Account as of the last day of the immediately preceding calendar month at the Prime Rate in effect on that day. Interest will be credited separately for the Pre-2005 Sub-Account and Post-2004 Sub-Account of the Participant's Cash Account.

6.2 Earnings Credits to Share Accounts. A Participant's Share Account will be credited as of the date on which dividends are paid on Shares with that number of whole and fractional Share Units determined by dividing the dollar amount of the dividends that would have been payable to the Participant if the number of Share Units credited to the Participant's Share Account on the record date for such dividend payment had then been Shares registered in the name of such Participant by the Market Price of a Share on the date as of which the credit is made. Dividends will be credited separately for the Pre-2005 Sub-Account and Post-2004 Sub-Account of the Participant's Share Account.

7. Periodic Options. A Qualified Director may be granted from time to time one or more options to purchase that number of whole Shares as determined by the Board in its sole discretion ("Periodic Options"). Periodic Options will be granted as of the date specified in the grant resolution of the Board. The terms of the Periodic Options are set forth in Section 9.

8. Distributions.

8.1 Distribution of Cash and Share Accounts to a Participant Upon Termination of Service.

(a) Form of Distribution: Pre-2005 Sub-Account. A Participant's Pre-2005 Sub-Account of his or her Cash Account and Share Account will be distributed as provided in this section in a lump sum payment unless:

(i) the Participant elects, on a properly completed election form, to receive his or her distribution in the form of annual installment payments for a period of not more than 10 years, and

(ii) except when cessation results from Disability, the date on which he or she ceases to be a member of the Board follows by more than one year the date on which a properly completed election form is received by the Administrator. Any election made pursuant to this section may be changed from time to time upon the Administrator's receipt of a properly completed election form, provided that, unless cessation results from Disability, such change will not be valid and will not have any effect unless it is made more than one year prior to a Participant's cessation of service as member of the Board. A new election to change has no effect on any previous election until the new election

becomes effective, at which time any previous election will automatically be void. (For example, if the Administrator receives an election to change on July 1 of year 1 and another election on September 1 of year 1, the July 1 election will become effective on July 1 of year 2 and will remain in effect through August 30 of year 2. On September 1 of year 2, the September 1 election will become effective.) Any election made pursuant to this section will apply to the entire balance of the Participant's Pre-2005 Sub-Accounts of his or her Cash and Share Accounts attributable to credits with respect to the period through the date on which he or she ceases to be a member of the Board. If a Participant has a valid election in effect under any Prior Deferred Compensation Plan, such Participant's prior election will automatically be deemed to be the Participant's election under this section unless and until a new election is made and has become effective. Any distribution from a Participant's Pre-2005 Sub-Account of his or her Cash Account will be made in cash only. Subject to Section 13, any distribution from a Participant's Pre-2005 Sub-Account of his or her Share Account will be made in whole Shares only, rounded up to the next whole Share.

(b) Form of Distribution: Post-2004 Sub-Account. A Participant's Post-2004 Sub-Account of his or her Cash Account and Share Account will be distributed as follows:

(i) for deferrals (and earnings thereon) credited for periods prior to January 1, 2014, as a lump sum payment.

(ii) for deferrals (and earnings thereon) credited for periods after December 31, 2013, as a lump sum payment unless the Participant elects, on a properly completed election form filed with the Administrator

(A) on or before December 31, 2013, with respect to his or her deferral credits (and earnings thereon) relating to compensation earned for services after December 31, 2013, or

(B) at the time the Qualified Director first becomes eligible to participate in the Plan and makes his or her initial deferral election pursuant to Section 5.2,

to receive his or her distribution in the form of annual payments for a period of ten (10) years.

(iii) A Participant may elect to change the form of benefit under Clause (i) or (ii). Any such change will be considered made only when it becomes irrevocable under the terms of the Plan. Any subsequent election will be considered irrevocable on the date it is received and accepted by the Administrator (but not later than fifteen (15) days following receipt) subject to the following:

(A) the subsequent election may not take effect until at least twelve (12) months after the date on which the election is made;

(B) the election must be made not less than twelve (12) months before the date the payment is otherwise scheduled to be paid; and

(C) the payment (except in the case of death, Disability or Unforeseeable Emergency) of the Participant's Post-2004 Sub-Account (or, if applicable, the portion of such account) pursuant to such subsequent election shall be made or commence to be made on the date that is five (5) years after the date the payment would otherwise be paid (or for installment payments treated as a single payment, the date the first amount was otherwise scheduled to be paid).

Any distribution from a Participant's Post-2004 Sub-Account of his or her Cash Account will be made in cash only. Subject to Section 13, any distribution from a Participant's Post-2004 Sub-Account of his or her Share Account will be made in whole Shares only, rounded up to the next whole Share.

(c) Time of Distribution: Pre-2005 Sub-Account. Distribution of a Participant's Pre-2005 Sub-Account to a Participant will be made (to the extent a distribution is in the form of a lump sum) or commence (to the extent a distribution is in the form of installments) as soon as administratively practicable after the next Credit Date after the Participant ceases to be a member of the Board; provided that if a lump sum distribution from a Participant's Share Account would otherwise be made after the record date for a dividend but before the payment date for such dividend, the distribution will be delayed and made as soon as administratively practicable after the earnings credits have been made to the Share Account pursuant to Section 6.2 on the payment date of the dividend.

(d) Time of Distribution: Post-2004 Sub-Account. Distribution of a Participant's Post-2004 Sub-Account will be made (to the extent a distribution is in the form of a lump sum) or commence (to the extent a distribution is in the form of installments) on the next Credit Date after the Participant's Termination of Service or as soon as administratively practicable (but not more than 90 days) after such Credit Date and, for subsequent installment distributions, on the annual anniversary of such Credit Date, provided if a distribution from a Participant's Share Account would otherwise be made after the record date for a dividend but before the payment date for such dividend, the distribution may be delayed and made as soon as administratively practicable after the earnings credit has been made to the Share Account pursuant to Section 6.2 on the payment date of the dividend, provided the distribution is made within 90 days after such Credit Date.

If, at his or her Termination of Service, a Participant is considered to be a "specified employee," as defined under Code Section 409A and the Ecolab Inc. Administrative Document for Non-Qualified Benefit Plans, as amended, distribution of amounts that would otherwise be payable will be suspended until the date that is six months after the Participant's Termination of Service, or if earlier, upon the Participant's death.

8.2 Other Distributions from Cash and Share Accounts to a Participant. The provisions of this section will apply notwithstanding Section 8.1 or any election by a Participant to the contrary.

(a) Withdrawals Due to Unforeseeable Emergency. A distribution will be made to a Participant from his or her Account if the Participant submits a written distribution request to the Administrator and the Administrator determines that the Participant has experienced an Unforeseeable Emergency. The amount of the distribution may not exceed the lesser of:

(i) the amount necessary to satisfy the emergency, as determined by the Administrator, or

(ii) the sum of the balances of the Participant's Accounts as of the date of the distribution, as the case may be.

Payments made on account of an Unforeseeable Emergency will not be made to the extent that such Unforeseeable Emergency is or may be relieved through reimbursement or compensation by insurance or otherwise, by liquidation of the Participant's assets (to the extent that such liquidation would not itself cause severe financial hardship) or, to the extent permitted by Code Section 409A, by cessation of deferrals under Section 5.2. Any distribution pursuant to this section will be made as soon as administratively practicable after the Administrator's determination that the Participant has experienced an Unforeseeable Emergency and in the form of a lump sum payment that is in cash from the Cash Account and in Shares from the Share Account (rounded up to the next whole Share). Any distribution pursuant to this section will be made first from the Participant's Cash Account, then from the Participant's Share Account.

(b) Small Benefits.

(i) Cash Account. Each installment distribution to a Participant who has ceased to be a member of the Board will be at least \$2,500 or such smaller amount that equals the balance of the Participant's Cash Account.

(ii) Share Account. If the balance of the Share Account of a Participant who has ceased to be a member of the Board is fewer than 100 Share Units as of the day of any installment distribution, such remaining balance will be distributed to the Participant in the form of a lump sum distribution, that will

consist of the number of Shares equal to the number of Share Units credited to the Share Account as of that date, rounded up to the next whole Share, as soon as administratively practicable. Each installment distribution to a Participant who has ceased to be a member of the Board must be at least 100 Share Units or such smaller number of Share Units that remains in the Participant's Share Account.

(c) Accelerated Distribution. A Participant may, at any time, elect an immediate distribution of his or her Pre-2005 Sub-Accounts of his or her Cash and Share Accounts in an amount equal to 90 percent of the sum of the balances of the Pre-2005 Sub-Accounts of his or her Cash and Share Accounts as of the date of the distribution, in which case the remaining balances of such Pre-2005 Sub-Accounts of his or her Cash and Share Accounts will be forfeited. The distribution will be made in the form of a lump sum payment as soon as administratively practicable after the Administrator's receipt of a written application in the form prescribed by the Administrator. Any distribution pursuant to this section from a Participant's Pre-2005 Sub-Accounts of his or her Cash Account will be made in cash. Any distribution pursuant to this section from a Participant's Pre-2005 Sub-Accounts of his or her Share Account will be made in whole Shares (rounded up to the next whole Share). The balance of the Pre-2005 Sub-Accounts of his or her Cash or Share Accounts from which a distribution is made will be reduced to zero as of the date of the distribution. No distribution of a Participant's Post-2004 Sub-Accounts of his or her Cash or Share Accounts will be allowed under this Section 8.2(c).

(d) Payment in Event of Incapacity. If any individual entitled to receive any payment under the Plan is, in the judgment of the Administrator, physically, mentally or legally incapable of receiving or acknowledging receipt of the payment, and no legal representative has been appointed for the individual, the Administrator may (but is not required to) cause the payment to be made to any one or more of the following as may be chosen by the Administrator: the Beneficiary (in the case of the incapacity of a Participant); the institution maintaining the individual; a custodian for the individual under the Uniform Transfers to Minors Act of any state; or the individual's spouse, child, parent, or other relative by blood or marriage. The Administrator is not required to see to the proper application of any such payment, and the payment completely discharges all claims under the Plan against the Company, the Plan and the Trust to the extent of the payment.

(e) Reduction of Account Balance. Except as specified in the case of accelerated distributions pursuant to Section 8.2(c), the balance of the Sub-Account of the Cash or Share Account from which a distribution is made will be reduced, as of the date of the distribution, by the cash amount or number of Shares distributed, as the case may be.

8.3 Distribution of Cash and Share Accounts to a Beneficiary Upon Death of a Participant.

(a) Form. Following a Participant's death, the balances of the Participant's Cash and Share Accounts will be distributed to the Participant's Beneficiary in a lump sum payment whether or not payments had commenced to the Participant in the form of installments prior to his or her death, to the extent permitted by Code Section 409A, unless, with respect to the Participant's Post-2004 Sub-Account, the Participant had elected, on a properly completed election form at the time the installment distribution form was elected, to have the installment distribution to his or her Beneficiary commence or continue following his or her death. Any distribution from a Participant's Cash Account will be made in cash and any distribution from a Participant's Share Account will be made in whole Shares, rounded up to the next whole Share.

(b) Time. Distribution to a Beneficiary will be made as soon as administratively practicable after the next Credit Date after the date on which the Administrator receives notice of the Participant's death; provided that if a distribution from the Participant's Share Account would otherwise be made after the record date for a dividend but before the payment date for such dividend, the distribution will be delayed and made as soon as administratively practicable after the earnings credits have been made to the Share Account pursuant to Section 6.2 on the payment date of the dividend. Distribution of a Participant's Post-2004 Sub-Account to a Beneficiary will be made as soon as administratively practicable but not later than 90 days after the next Credit Date after the date of the Participant's death; provided that if a distribution from the Participant's Share Account would otherwise be made after the record

date for a dividend but before the payment date for such dividend, the distribution may be delayed and made as soon as administratively practicable after the earnings credit has been made to the Share Account pursuant to Section 6.2 on the payment date of the dividend, but in no event later than 90 days after the next Credit Date after the Participant's death. Notwithstanding the preceding, if distribution to the Participant in the form of installment payments had commenced prior to the Participant's death and the Participant had elected, in accordance with Section 8.3(a), to have such installment payments continue to the Beneficiary, such payments will be made at the same time installment payments were scheduled to be made to the Participant.

(c) Beneficiary Designation.

(i) Each Participant may designate, in a form prescribed by the Administrator, one or more primary Beneficiaries or alternative Beneficiaries to receive all or a specified part of the balance of his or her Cash or Share Accounts after his or her death, and the Participant may change or revoke any such designation from time to time. No such designation, change or revocation is effective unless signed by the Participant and received by the Administrator during the Participant's lifetime. If a Participant has a valid designation in effect under any Prior Deferred Compensation Plan, such Participant's prior designation will automatically be deemed to be the Participant's designation under this section unless and until a new designation is made and has become effective.

(ii) Any portion of a Participant's Cash and Share Accounts for which the Participant fails to designate a Beneficiary, revokes a Beneficiary designation without naming another Beneficiary or designates one or more Beneficiaries, none of whom survives the Participant or exists at the time in question, will be paid to the Participant's surviving spouse or, if the Participant is not survived by a spouse, to the representative of the Participant's estate.

(iii) The automatic Beneficiaries specified above and, unless the designation otherwise specifies, the Beneficiaries designated by the Participant, become fixed as of the Participant's death so that, if a Beneficiary survives the Participant but dies before the receipt of the payment due such Beneficiary, the payment will be made to the representative of such Beneficiary's estate. Any designation of a Beneficiary by name that is accompanied by a description of the legal relationship or only by a statement of legal relationship to the Participant is effective only to designate the person or persons standing in such legal relationship to the Participant at the Participant's death.

8.4 Distribution of Post-2004 Sub-Accounts of Cash and Share Accounts Upon Disability of a Participant.

(a) Form. Following a Participant's Disability, the balances of the Participant's Post-2004 Sub-Accounts of his or her Cash and Share Accounts will be distributed to the Participant in a lump sum payment whether or not payments had commenced to the Participant in the form of installments prior to his or her Disability, unless, with respect to the Participant's Post-2004 Sub-Account, the Participant had elected, on a properly completed election form at the time the installment distribution form was elected, to have the installment distribution to his or her Beneficiary commence or continue following his or her death. Any distribution from a Participant's Cash Account will be made in cash and any distribution from a Participant's Share Account will be made in whole Shares, rounded up to the next whole Share.

(b) Time. Distribution of a Participant's Post-2004 Sub-Account will be made on the next Credit Date following the Participant's Disability or as soon as administratively practicable (but not later than 90 days) after such Credit Date; provided that if a distribution from the Participant's Share Account would otherwise be made after the record date for a dividend but before the payment date for such dividend, the distribution may be delayed and made as soon as administratively practicable after the earnings credit has been made to the Share Account pursuant to Section 6.2 on the payment date of the dividend, provided distribution is made not later than 90 days after the next Credit Date after the Participant's Disability. Notwithstanding the preceding, if distribution to the Participant in the form of installment payments had commenced prior to the Participant's death and the Participant had elected, in accordance with Section 8.4(a), to have such installment payments continue to the Beneficiary, such payments will be made at the same time installment payments were scheduled to be made to the Participant.

(c) Effective Date. This Section 8.4 is effective for any Disability arising after October 1, 2013.

8.5 Amount of Distribution.

(a) Amount of Distribution for Cash Account.

(i) Lump Sum. The amount of a lump sum payment from a Participant's applicable Sub-Account of his or her Cash Account will be equal to the balance of the applicable Sub-Account of his or her Cash Account to which the lump sum distribution form applies as of the date of distribution.

(ii) Installments. The amount of each installment payment from a Participant's Pre-2005 Sub-Account of the Cash Account will be determined by dividing the balance of the Pre-2005 Sub-Account of the Cash Account as of the date of distribution for such installment payment by the total number of remaining payments (including the current payment). The amount of each installment payment from a Participant's Post-2004 Sub-Account of the Cash Account will be determined by dividing the balance of the Post-2004 Sub-Account of the Cash Account to which the installment distribution form applies as of the date of distribution for such installment payment by the total number of the remaining payments (including the current payment).

(b) Amount of Distribution for Share Account.

(i) Lump Sum. A lump sum payment from a Participant's applicable Sub-Account of his or her Share Account will consist of the number of Shares equal to the number of Share Units credited to the applicable Sub-Account of his or her Share Account to which the lump sum distribution form applies as of the date of distribution, rounded up to the next whole Share.

(ii) Installments. Each installment payment from a Participant's Pre-2005 Sub-Account of the Share Account will consist of the number of Shares determined by dividing the number of whole Share Units credited to the Pre-2005 Sub-Account of the Share Account to which the installment distribution form applies as of the distribution date for such installment distribution by the total number of remaining payments (including the current payment) and rounding the quotient up to the next whole Share. Each installment payment from a Participant's Post-2004 Sub-Account of the Share Account will consist of the number of Shares determined by dividing the number of whole Share Units credited to the Post-2004 Sub-Account that are subject to the installment distribution form as of the date of distribution for such installment payment by the total number of the remaining payments (including the current payment) and rounding the quotient up to the next whole Share.

(c) Reduction of Account Balance. The balance of the applicable Sub-Account of the Cash or Share Account from which a distribution is made will be reduced, as of the date of distribution, by the cash amount or number of Shares distributed.

9. Terms of Options Granted Under the Plan. All Periodic Options granted under the Plan will be governed by the following terms and conditions:

9.1 Non-Statutory Options. All Periodic Options granted under the Plan will be non-statutory stock options not entitled to special tax treatment under Section 422 of the Internal Revenue Code of 1986, as amended to date and as may be amended from time to time (the "Code").

9.2 Option Exercise Price. The exercise price per Share purchasable under a Periodic Option granted under the Plan will be equal to 100% of the Market Price on the date of grant of the Periodic Option.

9.3 Exercisability of Options. Each Periodic Option granted under the Plan will become exercisable, on a cumulative basis, as to 25% of the Shares (excluding any fractional portion less than one share), on the last day of each of the first, second and third three-month periods following its Date of Grant and as to the remaining Shares on the last day of the

fourth three-month period following the Date of Grant; provided, however, that if a Change in Control of the Company occurs then such Periodic Option will become immediately exercisable in full.

9.4 Duration of Options. Each Periodic Option granted under the Plan will terminate ten years after its Date of Grant; provided, however, that if the Participant ceases to serve as a director of the Company for any reason, then the Periodic Option will remain exercisable to the extent exercisable as of such cessation of service until the earlier of the expiration of five years after the date the Participant ceased to serve as a director of the Company or the remaining term of the Periodic Option.

9.5 Manner of Option Exercise. A Periodic Option granted under the Plan may be exercised by a Participant in whole or in part from time to time, subject to the conditions contained in the Plan, by delivering in person, by facsimile or electronic transmission or through the mail notice of exercise to the Company at its principal executive office in St. Paul, Minnesota, and by paying in full the total exercise price for the Shares to be purchased in accordance with Section 9.6. Such notice will specify the particular Periodic Option that is being exercised (by the date of grant and total number of Shares subject to the Periodic Option) and the number of Shares with respect to which the Periodic Option is being exercised.

9.6 Payment of Exercise Price. The total purchase price of the shares to be purchased upon exercise of a Periodic Option granted under the Plan will be paid entirely in cash (including check, bank draft or money order); provided, however, that the Administrator, in its sole discretion and upon terms and conditions established by the Administrator, may allow such payments to be made, in whole or in part, by tender of a Broker Exercise Notice, by tender, or attestation as to ownership, of Previously Acquired Shares, or by a combination of such methods. For purposes of such payment, Previously Acquired Shares tendered or covered by an attestation will be valued at the Market Price on the exercise date.

9.7 Restrictions on Transfer.

(a) Except pursuant to testamentary will or the laws of descent and distribution or as otherwise expressly permitted by Sections 9.7(b) and (c), no right or interest of any Participant in a Periodic Option granted under the Plan prior to the exercise of such Periodic Option will be assignable or transferable, or subjected to any lien, during the lifetime of the Participant, either voluntarily or involuntarily, directly or indirectly, by operation of law or otherwise.

(b) A Participant will be entitled to designate a beneficiary to receive a Periodic Option granted under the Plan upon such Participant's death, and in the event of a Participant's death, payment of any amounts due under the Plan will be made to, and exercise of any Periodic Options (to the extent permitted pursuant to Section 13) may be made by, the Participant's legal representatives, heirs and legatees.

(c) A Participant who is a director of the Company will be entitled to transfer all or a portion of a Periodic Option granted under the Plan, other than for value, to such Participant's child, stepchild, grandchild, parent, stepparent, grandparent, spouse, former spouse, sibling, niece, nephew, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law, any person sharing such Participant's household (other than a tenant or employee), a trust in which any of the foregoing have more than fifty percent of the beneficial interests, a foundation in which any of the foregoing (or the Participant) control the management of assets, and any other entity in which these persons (or the Participant) own more than fifty percent of the voting interests. Any permitted transferee will remain subject to all the terms and conditions applicable to the Participant prior to the transfer. A permitted transfer may be conditioned upon such requirements as the Administrator may, in its sole discretion, determine, including, but not limited to execution and/or delivery of appropriate acknowledgements, opinion of counsel, or other documents by the transferee.

9.8 Rights as a Stockholder. No Participant will have any rights as a stockholder with respect to any Shares covered by a Periodic Option granted under the Plan until the Participant has exercised such Periodic Option, paid the exercise price and become the holder of record of such Shares, and, except as otherwise provided in Section 17.3, no adjustments will be made for dividends or other distributions or other rights as to which there is a record date preceding the date the Participant becomes the holder of record of such Shares.

9.9 Cash Payment for Options. If a Change in Control of the Company occurs, then the Board, without the consent of any Participant affected thereby, may determine that some or all Participants holding outstanding Periodic Options granted under the Plan will receive, with respect to some or all of the Shares subject to such Periodic Options, as of the effective date of any Change in Control of the Company, cash in an amount equal to the excess of the Market Price of such Shares immediately prior to the effective date of such Change in Control of the Company over the exercise price per share of such Periodic Options.

10. Effects of Actions Constituting Cause. Notwithstanding anything in the Plan to the contrary, if a Participant is determined by the Board, acting in its sole discretion, to have committed any action which would constitute Cause as defined in Section 15.8, irrespective of whether such action or the Board's determination occurs before or after such Participant ceases to serve as a director of the Company, all rights of the Participant under the Plan attributable to unexercised Periodic Options granted under Section 9 and any agreements evidencing a Periodic Option then held by the Participant will terminate and be forfeited without notice of any kind. Benefits attributable to amounts credited to a Participant's Account pursuant to Sections 4 and 5 and any earnings credited with respect to such amounts pursuant to Sections 6.1 and 6.2 will not be forfeited.

11. Source of Payments; Nature of Interest.

11.1 Establishment of Trust. The Company may establish a Trust with an independent corporate trustee. The Trust must be a grantor trust with respect to which the Company is treated as grantor for purposes of Code Section 677 and must provide that, upon the insolvency of the Company, Trust assets will be used to satisfy claims of the Company's general creditors. The Company will pay all taxes of any and all kinds whatsoever payable in respect of the Trust assets or any transaction with respect to the Trust assets. The Company may from time to time transfer to the Trust cash, marketable securities or other property acceptable to the Trustee in accordance with the terms of the Trust. The trustee of the Trust shall not be permitted to locate any portion of the Trust assets outside of the United States in violation of Section 409A(b)(1) of the Code.

11.2 Source of Payments. The Trustee will make distributions to Participants and Beneficiaries from the Trust in satisfaction of the Company's obligations under the Plan in accordance with the terms of the Trust. The Company is responsible for paying, from its general assets, any benefits attributable to a Participant's Account that are not paid by the Trust.

11.3 Status of Plan. Nothing contained in the Plan or Trust is to be construed as providing for assets to be held for the benefit of any Participant or any other person or persons to whom benefits are to be paid pursuant to the terms of the Plan, the Participant's or other person's only interest under the Plan being the right to receive the benefits set forth herein. The Trust is established only for the convenience of the Company and the Participants, and no Participant has any interest in the assets of the Trust prior to distribution of such assets pursuant to the Plan. Until such time as Shares are distributed to a Participant, Beneficiary of a deceased Participant or other person, he or she has no rights as a shareholder with respect to any Share Units credited to a Share Account pursuant to the Plan. To the extent that the Participant or any other person acquires a right to receive benefits under the Plan or the Trust, such right is no greater than the right of any unsecured general creditor of the Company.

11.4 Non-Assignability of Benefits. Except as provided in Section 9.7, the benefits payable under the Plan and the right to receive future benefits under the Plan may not be anticipated, alienated, sold, transferred, assigned, pledged, encumbered, or subjected to any charge or legal process.

12. Payment of Withholding Taxes.

12.1 General Rules. The Company and the Trustee are entitled to (a) withhold and deduct from any compensation, deferral and/or benefit payment pursuant to the Plan and other amounts that may be due and owing to the Participant or Beneficiary from the Company, or make other arrangements for the collection of, all amounts the Company reasonably determines are necessary to satisfy any and all federal, state and local withholding and other tax requirements attributable to the Plan and a Periodic Option, including, without limitation, the grant or exercise of a Periodic Option, or (b) require the Participant promptly to remit the amount of such withholding to the Company before taking any action, including issuing any Shares, with respect to a Periodic Option.

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12.2 Special Rules. The Company or the Trustee, as the case may be, in its sole discretion and upon terms and conditions established by the Company or the Trustee, as the case may be, may permit or require a Participant to satisfy, in whole or in part, any withholding or other tax obligation described in Section 12.1 by having such amounts withheld from any compensation, deferral and/or benefit payment pursuant to the Plan, by remitting such amounts to the Company or the Trustee, by electing to tender, or attest as to ownership of, Previously Acquired Shares, by delivery of a Broker Exercise Notice or a combination of such methods. For purposes of satisfying a Participant's withholding or other tax obligation, Previously Acquired Shares tendered or covered by an attestation will be valued at their Market Price.

13. Securities Law and Other Restrictions. Notwithstanding any other provision of the Plan or any agreements entered into pursuant to the Plan to the contrary, neither the Company nor the Trustee is required to issue or distribute any Shares under the Plan, and a Participant or distributee may not sell, assign, transfer or otherwise dispose of Shares issued or distributed pursuant to the Plan, unless (a) there is in effect with respect to such Shares a registration statement under the Securities Act and any applicable securities laws of a state or foreign jurisdiction or an exemption from such registration under the Securities Act and applicable state or foreign securities laws, and (b) there has been obtained any other consent, approval or permit from any other regulatory body which the Company, in its sole discretion, deems necessary or advisable. The Company or the Trustee may condition such issuance, distribution, sale or transfer upon the receipt of any representations or agreements from the parties involved, and the placement of any legends on certificates representing Shares, as may be deemed necessary or advisable by the Company in order to comply with such securities law or other restrictions.

14. Amendment and Termination.

14.1 Amendment.

(a) The Company reserves the right to amend the Plan at any time to any extent that it may deem advisable. To be effective, an amendment must be stated in a written instrument approved in advance or ratified by the Board and executed in the name of the Company by its Chief Executive Officer or President and attested by the Secretary or an Assistant Secretary.

(b) An amendment adopted in accordance with Section 14.1(a) is binding on all interested parties as of the effective date stated in the amendment; provided, however, that no amendment will have any retroactive effect so as to deprive any Participant, or the Beneficiary of a deceased Participant, of any benefit to which he or she is entitled under the terms of the Plan in effect immediately prior to the effective date of the amendment, determined as if such Participant had terminated service as a director immediately prior to the effective date of the amendment. Without limiting the foregoing, the amendments to this Plan effective May 1, 2004: (i) will not affect the rights of Participants to receive a grant of Elective Options on the Annual Meeting Date in 2004 (or on any earlier termination of service) with respect to deferrals into their Option Cash Accounts, and (ii) will not affect the terms of Elective Options so granted or otherwise outstanding at the time of amendment (including the right to receive Reload Options upon exercise), subject, in each case, to the terms and conditions of the Plan as previously in effect (including definitions of the foregoing capitalized terms not otherwise defined in this amended Plan).

(c) Without limiting Section 14.1(a), the Company reserves the right to amend the Plan to change the method of determining the earnings credited to Participants' Accounts pursuant to Sections 6.1 and 6.2 and to apply such new method not only with respect to the portion of the Accounts attributable to credits made after the date on which such amendment is adopted but also with respect to the portion of the Accounts attributable to credits made prior to the date on which such amendment is adopted and regardless of whether such new method would result in materially lower earnings credits than the old method.

(d) The provisions of the Plan in effect at the termination of a Participant's service as a director will, except as otherwise expressly provided by a subsequent amendment, continue to apply to such Participant.

(e) Notwithstanding the other provisions in this Section 14.1, including any limitation on the right of the Company to amend the Plan in Section 14.1(b), the Company will have the right to amend the Plan as it deems necessary or reasonable (as determined in the sole discretion of the Company) to comply with the requirements of Code Section 409A.

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14.2 Termination. The Company reserves the right to terminate the Plan at any time. The Plan will terminate as of the date specified by the Company in a written instrument by its authorized officers to the Administrator, adopted in the manner of an amendment. Upon the termination of the Plan, any benefits to which Participants have become entitled prior to the effective date of the termination will continue to be paid in accordance with the provisions of Section 8. No termination, suspension or amendment of the Plan may adversely affect any outstanding Periodic Option without the consent of the affected Participant; provided, however, that this sentence will not impair the right of the Administrator to take whatever action it deems appropriate under Sections 9 and 17.3 of the Plan. Periodic Options outstanding upon termination of the Plan may continue to be exercised in accordance with their terms.

15. Definitions. The definitions set forth in this Section 15 apply unless the context otherwise indicates.

15.1 Account. "Account" means the bookkeeping account or accounts maintained with respect to a Participant pursuant to Section 3. Within each Account or Sub-Account, separate subaccounts shall be maintained to the extent the Administrator determines it to be necessary or desirable for the administration of the Plan.

15.2 Administrator. The "Administrator" of the Plan is the Compensation Committee of the Board or such other committee or person to whom administrative duties are delegated pursuant to the provisions of Section 16.1, as the context requires.

15.3 Annual Meeting Date. "Annual Meeting Date" means the date on which the annual meeting of the Company's stockholders is held.

15.4 Beneficiary. "Beneficiary" with respect to a Participant is the person designated or otherwise determined under the provisions of Section 8.3 as the distributee of benefits payable after the Participant's death. A person designated or otherwise determined to be a Beneficiary under the terms of the Plan has no interest in or right under the Plan until the Participant in question has died. A person will cease to be a Beneficiary on the day on which all benefits to which he, she or it is entitled under the Plan have been distributed.

15.5 Board. "Board" means the board of directors of the Company.

15.6 Broker Exercise Notice. "Broker Exercise Notice" means a written notice pursuant to which a Participant, upon exercise of an Option, irrevocably instructs a broker or dealer to sell a sufficient number of shares or loan a sufficient amount of money to pay all or a portion of the exercise price of the Option and/or any related withholding tax obligations and remit such sums to the Company and directs the Company to deliver stock certificates to be issued upon such exercise directly to such broker or dealer or their nominee.

15.7 Cash Account. "Cash Account" means an Account to which deferred amounts are credited pursuant to Sections 4 and 5.2 and earnings thereon are credited pursuant to Section 6.1 in U.S. dollars. As provided under Section 3, the Cash Account will include a Pre-2005 Sub-Account and Post-2004 Sub-Account.

15.8 Cause. "Cause" means dishonesty, fraud, misrepresentation, embezzlement or deliberate injury or attempted injury, in each case related to the Company or any subsidiary or any material breach of any confidentiality or non-compete agreement entered into with the Company or any subsidiary.

15.9 Change in Control. "Change in Control" will be deemed to have occurred if the event set forth in any one of the following paragraphs will have occurred:

(a) any "person" as such term is used in Sections 13(d) and 14(d) of the Exchange Act (other than the Company, any trustee or other fiduciary holding securities under any employee benefit plan of the Company, or any corporation owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their ownership of stock of the Company), is or becomes, including pursuant to a tender or exchange offer for shares of Common Stock pursuant to which purchases are made, the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing 25% or more of the combined voting power of the Company's then outstanding securities, other than in a transaction arranged or approved by the Board prior to its occurrence; provided, however, that if any such person will become the beneficial

owner, directly or indirectly, of securities of the Company representing 34% or more of the combined voting power of the Company's then outstanding securities, a Change in Control will be deemed to occur whether or not any or all of such beneficial ownership is obtained in a transaction arranged or approved by the Board prior to its occurrence, and other than in a transaction in which such person will have executed a written agreement with the Company (and approved by the Board) on or prior to the date on which such person becomes the beneficial owner of 25% or more of the combined voting power of the Company's then outstanding securities, which agreement imposes one or more limitations on the amount of such person's beneficial ownership of shares of Common Stock, if, and so long as, such agreement (or any amendment thereto approved by the Board provided that no such amendment will cure any prior breach of such agreement or any amendment thereto) continues to be binding on such person and such person is in compliance (as determined by the Board in its sole discretion) with the terms of such agreement (including such amendment); provided, however, that if any such person will become the beneficial owner, directly or indirectly, of securities of the Company representing 50% or more of the combined voting power of the Company's then outstanding securities, a Change in Control will be deemed to occur whether or not such beneficial ownership was held in compliance with such a binding agreement, and provided further that the provisions of this subparagraph (a) will not be applicable to a transaction in which a corporation becomes the owner of all the Company's outstanding securities in a transaction which complies with the provisions of subparagraph (c) of this section (e.g., a reverse triangular merger); or

(b) during any 36 consecutive calendar months, individuals who constitute the Board on the first day of such period or any new director (other than a director whose initial assumption of office is in connection with an actual or threatened election contest including, but not limited to, a consent solicitation, relating to the election of directors of the Company) whose appointment or election by the Board or nomination for election by the Company's stockholders was approved or recommended by a vote of at least two-thirds (2/3) of the directors then still in office who either were directors on the first day of such period, or whose appointment, election or nomination for election was previously so approved or recommended, shall cease for any reason to constitute at least a majority thereof; or

(c) there is consummated a merger or consolidation of the Company or any direct or indirect subsidiary of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior to such merger or consolidation continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or any parent thereof) more than 50% of the combined voting power of the securities of the Company or such surviving entity or any parent thereof outstanding immediately after such merger or consolidation, and in which no "person" (as defined under subparagraph (a) above) acquires 50% or more of the combined voting power of the securities of the Company or such surviving entity or parent thereof outstanding immediately after such merger or consolidation; or

(d) the stockholders of the Company approve a plan of complete liquidation or dissolution of the Company or there is consummated an agreement for the sale or disposition by the Company of all or substantially all of the Company's assets, other than a sale or disposition by the Company of all or substantially all of the Company's assets to an entity, more than 50% of the combined voting power of the voting securities of which are owned by stockholders of the Company in substantially the same proportions as their ownership of the Company immediately prior to such sale.

15.10 Code. "Code" means the Internal Revenue Code of 1986, as amended. Any reference to a specific provision of the Code includes a reference to that provision as it may be amended from time to time and to any successor provision.

15.11 Company. "Company" means Ecolab Inc.

15.12 Credit Date. "Credit Date" means the date on which compensation, deferral and earnings credits to a Cash or Share Account are made pursuant to Sections 5 and 6, which is usually on the last day of a Credit Period.

15.13 Credit Period. "Credit Period" means a period of one calendar quarter, beginning on each January 1, April 1, July 1, and October 1 and ending on each March 31, June 30, September 30 and December 31; provided, however, that the first Credit Period following the May 1, 2004 amendments to this Plan shall commence as of such date and end on June 30, 2004.

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15.14 Disability. “Disability” means:

(a) For purposes of Section 8.1(a), the total disability of a Qualified Director. Such total disability will be deemed to have occurred if the Administrator finds on the basis of medical evidence satisfactory to it that the Qualified Director is prevented from engaging in any suitable gainful employment or occupation and that such disability will be permanent and continuous during the remainder of his or her life; and

(b) For purposes of Section 8.4, that, by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, the Participant is unable to engage in any substantial gainful activity.

15.15 Election Period. “Election Period” means a period of one calendar year, commencing on each January 1 and ending on each December 31; provided, however, that the first Election Period following the May 1, 2004 amendments to this Plan shall commence as of such date and end on December 31, 2004.

15.16 Market Price. “Market Price” means the average of the high and low sale prices of a Share during the regular trading session on a specified date or, if Shares were not then traded, during the regular trading session on the most recent prior date when Shares were traded, all as quoted in The Wall Street Journal reports of New York Stock Exchange - Composite Transactions.

15.17 Option Exercise Shares. “Option Exercise Shares” means Shares that are issuable upon the exercise of a Periodic Option that is: (i) currently held by, or later issued to, an individual who is a Qualified Director as of October 31, 2008; or (ii) issued after October 31, 2008 to an individual who subsequently becomes a Qualified Director after October 31, 2008. For purposes of Section 9.6, Option Exercise Shares will be valued at the Market Price on the exercise date.

15.18 Other Director Compensation. “Other Director Compensation” means all cash amounts payable by the Company to a Qualified Director for his or her services to the Company as a Qualified Director, (a) including, without limitation, the Retainer and fees specifically paid for attending regular or special meetings of the Board and Board committees or for acting as the chair of a committee, but (b) excluding expense allowances or reimbursements and insurance premiums.

15.19 Participant. “Participant” is a current or former Qualified Director who has been granted a Periodic Option under the Plan or whose Account amounts have been credited pursuant to Section 4, 5 or 6 and who has not ceased to be a Participant pursuant to Section 2.4.

15.20 Periodic Option. “Periodic Option” means an option to purchase Shares granted to Qualified Directors from time to time pursuant to Section 7.

15.21 Plan. “Plan” means the Ecolab Inc. 2001 Non-Employee Director Stock Option and Deferred Compensation Plan, as from time to time amended or restated.

15.22 Plan Rules. “Plan Rules” are rules, policies, practices or procedures adopted by the Administrator pursuant to Section 16.2.

15.23 Previously Acquired Shares. “Previously Acquired Shares” means Shares that (i) are already owned by the Participant and that are, by virtue of the Participant’s holding period or other attributes, acceptable to the Administrator; or (ii) are Option Exercise Shares.

15.24 Prime Rate. “Prime Rate” means the Bloomberg Prime Rate Composite (“Prime Rate by Country US—BB Comp”).

15.25 Prior Deferred Compensation Plans. “Prior Deferred Compensation Plans” means the Company’s 1997 Non-Employee Director Deferred Compensation Plan, as amended, and the Company’s Deferred Compensation Plan for Non-Employee Directors, as amended.

15.26 Qualified Director. “Qualified Director” means an individual who is a member of the Board and who is not an employee of the Company or any of its subsidiaries.

15.27 Retainer. “Retainer” means the amount payable by the Company to a Qualified Director for holding office as a Qualified Director, exclusive of fees specifically paid for attending regular or special meetings of the Board and Board committees, fees for acting as chair of the Board or a Board committee, expense allowances or reimbursements, insurance premiums, charitable gift matching contributions and any other payments that are determined by reference to factors other than holding office as a Qualified Director.

15.28 Securities Act. “Securities Act” means the Securities Act of 1933, as amended. Any reference to a specific provision of the Securities Act includes a reference to that provision as it may be amended from time to time and to any successor provision.

15.29 Share Account. “Share Account” means an Account to which credits are made pursuant to Section 5.1, deferred amounts are credited pursuant to Sections 4 and 5.2 and earnings are credited pursuant to Section 6.2 in Share Units. As provided under Section 3, the Share Account will include a Pre-2005 Sub-Account and Post-2004 Sub-Account.

15.30 Share Unit Compensation. “Share Unit Compensation” means the compensation paid to Qualified Directors in the form of credits to their Share Accounts pursuant to Section 5.1.

15.31 Share Units. “Share Units” means a unit credited to a Participant’s Share Account pursuant to Sections 4, 5.1, 5.2 and 6.2, each of which represents the economic equivalent of one Share. A Participant will not have any rights as a stockholder with respect to Share Units until the Participant is distributed Shares pursuant to Section 8 of the Plan.

15.32 Shares. “Shares” means shares of common stock of the Company, \$1.00 par value, or such other class or kind of shares or other securities as may be applicable pursuant to Section 17.3.

15.33 Sub-Account. “Sub-Account” refers to the Participant’s Pre-2005 Sub-Account, accounting for those amounts deferred into the Plan prior January 1, 2005 (and related earnings credits), the Participant’s Post-2004 Sub-Account, accounting for those amounts deferred into the Plan after December 31, 2004 (and related earnings), or both as the context requires. Within each Sub-Account, separate subaccounts shall be maintained to the extent the Administrator determines it to be necessary or desirable for the administration of the Plan.

15.34 Termination of Service. For purposes of distribution of a Participant’s Post-2004 Sub-Account, ‘Termination of Service’ means the individual has ceased to be a member of the Board and has ceased to provide services as an independent contractor (including as a member of the board of directors) of the Company and any other entity with whom the Company would be treated as a single employer under Section 414(b) or 414(c) of the Code. In all cases, the individual’s Termination of Service must constitute a ‘separation from service’ under Section 409A of the Code.

15.35 Trust. “Trust” means any trust or trusts established by the Company pursuant to Section 11.1 of the Plan.

15.36 Trustee. “Trustee” means the independent corporate trustee or trustees that at the relevant time has or have been appointed to act as Trustee of the Trust.

15.37 Unforeseeable Emergency. With respect to a Participant’s Post-2004 Sub-Accounts, “Unforeseeable Emergency” shall mean an event which results in a severe financial hardship to the Participant as a consequence of (1) an illness or accident of the Participant, the Participant’s spouse, or a dependent within the meaning of Code Section 152, (2) loss of the Participant’s property due to casualty or (3) other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the Participant. With respect to a Participant’s Pre-2005 Sub-Accounts, “Unforeseeable Emergency” shall mean an unanticipated emergency that is caused by an event beyond the Participant’s control resulting in a severe financial hardship that cannot be satisfied through other means. The existence of an Unforeseeable Emergency will be determined by the Administrator.

16. Administration.

16.1 Administrator. The general administration of the Plan and the duty to carry out its provisions will be vested in the Compensation Committee of the Board or such other Board committee as may be subsequently designated as Administrator by the Board. Such committee may delegate such duty or any portion thereof to a named person and may from time to time revoke such authority and delegate it to another person.

16.2 Plan Rules and Regulations. The Administrator has the discretionary power and authority to make such Plan Rules as the Administrator determines to be consistent with the terms, and advisable in connection with the administration, of the Plan and to modify or rescind any such Plan Rules. In addition, the Administrator has the discretionary power and authority to limit or modify application of Plan provisions and Plan Rules as the Administrator determines to be advisable to facilitate tax deferral treatment (or accommodate the unavailability thereof) for Options granted to, or amounts credited with respect to, non-U.S. resident Participants.

16.3 Administrator's Discretion. The Administrator has the sole discretionary power and authority to make all determinations necessary for administration of the Plan, except those determinations that the Plan requires others to make, and to construe, interpret, apply and enforce the provisions of the Plan and Plan Rules whenever necessary to carry out its intent and purpose and to facilitate its administration, including, without limitation, the discretionary power and authority to remedy ambiguities, inconsistencies, omissions and erroneous benefit calculations. In the exercise of its discretionary power and authority, the Administrator will treat all similarly situated persons uniformly.

16.4 Specialist's Assistance. The Administrator may retain such actuarial, accounting, legal, clerical and other services as may reasonably be required in the administration of the Plan, and may pay reasonable compensation for such services. All costs of administering the Plan will be paid by the Company.

16.5 Indemnification. The Company agrees to indemnify and hold harmless, to the extent permitted by law, each director, officer and employee of the Company and any subsidiary or affiliate of the Company against any and all liabilities, losses, costs and expenses (including legal fees) of every kind and nature that may be imposed on, incurred by, or asserted against such person at any time by reason of such person's services in connection with the Plan, but only if such person did not act dishonestly or in bad faith or in willful violation of the law or regulations under which such liability, loss, cost or expense arises. The Company has the right, but not the obligation, to select counsel and control the defense and settlement of any action for which a person may be entitled to indemnification under this provision.

17. Shares Available for Issuance.

17.1 Maximum Number of Shares Available. Subject to adjustment as provided in Section 17.3, the maximum number of Shares that will be available for issuance or distribution under the Plan will be 500,000 Shares, plus any Shares which, as of the 2001 Annual Meeting Date, were reserved for issuance under the 1997 Non-Employee Director Deferred Compensation Plan, as amended, and the Company's 1995 Non-Employee Director Stock Option Plan and which were not thereafter issued or are not hereafter issued, or which have been issued but are subsequently forfeited and which would otherwise have been available for further issuance under such plans. The Shares available for issuance or distribution under the Plan may, at the election of the Administrator, be either treasury shares or shares authorized but unissued, and, if treasury shares are used, all references in the Plan to the issuance or distribution of Shares will, for corporate law purposes, be deemed to mean the transfer of shares from treasury.

17.2 Accounting. Shares that are issued or distributed under the Plan or that are subject to outstanding Periodic Options granted under the Plan or Share Units will be applied to reduce the maximum number of Shares remaining available for issuance or distribution under the Plan. Any Shares that are subject to a Periodic Option granted under the Plan that lapses, expires, is forfeited or for any reason is terminated unexercised and any Shares that are subject to Share Units in a Share Account that are forfeited pursuant to Section 8.2(c) will automatically again become available for issuance or distribution under the Plan. To the extent that the exercise price of any Periodic Option granted under the Plan and/or associated tax withholding obligations are paid by tender or attestation as to ownership of Previously Acquired Shares on or before May 11, 2011 (the date ten years following approval of the Plan by the Company's stockholders), or to the extent that such tax withholding obligations are satisfied by withholding of shares otherwise issuable upon exercise of the Periodic Option,

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only the number of Shares issued net of the number of Shares tendered, attested to or withheld will be applied to reduce the maximum number of Shares remaining available for issuance under the Plan.

17.3 Adjustment to Shares, Share Units and Options. In the event of any reorganization, merger, consolidation, recapitalization, liquidation, reclassification, stock dividend, stock split, combination of shares, rights offering, divestiture or extraordinary dividend (including a spin-off) or any other similar change in the Company's corporate structure or the Shares, the Administrator (or, if the Company is not the surviving corporation in any such transaction, the board of directors of the surviving corporation) will make appropriate adjustment (which determination will be conclusive) as to the number and kind of securities or other property (including cash) available for issuance or distribution under the Plan and as to the number and kind of Share Units credited to Share Accounts and the number and kind of securities as to which Periodic Options are to be granted and, in order to prevent dilution or enlargement of the rights of Participants holding Periodic Options, the number, kind and exercise price of securities subject to outstanding Periodic Options.

18. Miscellaneous.

18.1 Other Benefits. Neither amounts deferred nor amounts paid pursuant to the Plan constitute salary or compensation for the purpose of computing benefits under any other benefit plan, practice, policy or procedure of the Company unless otherwise expressly provided thereunder.

18.2 No Warranties Regarding Treatment. The Company makes no warranties regarding the tax treatment to any person of any deferrals or payments made pursuant to the Plan, and each Participant will hold the Administrator and the Company and their officers, directors, employees, agents and advisors harmless from any liability resulting from any tax position taken in good faith in connection with the Plan.

18.3 No Rights to Continued Service Created. Neither the establishment of or participation in the Plan gives any individual the right to continued service on the Board or limits the right of the Company or its stockholders to terminate or modify the terms and conditions of service of such individual on the Board or otherwise deal with any individual without regard to the effect that such action might have on him or her with respect to the Plan.

18.4 Successors. Except as otherwise expressly provided in the Plan, all obligations of the Company under the Plan are binding on any successor to the Company whether the successor is the result of a direct or indirect purchase, merger, consolidation or otherwise of all of the business and/or assets of the Company.

18.5 Cross Reference. References in the Plan to a particular section refer to that section within the Plan, references within a section of the Plan to a particular subsection refer to that subsection within the same section, and references within a section or subsection to a particular clause refer to that clause within the same section or subsection, as the case may be.

18.6 Number and Gender. Wherever appropriate, the singular may be read as the plural, the plural may be read as the singular, and one gender may be read as the other gender.

18.7 Governing Law. Except in connection with matters of corporate governance and authority (which shall be governed by the laws of the Company's jurisdiction of incorporation), questions pertaining to the construction, validity, effect and enforcement of the Plan will be determined in accordance with the internal, substantive laws of the State of Minnesota without regard to the conflict of laws rules of the State of Minnesota or any other jurisdiction.

18.8 Headings. The headings of sections are included solely for convenience of reference; if there exists any conflict between such headings and the text of the Plan, the text will control.

DIRECTIONS TO THE ECOLAB ANNUAL MEETING

Saint Paul's Landmark Center is located at 75 West 5th Street in downtown Saint Paul, adjacent to Rice Park. There are numerous paid ramps and parking meters within easy walking distance. The closest parking ramps are RiverCentre, Lawson Commons and Kellogg Street Ramp.

Global Headquarters

370 Wabasha Street North St. Paul, MN 55102

www.ecolab.com 1 800 2 ECOLAB

*** Exercise Your Right to Vote ***

Important Notice Regarding the Availability of Proxy Materials for the
Stockholder Meeting to Be Held on May 5, 2016.

ECOLAB INC.

Meeting Information

Meeting Type: Annual Meeting
For holders as of: March 8, 2016
Date: May 5, 2016 Time: 10:00 AM
Location: Landmark Center
75 West 5th Street
Saint Paul, Minnesota 55102

ECOLAB INC.
CORPORATE SECRETARY
370 WABASHA STREET NORTH
SAINT PAUL, MN 55102-1390

You are receiving this communication because you hold shares in the
company named above.

This is not a ballot. You cannot use this notice to vote these shares. This
communication presents only an overview of the more complete proxy
materials that are available to you on the Internet. You may view the proxy
materials online at www.proxyvote.com, scan the QR Barcode on the reverse
side, or easily request a paper copy (see reverse side).

We encourage you to access and review all of the important information
contained in the proxy materials before voting.

See the reverse side of this notice to obtain proxy materials and voting
instructions.

Before You Vote

How to Access the Proxy Materials

Proxy Materials Available to VIEW or RECEIVE:

NOTICE AND PROXY STATEMENT

ANNUAL REPORT

How to View Online:

Have the information that is printed in the box marked by the arrow (located on the following page) and visit: www.proxyvote.com, or scan the QR Barcode below.

How to Request and Receive a PAPER or E-MAIL Copy:

If you want to receive a paper or e-mail copy of these documents, you must request one. There is NO charge for requesting a copy. Please choose one of the following methods to make your request:

- | | |
|------------------|--|
| 1) BY INTERNET: | www.proxyvote.com |
| 2) BY TELEPHONE: | 1-800-579-1639 |
| 3) BY E-MAIL*: | sendmaterial@proxyvote.com |

* If requesting materials by e-mail, please send a blank e-mail with the information that is printed in the box marked by the arrow (located on the following page) in the subject line.

Requests, instructions and other inquiries sent to this e-mail address will NOT be forwarded to your investment advisor. Please make the request as instructed above on or before April 21, 2016 to facilitate timely delivery.

How To Vote

Please Choose One of the Following Voting Methods

Vote In Person: Many stockholder meetings have attendance requirements including, but not limited to, the possession of an attendance ticket issued by the entity holding the meeting. Please check the meeting materials for any special requirements for meeting attendance. At the meeting, you will need to request a ballot to vote these shares.

Vote By Internet: Go to www.proxyvote.com or from a smart phone, scan the QR Barcode above. Have the information that is printed in the box marked by the arrow (located on the following page) available and follow the instructions.

Vote By Mail: You can vote by mail by requesting a paper copy of the materials, which will include a proxy card.

Voting Items

The Board of Directors recommends a vote FOR the nominees listed and FOR proposals 2, 3 and 4.

1. Election of Directors

Nominees:

- 1a. Douglas M. Baker, Jr.
- 1b. Barbara J. Beck
- 1c. Leslie S. Biller
- 1d. Carl M. Casale
- 1e. Stephen I. Chazen
- 1f. Jeffrey M. Ettinger
- 1g. Jerry A. Grundhofer
- 1h. Arthur J. Higgins
- 1i. Michael Larson
- 1j. Jerry W. Levin
- 1k. David W. MacLennan
- 1l. Tracy B. McKibben
- 1m. Victoria J. Reich
- 1n. Suzanne M. Vautrinot
- 1o. John J. Zillmer

2. Ratify the appointment of PricewaterhouseCoopers LLP as independent registered public a

3. Approve an amendment to the Ecolab Inc. 2001 Non-Employee Director Stock Option and

4. Advisory vote to approve the compensation of executives disclosed in the Proxy Statement.

The Board of Directors recommends a vote AGAINST proposal 5.

5. Stockholder proposal regarding proxy access.

®

ECOLAB INC.
CORPORATE SECRETARY
370 WABASHA STREET NORTH
SAINT PAUL, MN 55102-1390

VOTE BY INTERNET - www.proxyvote.com or scan the QR Barcode above Use the Internet for ELECTRONIC DELIVERY OF FUTURE PROXY MATERIALS

If you would like to reduce the costs incurred by our company in mailing proxy materials, you may choose to access proxy materials electronically in future years.

VOTE BY PHONE - 1-800-690-6903

Use any touch-tone telephone to transmit your voting instructions up until 11:59 P.M. Eastern Time on the Record Date.

VOTE BY MAIL

Mark, sign and date your proxy card and return it in the postage-paid envelope we have provided or return it to the address on the proxy card.

TO VOTE, MARK BLOCKS BELOW IN BLUE OR BLACK INK AS FOLLOWS:

KEEP THIS PORTION OF THE PROXY CARD SEPARATE FROM THE BALANCE OF THE PROXY CARD AND RETURN IT TO THE ADDRESS ON THE BALANCE OF THE PROXY CARD WITH THE BALANCE OF THE PROXY CARD. E00936-P72585 FOR YOUR RECORD.

THIS PROXY CARD IS VALID ONLY WHEN SIGNED AND DATED.

ECOLAB INC.

The Board of Directors recommends a vote FOR the nominees listed and FOR proposals 2, 3 and 4.

1. Election of Directors

Nominees: For Against Abstain

1a. Douglas M. Baker, Jr.

1b. Barbara J. Beck

1c. Leslie S. Biller

1d. Carl M. Casale

1e. Stephen I. Chazen

1f.

1m. Victoria J. Reich

1n. Suzanne M. Vautrinot

1o. John J. Zillmer

2.

For Against Abstain

Explanation of Responses:

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- | | | | | |
|-----|--|---|---------|---------|
| 1g. | Jeffrey M. Ettinger Jerry A. Grundhofer | Ratify the appointment of Pricewaterhouse Coopers LLP as independent registered public accounting firm for the current year ending December 31, 2016. | | |
| 1h. | Arthur J. Higgins | 3. Approve an amendment to the Ecolab Inc. 2001 Non-Employee Director Stock Option and Deferred Compensation Plan. | | |
| 1i. | Michael Larson | Advisory vote to approve the compensation of executives disclosed in the Proxy Statement. | | |
| 1j. | Jerry W. Levin | 4. The Board of Directors recommends a vote AGAINST proposal | Against | Abstain |
| 1k. | David W. MacLennan | 5. Stockholder proposal regarding proxy access. | | |
| 1l. | Tracy B. McKibben | | | |

Please sign exactly as your name(s) appear(s) hereon. When signing as attorney, executor, administrator, or other fiduciary, please give full title as such. Joint owners should each sign personally. All holders must sign. If a corporation or partnership, please sign in full corporate or partnership name by authorized officer.

Signature Date
[PLEASE
SIGN
WITHIN
BOX]

Signature (Joint Owners) Date

Directions to the Ecolab Annual Meeting

Saint Paul's Landmark Center is located at 75 West 5th Street in downtown St. Paul, adjacent to Rice Park. There are numerous

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting:

The Notice and Proxy Statement and Annual Report are available at www.proxyvote.com.

IF YOU HAVE NOT VOTED VIA THE INTERNET OR TELEPHONE, FOLD ALONG THE PERFORATION, DETACH

00937-P72585

Proxy — Ecolab Inc.

THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS

ECOLAB INC.
ANNUAL MEETING OF STOCKHOLDERS
MAY 5, 2016

The undersigned hereby appoints Douglas M. Baker, Jr., James J. Seifert and Theodore D. Herzog, and each of them, with power of substitution to each as proxies to represent the undersigned at the Annual Meeting of Stockholders of Ecolab Inc., to be held in St. Paul, Minnesota, at the Landmark Center at 10:00 a.m. on Thursday, May 5, 2016, and at any adjournment(s) thereof, and to vote all shares of stock which the undersigned may be entitled to vote at said meeting as directed on the reverse side with respect to the proposals as set forth in the Proxy Statement, and in their discretion, upon any other matters that may properly come before the meeting.

You are encouraged to specify your choices by marking the appropriate boxes, SEE REVERSE SIDE, but you need not mark any boxes if you wish to vote in accordance with the Board of Directors' recommendations as indicated on the reverse side. The tabulator cannot vote the shares unless you sign and return this card, or you use the telephone or Internet voting services to cast your proxy.

Continued and to be signed on reverse side

Explanation of Responses:

