HALLIBURTON CO
Form DEF 14A
April 07, 2015
UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

(RULE 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities

Exchange Act of 1934 (Amendment No.)

Filed by the Registrant Filed by a Party other than the Registrant

Check the appropriate box:
Preliminary Proxy Statement
CONFIDENTIAL, FOR USE OF THE COMMISSION ONLY (AS PERMITTED BY RULE 14a-6(e)(2))
Definitive Proxy Statement
Definitive Additional Materials
Soliciting Material under §240.14a-12

HALLIBURTON COMPANY

(Name of Registrant as Specified in its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

Notice of Annual Meeting of Stockholders and

2015 Proxy Statement

Wednesday, May 20, 2015 at 9:00 a.m. Central Daylight Time

3000 N. Sam Houston Parkway East, Life Center - Auditorium, Houston, Texas 77032

To Our Valued Stockholders:

At Halliburton, we are committed to innovation, collaboration, and execution in an effort to deliver superior value for our customers, our employees, and our stockholders.

We have set bold goals to stretch our abilities, drive our growth, and maximize the long-term prospects for our business. In 2014, we once again delivered industry-leading growth and returns by executing on our key strategies around unconventionals, mature fields, and deepwater. Looking at 2015, we are facing a very challenging environment, but we have a management team that has been through previous downturns and we intend to emerge from this cycle as a much stronger company on a relative basis. We also expect to close on a monumental event in our company's life – the pending Baker Hughes Incorporated acquisition. The opportunities that will come from bringing together these two highly regarded and successful organizations are extraordinary, and the combined organization will create a bellwether global oilfield services company.

We recognize the role stockholders play in our ongoing success and appreciate the confidence you expressed in Halliburton by approving the issuance of shares necessary to complete the Baker Hughes acquisition.

I am pleased to invite you to attend the Annual Meeting of Stockholders of Halliburton Company. The meeting will be held on Wednesday, May 20, 2015, at 9:00 a.m. Central Daylight Time at our corporate office at 3000 N. Sam Houston Parkway East, Life Center – Auditorium, Houston, Texas 77032.

Please refer to the proxy statement for detailed information on each of the proposals presented this year.

It is imperative that your shares are represented and voted at the meeting. If you attend the meeting, you may vote in person even if you have previously voted.

We appreciate the continuing interest of our stockholders in the business of Halliburton, and hope you will be able to attend the Annual Meeting.

Sincerely,

David J. Lesar

Chairman of the Board
and Chief Executive Officer

April 7, 2015

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Proxy Statement Summary

This summary highlights information contained elsewhere in this proxy statement. This summary does not contain all of the information that you should consider, and you should read the entire proxy statement carefully before voting. Page references are supplied to help you find further information in this proxy statement.

Eligibility to Vote (page 2)

You can vote if you were a stockholder of record at the close of business on March 23, 2015.

How to Cast Your Vote (page 2)

You can vote by any of the following methods:

- Internet (www.envisionreports.com/HAL) until 1:00 a.m. Eastern Standard Time on May 20, 2015;
- Telephone until 1:00 a.m. Eastern Standard Time on May 20, 2015;
- Completing, signing and returning your proxy or voting instruction card before May 20, 2015; or
- In person, at the annual meeting: If you are a stockholder of record, we have a record of your ownership. If your shares are held in the name of a broker, nominee or other intermediary, you must bring proof of ownership with you to the meeting.

Auditors (page 19)

As a matter of good corporate governance, we are asking our stockholders to ratify the selection of KPMG LLP as our principal independent public accountants for 2015.

Voting matters (pages 10, 19, 22, 49, 55)

	Board Vote Recommendation	**Page Reference (for more detail)**
Election of Directors	FOR each Nominee	10

Ratification of the Selection of Auditors	FOR	19
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Employee Stock Purchase Plan Proposal	FOR	55

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- Related Persons Transactions Policy

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Board Nominees (page 10)

Name	Age	Director since	Occupation	Independent (Yes/No)	Committee Memberships	Other Company Boards
Abdulaziz F. Al Khayyal	61	2014	Retired Senior Vice President, Industrial Relations, Saudi Aramco	Yes	• Health, Safety and Environment • Nominating and Corporate Governance	
Alan M. Bennett	64	2006	Retired President and CEO of H & R Block	Yes	• Audit (Chair) • Nominating and Corporate Governance	• Fluor Corporation • TJX Companies, Inc.
James R. Boyd	68	2006	Retired Chairman of the Board of Arch Coal, Inc.	Yes	• Audit • Compensation (Chair)	
Milton Carroll	64	2006	Executive Chairman of the Board of CenterPoint Energy, Inc.	Yes	• Compensation • Nominating and Corporate Governance	• Western Gas Holdings, LLC • LyondellBasell Industries
Nance K. Dicciani	67	2009	Retired President and CEO of Honeywell International Specialty Materials	Yes	• Audit • Health, Safety and Environment	• Praxair, Inc. • LyondellBasell Industries
Murry S. Gerber	62	2012	Retired Executive Chairman of the Board of EQT Corporation	Yes	• Audit • Compensation	• BlackRock, Inc. • United States Steel Corporation
José C. Grubisich	58	2013	Chief Executive Officer of Eldorado Brasil Celulose	Yes	• Audit • Health, Safety and Environment	• Vallourec S.A.
David J. Lesar (Chairman)	61	2000	Chairman of the Board and CEO of Halliburton	No		• Agrium, Inc.
Robert A. Malone	63	2009	Executive Chairman, President and Chief Executive Officer of First Sonora Bancshares, Inc.	Yes	• Compensation • Health, Safety and Environment (Chair)	• Peabody Energy Company
J. Landis Martin	69	1998	Founder of Platte River Equity	Yes	• Health, Safety and Environment	• Lead Director of Apartment Investment

(Lead Director)					• Nominating and Corporate Governance	and Management Company • Chairman of Crown Castle International Corporation • Lead Director of Intrepid Potash, Inc.
Jeffrey A. Miller	51	2014	President of Halliburton	No		• Atwood Oceanics, Inc.
Debra L. Reed	58	2001	Chairman of the Board and CEO of Sempra Energy	Yes	• Compensation • Nominating and Corporate Governance (Chair)	

Named Executive Officers (page 23)

Name	Age	Occupation	Since
David J. Lesar	61	Chairman of the Board and Chief Executive Officer	2000
Mark A. McCollum	56	Executive Vice President and Chief Financial Officer(1)	2008
James S. Brown	60	President - Western Hemisphere	2008
Jeffrey A. Miller	51	President	2014
Joe D. Rainey	58	President - Eastern Hemisphere	2011

(1) *Effective January 1, 2015, Mr. McCollum assumed the role of Executive Vice President and Chief Integration Officer serving as head of the Joint Integration Team that Halliburton and Baker Hughes are assembling in connection with the pending acquisition of Baker Hughes.*

2014 Highlights

(for more detail please see Form 10-K)

- We set revenue records as a total company, including both divisions and 12 out of 13 product service lines.
- We achieved record total company operating income, as well as in our Middle East/Asia region and four out of 13 product service lines.
- We returned 33% of our cash flow from operations to our stockholders, including $800 million in share repurchases and over $500 million in dividends.
- We executed a merger agreement to acquire Baker Hughes in a stock and cash transaction.
- We reached a settlement agreement relating to the Macondo well incident litigation for approximately $1.1 billion.

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Executive Compensation

Objectives (page 24)

Our executive compensation program is composed of base salary, short-term incentives, and long-term incentives and is designed to achieve the following objectives:

- Provide a clear and direct relationship between executive pay and our performance on both a short-term and long-term basis;
- Emphasize operating performance drivers;
- Link executive pay to measures that drive stockholder value;
- Support our business strategies; and
- Maximize the return on our human resource investment.

2014 Executive Total Compensation Mix (page 25)

2014 Executive Compensation Summary (page 36)

Name	Salary ($)	Bonus ($)	Stock Awards ($)	Option Awards ($)	Non-Equity Incentive Plan Compensation ($)	Change in Pension Value and Nonqualified Deferred Compensation Earnings ($)	All Other Compensation ($)	Total ($)
David J. Lesar	1,630,000	0	3,912,000	2,178,163	10,872,600	269,185	1,698,209	20,560,157
Mark A. McCollum	760,000	0	4,531,750	567,472	2,769,000	43,427	491,054	9,162,703
James S. Brown	820,000	0	1,304,000	727,685	3,482,000	79,934	986,492	7,400,111

Jeffrey A. Miller	912,500	0	5,639,516	1,407,673	2,114,375	14,428	892,290	10,980,782
Joe D. Rainey	788,000	0	1,304,000	727,685	3,418,000	97,957	3,011,531	9,347,173

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Notice of Annual Meeting of Stockholders to be held May 20, 2015

Halliburton Company, a Delaware corporation, will hold its Annual Meeting of Stockholders on Wednesday, May 20, 2015 at 9:00 a.m. Central Daylight Time at its corporate office at 3000 N. Sam Houston Parkway East, Life Center - Auditorium, Houston, Texas 77032. At the meeting, the stockholders will be asked to consider and act upon the matters discussed in the attached proxy statement as follows:

1. To elect the twelve nominees named in the attached proxy statement as Directors to serve for the ensuing year and until their successors shall be elected and shall qualify.
2. To consider and act upon a proposal to ratify the appointment of KPMG LLP as principal independent public accountants to examine the financial statements and books and records of Halliburton for the year ending December 31, 2015.
3. To consider and act upon advisory approval of our executive compensation.
4. To consider and act upon a proposal to amend and restate the Halliburton Company Stock and Incentive Plan.
5. To consider and act upon a proposal to amend and restate the Halliburton Company Employee Stock Purchase Plan.
6. To transact any other business that properly comes before the meeting or any adjournment or adjournments of the meeting.

These items are fully described in the following pages, which are made a part of this Notice. The Board of Directors has set the close of business on Monday, March 23, 2015 as the record date for the determination of stockholders entitled to notice of and to vote at the meeting and at any adjournment of the meeting.

INTERNET AVAILABILITY OF PROXY MATERIALS

On or about April 7, 2015, we mailed our stockholders a Notice of Internet Availability of Proxy Materials containing instructions on how to access our 2015 proxy statement and 2014 Annual Report on Form 10-K and how to vote online. The notice also provides instruction on how you can request a paper copy of these documents if you desire. If you received your annual materials via email, the email contains voting instructions and links to the proxy statement and Form 10-K on the Internet.

IF YOU PLAN TO ATTEND

Attendance at the meeting is limited to stockholders and one guest each. Admission will be on a first-come, first-served basis. Registration will begin at 8:00 a.m., and the meeting will begin at 9:00 a.m. Each stockholder holding stock in a brokerage account will need to bring a copy of a brokerage statement reflecting stock ownership as of the record date. Please note that you will be asked to present valid picture identification, such as a driver's license or passport.

April 7, 2015

By order of the Board of Directors,

Christina M. Ibrahim

Vice President and Corporate Secretary

You are urged to vote your shares as promptly as possible by following the voting instructions in the Notice of Internet Availability of Proxy Materials.

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GENERAL INFORMATION

We are providing these proxy materials to you in connection with the solicitation by the Board of Directors of Halliburton Company, or the Board, of proxies to be voted at our 2015 Annual Meeting of Stockholders and at any adjournment or postponement of the meeting. By executing and returning the enclosed proxy, by following the enclosed voting instructions or by voting via the Internet or by telephone, you authorize the persons named in the proxy to represent you and vote your shares on the matters described in the Notice of Annual Meeting.

The Notice of Internet Availability of Proxy Materials is being sent to stockholders on or about April 7, 2015. Our Annual Report on Form 10-K, including financial statements, for the fiscal year ended December 31, 2014 accompanies this proxy statement. The Annual Report on Form 10-K shall not be considered as a part of the proxy solicitation material or as having been incorporated by reference.

Subject to space availability, all stockholders as of the record date, or their duly appointed proxies, may attend the Annual Meeting, and each may be accompanied by one guest. Admission to the Annual Meeting will be on a first-come, first-served basis. Registration will begin at 8:00 a.m., and the Annual Meeting will begin at 9:00 a.m. Please note that we will ask you to present valid picture identification, such as a driver’s license or passport, when you check in at the registration desk.

If you hold your shares in “street name” (that is, through a broker or other nominee), you will need to bring a copy of a brokerage statement reflecting your stock ownership as of the record date.

You may not bring cameras, recording equipment, electronic devices, large bags, briefcases or packages into the Annual Meeting.

If you attend the Annual Meeting, you may vote in person. If you are not present, you can only vote your shares if you have voted via the Internet, by telephone or returned a properly executed proxy; in these cases, your shares will be voted as you specify. If you return a properly executed proxy and do not specify a vote, your shares will be voted in accordance with the recommendations of the Board. You may revoke the authorization given in your proxy at any time before the shares are voted at the Annual Meeting.

The record date for determination of the stockholders entitled to vote at the Annual Meeting is the close of business on March 23, 2015. Our common stock, par value $2.50 per share, is our only class of capital stock that is outstanding. As of March 23, 2015, there were 849,711,234 shares of our common stock outstanding. Each of our outstanding shares of common stock is entitled to one vote on each matter submitted to the stockholders for a vote at the Annual Meeting. We will keep a complete list of stockholders entitled to vote at our principal executive office for ten days before, and will also have the list available at, the Annual Meeting. Our principal executive office is located at 3000 N. Sam Houston Parkway East, Administration Building, Houston, Texas 77032.

Votes cast by proxy or in person at the Annual Meeting will be counted by the persons we appoint to act as election inspectors for the Annual Meeting. Except as set forth below, the affirmative vote of the majority of shares present in person or represented by proxy at the Annual Meeting and entitled to vote on the subject matter will be the act of the stockholders. Shares for which a stockholder has elected to abstain on a matter will count for purposes of determining the presence of a quorum and, except as set forth below, will have the effect of a vote against the matter.

Each Director shall be elected by the vote of the majority of the votes cast, provided that if the number of nominees exceeds the number of Directors to be elected and any stockholder-proposed nominee has not been withdrawn before the tenth (10^{th}) day preceding the day we mail the Notice of Internet Availability of Proxy Materials to stockholders for the Annual Meeting, the Directors shall be elected by the vote of a plurality of the shares represented in person or by proxy at the Annual Meeting and entitled to vote on the election of Directors. A majority of the votes cast means that the number of shares voted “for” a Director must exceed the number of votes cast “against” that Director; we will not count abstentions.

The election inspectors will treat broker non-vote shares, which are shares held in street name that cannot be voted by a broker on specific matters in the absence of instructions from the beneficial owner of the shares, as shares that are present and entitled to vote for purposes of determining the presence of a quorum. In determining the outcome of any matter for which the broker does not have discretionary authority to vote, however, those shares will not have any effect on that matter. A broker may be entitled to vote those shares on other matters.

In accordance with our confidential voting policy, no particular stockholder’s vote will be disclosed to our officers, Directors, or employees, except:

- as necessary to meet legal requirements and to assert claims for and defend claims against us;
- when disclosure is voluntarily made or requested by the stockholder;
- when the stockholder writes comments on the proxy card; or
- in the event of a proxy solicitation not approved and recommended by the Board.

The proxy solicitor, the election inspectors, and the tabulators of all proxies, ballots, and voting tabulations are independent and are not our employees.

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CORPORATE GOVERNANCE

Corporate Governance Guidelines and Committee Charters

Our Board has long maintained a formal statement of its responsibilities and corporate governance guidelines to ensure effective governance in all areas of its responsibilities. Our corporate governance guidelines, as revised in January 2015, are attached as Appendix A to this proxy statement and are also available on our website at *www.halliburton.com* by clicking on the tab "About Us," and then the "Corporate Governance" link. The guidelines are reviewed periodically and revised as appropriate to reflect the dynamic and evolving processes relating to corporate governance, including the operation of the Board.

In order for our stockholders to understand how the Board conducts its affairs in all areas of its responsibility, the full text of the charters of our Audit; Compensation; Health, Safety and Environment; and Nominating and Corporate Governance Committees are also available on our website.

Except to the extent expressly stated otherwise, information contained on or accessible from our website or any other website is not incorporated by reference into and should not be considered part of this proxy statement.

Code of Business Conduct

Our Code of Business Conduct, which applies to all of our employees and Directors and serves as the code of ethics for our principal executive officer, principal financial officer, principal accounting officer or controller, and other persons performing similar functions, is available on our website. Any waivers to our Code of Business Conduct for our Directors or executive officers can only be made by our Audit Committee. There were no waivers of the Code of Business Conduct in 2014.

Related Persons Transactions Policy

Our Board has adopted a written policy governing related persons transactions as part of the Board's commitment to good governance and independent oversight. The policy covers transactions involving any of our Directors, executive officers, nominees for Director, or greater than 5% stockholders, or any immediate family member of the foregoing, among others.

The types of transactions covered by this policy are transactions, arrangements or relationships, or any series of similar transactions, arrangements or relationships, including any indebtedness or guarantee of indebtedness, in which (1) we or any of our subsidiaries were or will be a participant, (2) the aggregate amount involved exceeds $120,000 in any calendar year, and (3) any related person had, has or will have a direct or indirect interest (other than solely as a result of being a director of, or holding less than a 10% beneficial ownership interest in, another entity).

Under the policy, we generally only enter into or ratify related persons transactions when the Board determines such transactions are in our best interests and the best interests of our stockholders. In determining whether to approve or ratify a related person transaction, the Board will consider the following factors and such other factors it deems appropriate:

- whether the related person transaction is on terms comparable to terms generally available with an unaffiliated third party under the same or similar circumstances;
- the benefits of the transaction to us;
- the extent of the related person's interest in the transaction; and
- whether there are alternative sources for the subject matter of the transaction.

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THE BOARD OF DIRECTORS AND STANDING COMMITTEES OF DIRECTORS

The Board has standing Audit; Compensation; Health, Safety and Environment; and Nominating and Corporate Governance Committees. Each of the standing committees are comprised of non-employee Directors, and in the business judgment of the Board, all of the non-employee Directors are independent, after considering all relevant facts and circumstances, as well as the independence standards set forth in our corporate governance guidelines. Our corporate governance guidelines are attached as Appendix A to this proxy statement and are also available on our website at *www.halliburton.com.*

Our independence standards meet, and in some instances exceed, NYSE independence requirements. Our definition of independence and compliance with our independence standards is periodically reviewed by the Nominating and Corporate Governance Committee. There were no relevant transactions, relationships, or arrangements not disclosed in this proxy statement that were considered by the Board in making its determination as to the independence of the Directors.

Board Attendance

During 2014, the Board held 9 meetings and met in Executive Session, without management present, on 6 occasions.

Committee meetings were held as follows:

Audit Committee	9
Compensation Committee	4
Health, Safety and Environment Committee	5
Nominating and Corporate Governance Committee	5

All members of the Board attended at least 86% of the total number of meetings of the Board and the committees on which he or she served during the last fiscal year.

All of our Directors attended the 2014 Annual Meeting, as required by our corporate governance guidelines.

Board Leadership

Our By-laws provide that the Board should have the flexibility to determine the appropriate leadership of the Board, and whether the roles of Chairman and Chief Executive Officer should be combined or separate. After review and discussion, our Board has decided that a combined leadership role would best serve the needs of the Company and its stockholders. The Board believes that David J. Lesar, our current Chairman and Chief Executive Officer, with his industry expertise, financial expertise, and in-depth knowledge of Halliburton and its business, is the correct person to fill both roles.

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Lead Independent Director

In order to help ensure independent Board leadership and oversight, the Board has elected Mr. Martin as our Lead Independent Director. Mr. Martin's role and responsibilities are set forth in the Lead Independent Director Charter adopted by the Board and include presiding over the executive sessions of the non-employee Directors and executive sessions of the independent Directors. Mr. Martin also advises management on and approves the agenda items to be considered at meetings of the Board. With the exception of our Chairman and Chief Executive Officer, Mr. Lesar, and our President, Mr. Miller, the Board is composed of independent Directors. Our Lead Independent Director Charter can be found on our website at *www.halliburton.com*.

Independent Committees

As governance best practice, key committees of the Board are comprised solely of independent Directors. We have established processes for the effective oversight of critical issues entrusted to independent Directors, such as:

- the integrity of our financial statements;
- CEO and senior management compensation;
- CEO and senior management succession planning;
- the election of our Lead Independent Director;
- membership of our Independent Committees;
- Board, Committee, and Director evaluations; and
- nominations for Directors.

The Board believes it has a strong governance structure in place to ensure independent oversight on behalf of all stockholders.

Board Risk Oversight

We have implemented an Enterprise Risk Management system to identify and analyze enterprise level risks and their potential impact on us. At least annually, our Vice President and Treasurer reports to the Audit Committee of the Board on our processes with respect to risk assessment and risk management. Our executive officers are assigned responsibility for the various categories of risk, with the Chief Executive Officer being ultimately responsible to the Board for all risk categories. The responsibility of the Chief Executive Officer for all risk matters is consistent with his being primarily responsible for managing our day-to-day business.

Halliburton Board Leadership

- *Mr. David J. Lesar is our Chairman and CEO*
- *Mr. J. Landis Martin is our Lead Independent Director*
- *11 of our 13 Directors are independent*
- *All members of the Audit; Compensation; Health, Safety and Environment; and Nominating and Corporate Governance Committees are independent.*

Our Board believes that continuing to combine the position of Chairman and CEO is in the best interests of the Company and our stockholders, and that the strong presence of engaged independent Directors ensures independent oversight.

Members of the Committees of Our Board of Directors

Audit Committee	**Compensation Committee**	**Health, Safety and Environment Committee**	**Nominating and Corporate Governance Committee**
Alan M. Bennett*	James R. Boyd*	Abdulaziz F. Al Khayyal	Abdulaziz F. Al Khayyal
James R. Boyd	Milton Carroll	Nance K. Dicciani	Alan M. Bennett
Nance K. Dicciani	Murry S. Gerber	José C. Grubisich	Milton Carroll
Murry S. Gerber	Robert A. Malone	Abdallah S. Jum'ah	Abdallah S. Jum'ah
José C. Grubisich	Debra L. Reed	Robert A. Malone*	J. Landis Martin
		J. Landis Martin	Debra L. Reed*

** Chair*

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Audit Committee

The Audit Committee's responsibilities include:

- Recommending to the Board the appointment of the independent public accounting firm to audit our financial statements (the "principal independent public accountants");
- Together with the Board, being responsible for the appointment, compensation, retention, and oversight of the work of the principal independent public accountants;
- Reviewing the scope of the principal independent public accountants' examination and the scope of activities of the internal audit department;
- Reviewing our financial policies and accounting systems and controls;
- Reviewing financial statements; and
- Approving the services to be performed by the principal independent public accountants.

The Board has determined that Alan M. Bennett, James R. Boyd, Nance K. Dicciani, Murry S. Gerber, and José C. Grubisich are independent under our corporate governance guidelines and are "audit committee financial experts" as defined by the Securities and Exchange Commission, or SEC. A copy of the Audit Committee Charter is available on our website at *www.halliburton.com*.

Compensation Committee

The Compensation Committee's responsibilities include:

- Overseeing the effectiveness of our compensation program in attracting, retaining, and motivating key employees;
- Utilizing our compensation program to reinforce business strategies and objectives for enhanced stockholder value;
- Administering our compensation program, including our incentive plans, in a fair and equitable manner consistent with established policies and guidelines;
- Developing an overall executive compensation philosophy and strategy; and
- Additional roles and activities with respect to executive compensation as described under Compensation Discussion and Analysis.

A copy of the Compensation Committee Charter is available on our website at *www.halliburton.com*.

Health, Safety and Environment Committee

The Health, Safety and Environment Committee's responsibilities include:

- Reviewing and assessing our health, safety, and environmental policies and practices;
- Overseeing the communication and implementation of, and reviewing our compliance with, these policies, as well as applicable goals and legal requirements; and
- Assisting the Board with oversight of our risk-management processes relating to health, safety, and the environment.

A copy of our Health, Safety and Environment Committee Charter is available on our website at *www.halliburton.com*.

Nominating and Corporate Governance Committee

The Nominating and Corporate Governance Committee's responsibilities include:

- Reviewing and recommending revisions to our corporate governance guidelines;
- Overseeing our Director self-evaluation process and performance reviews;
- Identifying and screening candidates for Board and committee membership;
- Reviewing the overall composition profile of the Board for the appropriate mix of skills, characteristics, experience, and expertise; and
- Reviewing and making recommendations on Director compensation practices.

A copy of our Nominating and Corporate Governance Committee Charter is available on our website at *www.halliburton.com*.

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Stockholder Nominations of Directors

Stockholders may nominate persons for election to the Board at a meeting of stockholders in the manner provided in our By-laws, which include a requirement to comply with certain notice procedures. Nominations shall be made pursuant to written notice to the Vice President and Corporate Secretary at the address of our principal executive offices set forth on page 2 of this proxy statement, and for the Annual Meeting of Stockholders in 2016, must be received not less than 90 days nor more than 120 days prior to the anniversary date of the 2015 Annual Meeting of Stockholders, or no later than February 20, 2016 and no earlier than January 21, 2016.

The stockholder notice must contain, among other things, certain information relating to the stockholder and the proposed nominee as described in our By-laws. In addition, the proposed nominee may be required to furnish other information as we may reasonably require to determine the eligibility of the proposed nominee to serve as a Director. With respect to any proposed nominee nominated in accordance with Section 6 of our By-laws by a stockholder of record owning at least 1% of our issued and outstanding voting stock continuously for at least one year as of the date the written notice of the nomination is submitted to us, our Vice President and Corporate Secretary will (i) obtain from such nominee any additional relevant information the nominee wishes to provide in consideration of his or her nomination, (ii) report on each such nominee to the Nominating and Corporate Governance Committee, and (iii) facilitate having each such nominee meet with the Nominating and Corporate Governance Committee as the Committee deems appropriate.

Qualifications of Directors

Candidates nominated for election or reelection to the Board should possess the following qualifications:

- Personal characteristics:
  - high personal and professional ethics, integrity, and values;
  - an inquiring and independent mind; and
  - practical wisdom and mature judgment;
- Broad training and experience at the policy-making level in business, government, education, or technology;
- Expertise that is useful to us and complementary to the background and experience of other Board members, so that an optimum balance of members on the Board can be achieved and maintained;
-

Willingness to devote the required amount of time to carrying out the duties and responsibilities of Board membership;

- Commitment to serve on the Board for several years to develop knowledge about our principal operations;
- Willingness to represent the best interests of all of our stockholders and objectively appraise management performance; and
- Involvement only in activities or interests that do not create a conflict with the Director's responsibilities to us and our stockholders.

The Nominating and Corporate Governance Committee is responsible for assessing the appropriate mix of skills and characteristics required of Board members in the context of the needs of the Board at a given point in time, and shall periodically review and update the criteria. In selecting Director nominees, the Board first considers the personal characteristics, experience, and other criteria as set forth in our corporate governance guidelines. We also identify nominees based on our specific needs and the needs of our Board at the time a nominee is sought. We value all types of diversity, including diversity of our Board. In evaluating the overall mix of qualifications for a potential nominee, the Board also takes into account overall Board diversity in personal background, race, gender, age, and nationality. In considering whether current Directors should be nominated for reelection to the Board, the Nominating and Corporate Governance Committee and the Board will also consider the non-employee Directors' annual assessment of the Board and annual performance review.

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Process for the Selection of New Directors

The Board is responsible for filling vacancies on the Board. The Board has delegated to the Nominating and Corporate Governance Committee the duty of selecting and recommending prospective nominees to the Board for approval. The Nominating and Corporate Governance Committee considers suggestions of candidates for Board membership made by current Committee and Board members, our management, and stockholders. The Committee may retain an independent executive search firm to identify and/or assist in evaluating candidates for consideration. The Committee retained the executive search firm, Spencer Stuart, to assist in evaluating Director nominee Mr. Al Khayyal as a potential Director candidate. Mr. Al Khayyal was identified as a potential Director candidate by Mr. Abdallah S. Jum'ah. A stockholder who wishes to recommend a prospective candidate should notify our Vice President and Corporate Secretary.

When the Nominating and Corporate Governance Committee identifies a prospective candidate, the Committee determines the appropriate method to evaluate the candidate. This determination is based on the information provided to the Committee by the person recommending the prospective candidate and the Committee's knowledge of the candidate. This information may be supplemented by inquiries to the person who made the recommendation or to others. The preliminary determination is based on the need for additional Board members to fill vacancies or to expand the size of the Board, and the likelihood that the candidate will meet the Board membership criteria listed above. The Committee will determine, after discussion with the Chairman of the Board and other Board members, whether a candidate should continue to be considered as a potential nominee. If a candidate warrants additional consideration, the Committee may request an independent executive search firm to gather additional information about the candidate's background, experience, and reputation, and to report its findings to the Committee. The Committee then evaluates the candidate and determines whether to interview the candidate. One or more members of the Committee and others as appropriate then conduct the interviews. Once the evaluation and interviews are completed, the Committee recommends to the Board which candidates should be nominated. The Board makes a determination of nominees after review of the recommendation and the Committee's report.

IDENTIFICATION OF QUALIFIED CANDIDATES	**DUE DILIGENCE SCREENING**	**MEETINGS WITH SHORTLISTED CANDIDATES**	**DECISION AND NOMINATION**
Nominating and Corporate Governance Committee identifies candidates to become Board members	Review of qualifications to determine if candidate meets Board membership criteria	Committee members and, as appropriate, other Board members and management interview the shortlisted candidates	Selection of Director nominees best qualified to serve the interests of Halliburton stockholders

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Stockholder Communication

To foster better communication with our stockholders, we established a process for stockholders to communicate with the Audit Committee and the Board. The process has been approved by both the Audit Committee and the Board, and meets the requirements of the New York Stock Exchange, or NYSE, and the SEC. The methods of communication with the Board include telephone, mail and e-mail.

888.312.2692 or 770.613.6348	Board of Directors c/o Director of Business Conduct Halliburton Company P.O. Box 42806 Houston, Texas 77242-2806	BoardofDirectors@halliburton.com

Our Director of Business Conduct, an employee, reviews all stockholder communications directed to the Audit Committee and the Board. The Chairman of the Audit Committee is promptly notified of any substantive communication involving accounting, internal accounting controls, or auditing matters. The Lead Independent Director is promptly notified of any other significant stockholder communications, and any board related matters which are addressed to a named Director are promptly sent to that Director. Copies of all communications are available for review by any Director. It should be noted, however, that some items such as advertisements, business solicitations, junk mail, resumes, and any communication that is overly hostile, threatening, or illegal will not be forwarded to the Board. Concerns may be reported anonymously or confidentially. Confidentiality shall be maintained unless disclosure is:

- required or advisable in connection with any governmental investigation or report;
- in the interests of Halliburton, consistent with the goals of our Code of Business Conduct; or
- required or advisable in our legal defense of the matter.

Information regarding these methods of communication is also on our website at *www.halliburton.com.*

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PROPOSAL NO. 1 ELECTION OF DIRECTORS

Mr. Abdallah S. Jum'ah, who has served as a Director since 2010, is retiring from the Board immediately prior to the Annual Meeting of Stockholders on May 20, 2015. He will not be a candidate for reelection.

Mr. Abdulaziz F. Al Khayyal was elected to the Board on December 4, 2014. Mr. Jeffrey A. Miller, our President, was elected to the Board on August 1, 2014. Messrs. Al Khayyal and Miller are proposed for the first time for election to the Board of Directors by the stockholders.

The twelve nominees listed below are presently our Directors. The common stock represented by properly executed and returned proxies will be voted to elect the twelve nominees as Directors unless we receive contrary instructions. If any nominee is unwilling or unable to serve, favorable and uninstructed proxies will be voted for a substitute nominee designated by the Board. If a suitable substitute is not available, the Board will reduce the number of Directors to be elected. Each nominee has indicated approval of his or her nomination and his or her willingness to serve if elected. The Directors elected will serve for the ensuing year and until their successors are elected and qualify.

Information about Nominees for Director

Abdulaziz F. Al Khayyal
Age: 61
Director Since: 2014
Halliburton Committees: Health, Safety and Environment; Nominating and Corporate Governance
Mr. Al Khayyal is the retired Senior Vice President of Industrial Relations of Saudi Arabian Oil Company (Saudi Aramco) (the world's largest producer of crude oil). Mr. Al Khayyal served as Senior Vice President of Industrial Relations of Saudi Aramco from 2007 to 2014 and served as a director of Saudi Aramco from 2004 to 2014. The Board determined that Mr. Al Khayyal should be nominated for election as a Director because of his exceptional oil and gas knowledge, including significant international business experience in the energy industry, and his executive experience with the world's largest producer of crude oil.

Alan M. Bennett
Age: 64
Director Since: 2006
Halliburton Committees: Audit (Chair); Nominating and Corporate Governance
Mr. Bennett is the retired President and Chief Executive Officer of H&R Block, Inc. (a tax and financial services provider). Mr. Bennett served as the President and Chief Executive Officer of H&R Block, Inc. from 2010 to 2011, the Interim Chief Executive Officer of H&R Block, Inc. from 2007 to 2008, and the Senior Vice President and Chief Financial Officer of Aetna, Inc. from 2001 to 2007. Mr. Bennett is a director of Fluor Corporation (since 2011) and

TJX Companies, Inc. (since 2007), and is a former director of H&R Block, Inc. (2008-2011). The Board determined that Mr. Bennett should be nominated for election as a Director because of his financial expertise, ranging from internal audit to corporate controller to chief financial officer of a large, public company. He is a certified public accountant and also has chief executive officer experience.

James R. Boyd
Age: 68
Director Since: 2006
Halliburton Committees: Audit; Compensation (Chair)
Mr. Boyd is the retired Chairman of the Board of Arch Coal, Inc. (one of the largest United States coal producers). Mr. Boyd served as a director of Arch Coal, Inc. from 1990 to 2013, and as Chairman of the Board of Arch Coal, Inc. from 1998 to 2006. The Board determined that Mr. Boyd should be nominated for election as a Director because of his experience as chairman and lead director of a large company and his career experience in corporate business development, operations, and strategic planning.

Milton Carroll
Age: 64
Director Since: 2006
Halliburton Committees: Compensation; Nominating and Corporate Governance
Mr. Carroll has been the Executive Chairman of the Board of CenterPoint Energy, Inc. (a public utility holding company) since 2013 and Chairman of Health Care Service Corporation (a large health insurance company) since 2002. Mr. Carroll served as Non-Executive Chairman of the Board of CenterPoint Energy, Inc., from 2002 to 2013. Mr. Carroll is a director of Western Gas Holdings, LLC, the general partner of Western Gas Partners L.P. (since 2008) and LyondellBasell Industries (since 2010). Mr. Carroll served as Chairman of Instrument Products, Inc. (a private oil-tool manufacturing company) (1977-2014) and as a director of LRE GP, LLC, the general partner of LRR Energy, L.P. (2011-2014). The Board determined that Mr. Carroll should be nominated for election as a Director because of his public company board experience as an independent director and his knowledge of the oil and natural gas services industry.

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Nance K. Dicciani
Age: 67
Director Since: 2009
Halliburton Committees: Audit; Health, Safety and Environment
Ms. Dicciani is the retired President and Chief Executive Officer of Honeywell International Specialty Materials (a diversified technology and manufacturing company). Ms. Dicciani served as the President and Chief Executive Officer of Honeywell International Specialty Materials from 2001 to 2008. Ms. Dicciani is a director of Praxair, Inc. (since 2008) and LyondellBasell Industries (since 2013), and is a former director of Rockwood Holdings, Inc. (2008-2014). The Board determined that Ms. Dicciani should be nominated for election as a Director because of her technical expertise in the chemical industry, her international operations expertise, and her executive experience as a chief executive officer of a multi-billion dollar strategic business group of a major multinational corporation.

Murry S. Gerber
Age: 62
Director Since: 2012
Halliburton Committees: Audit; Compensation
Mr. Gerber is the retired Executive Chairman of the Board of EQT Corporation (a leading producer of unconventional natural gas). Mr. Gerber served as the Executive Chairman of the Board of EQT Corporation from 2010 to 2011, the Chairman and Chief Executive Officer of EQT Corporation from 2000 to 2010, and the Chief Executive Officer and President of EQT Corporation from 1998 to 2007. Mr. Gerber is a director of BlackRock, Inc. (since 2000) and United States Steel Corporation (since 2012). The Board determined that Mr. Gerber should be nominated for election as a Director because of his executive leadership skills and his experience with the Marcellus shale and unconventional oil and natural gas basins.

José C. Grubisich
Age: 58
Director Since: 2013
Halliburton Committees: Audit; Health, Safety and Environment
Mr. Grubisich has been Chief Executive Officer of Eldorado Brasil Celulose (a leader in the world cellulose market) since 2012. Previously, Mr. Grubisich served as President and Chief Executive Officer of ETH Bioenergia S.A. (an integrated producer of ethanol and electricity from biomass) from 2008 to 2012. Mr. Grubisich is a director of Vallourec S.A. (since 2012). The Board determined that Mr. Grubisich should be nominated for election as a Director because of his significant international business experience in Latin America and his executive leadership experience.

David J. Lesar
Age: 61
Director Since: 2000 (Chairman)
Mr. Lesar is our Chairman of the Board and Chief Executive Officer. He served as our Chairman, President and Chief Executive Officer from 2000 to 2014. Mr. Lesar is a director of Agrium, Inc. (since 2010). The Board determined that Mr. Lesar should be nominated for election as a Director because of his industry expertise, financial expertise, and

in-depth knowledge of Halliburton and its business.

Robert A. Malone
Age: 63
Director Since: 2009
Halliburton Committees: Compensation; Health, Safety and Environment (Chair)

Mr. Malone has been the Executive Chairman, President and Chief Executive Officer of First Sonora Bancshares, Inc. since 2014. Previously, Mr. Malone served as the President and Chief Executive Officer of The First National Bank of Sonora, Texas (a community bank owned by First Sonora Bancshares, Inc.) from 2009 to 2014. Mr. Malone was also an Executive Vice President of BP plc and Chairman of the Board and President, BP America Inc. (one of the nation's largest producers of oil and natural gas) from 2006 to 2009. Mr. Malone is a director of Peabody Energy Company (since 2009). The Board determined that Mr. Malone should be nominated for election as a Director because of his industry expertise and his executive leadership experience, including crisis management and safety performance.

J. Landis Martin
Age: 69
Director Since: 1998
Halliburton Committees: Health, Safety and Environment; Nominating and Corporate Governance

Mr. Martin is the founder of Platte River Equity (a private equity firm) and has served as its Managing Director since 2005. Previously, Mr. Martin was the Chairman, from 1989 to 2005, and Chief Executive Officer, from 1995 to 2005, of Titanium Metals Corporation. Mr. Martin serves as our Lead Independent Director. Mr. Martin is the Lead Director of Apartment Investment and Management Company (Director since 1994), the Chairman of Crown Castle International Corporation (since 2002) and Director (since 1999), and the Lead Director of Intrepid Potash, Inc. (since 2008). The Board determined that Mr. Martin should be nominated for election as a Director because of his industry expertise, his executive and board leadership experience, and his knowledge of our operations.

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Jeffrey A. Miller
Age: 51
Director Since: 2014
Mr. Miller has been our President and a Director since 2014. Mr. Miller was our Executive Vice President and Chief Operating Officer from 2012 to 2014. Mr. Miller also served as Senior Vice President Global Business Development and Marketing from 2011 to 2012, and Senior Vice President, Gulf of Mexico Region during 2010. Mr. Miller is a director of Atwood Oceanics, Inc. (since 2013). The Board determined that Mr. Miller should be nominated for election as a Director because of his strong executive experience, extensive expertise in global operations, as well as business development and marketing.

Debra L. Reed
Age: 58
Director Since: 2001
Halliburton Committees: Compensation; Nominating and Corporate Governance (Chair)
Ms. Reed has been the Chief Executive Officer of Sempra Energy (an energy infrastructure and regulated holding company) since 2011 and has served as Chairman of the Board of Sempra Energy since 2012. Previously, Ms. Reed was the Executive Vice President of Sempra Energy from 2010 to 2011 and the President and Chief Executive Officer of Southern California Gas Company and San Diego Gas & Electric Company from 2006 to 2010. Ms. Reed is a former director of Avery Dennison Corporation (2009-2011). The Board determined that Ms. Reed should be nominated for election as a Director because of her executive, operational, financial, and administrative expertise, and her experience as an independent director on public company boards.

Director Tenure Balance Independence Gender Split

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DIRECTORS' COMPENSATION

Directors' Fees

All non-employee Directors receive an annual retainer of $115,000, an increase of $15,000 as of May 21, 2014. The Lead Independent Director receives an additional annual retainer of $25,000 and the chairperson of each committee also receives an additional annual retainer for serving as chair as follows: Audit - $20,000; Compensation - $15,000; Health, Safety and Environment - $15,000; and Nominating and Corporate Governance - $15,000. Non-employee Directors are permitted to defer all or part of their fees under the Directors' Deferred Compensation Plan described below.

Directors' Equity Awards

Each non-employee Director receives an annual equity award with a value of approximately $185,000 on the date of the award, an increase of $25,000 as of May 21, 2014. Each non-employee Director receives an annual equity award consisting of restricted stock units (RSUs), each of which represents the right to receive a share of common stock at a future date. The actual number of RSUs is determined by dividing $185,000 by the average of the closing price of our common stock on the NYSE on each business day during the month of July. These annual awards are made on or about the first of August of each year. The value of the award may be more or less than $185,000 based on the closing price of our common stock on the NYSE on the date of the award in August. Non-employee Directors are permitted to defer all of their RSUs under the Directors' Deferred Compensation Plan.

Additionally, when a non-employee Director is first elected to the Board, he or she receives an equity award shortly thereafter of RSUs equal to a pro-rated value of the annual equity award of $185,000. The factor used to determine the pro-rated award is the number of whole months of service from the beginning of the month in which the Director is elected to the following first of August divided by 12. The number of RSUs awarded is determined by dividing the pro-rated award amount by the average of the closing price of our common stock on the NYSE on each business day during the month immediately preceding the Director's election to the Board.

Directors may not sell, assign, pledge, otherwise transfer, or encumber restricted shares (which were previously granted to non-employee Directors) or RSUs until the restrictions are removed. Restrictions on RSUs lapse 25% a year over four years of service with the applicable underlying shares of common stock distributed annually to the non-employee Director. Except as provided in the next sentence, if a non-employee Director has a separation of service from the Board before completing four years of service since the applicable award date, any unvested RSUs would be forfeited. Restrictions on restricted shares and RSUs lapse following termination of Board service only under specified circumstances, which may include, subject to the Board's discretion, death or disability, retirement under the Director mandatory retirement policy, or early retirement after at least four years of service.

During the restriction period, Directors have the right to (i) vote restricted shares, but not shares underlying RSUs, and (ii) receive dividends or dividend equivalents in cash on restricted shares and RSUs that are not subject to a deferral election. RSUs that are subject to a deferral election receive dividend equivalents under the Directors' Deferred Compensation Plan.

Directors' Deferred Compensation Plan

The Directors' Deferred Compensation Plan is a non-qualified deferred compensation plan and participation is completely voluntary. Under the plan, non-employee Directors are permitted to defer all or part of their retainer fees and all of the shares of common stock underlying their RSUs when they vest. If a non-employee Director elects to defer retainer fees under the plan, then the Director may elect to have his or her deferred fees accumulate under an interest bearing account or translate on a quarterly basis into Halliburton common stock equivalent units (SEUs) under a stock equivalents account. If a non-employee Director elects to defer receipt of the shares of common stock underlying his or her RSUs when they vest, then those shares are retained as deferred RSUs under the plan. The interest bearing account is credited quarterly with interest at the prime rate of Citibank, N.A. The stock equivalents account and deferred RSUs are credited

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quarterly with dividend equivalents based on the same dividend rate as Halliburton common stock and those amounts are translated into additional SEUs or RSUs, respectively.

After a Director’s retirement, distributions under the plan are made to the Director in a single distribution or in annual installments over a 5- or 10-year period as elected by the Director. Distributions under the interest bearing account are made in cash, while distributions of SEUs under the stock equivalents account and deferred RSUs are made in shares of Halliburton common stock. Ms. Dicciani, Ms. Reed, and Messrs. Al Khayyal, Bennett, Boyd, Carroll, and Jum’ah have elected to defer all or part of their retainer fees under the plan, and Ms. Dicciani, Ms. Reed, and Messrs. Al Khayyal, Bennett, Boyd, Carroll, Grubisich, Jum’ah, and Martin have elected to defer all of their RSUs under the plan.

Directors’ Stock Ownership Requirements

We have stock ownership requirements for all non-employee Directors to further align their interests with our stockholders. As a result, all non-employee Directors are required to own Halliburton common stock in an amount equal to or in excess of the greater of (A) the cash portion of the Director’s annual retainer for the five-year period beginning on the date the Director is first elected to the Board or (B) $500,000. The Nominating and Corporate Governance Committee reviews the holdings of all non-employee Directors, which include restricted shares, other Halliburton common stock, and RSUs owned by the Director, at each May meeting. Each non-employee Director has five years to meet the requirements, measured from the date he or she is first elected to the Board. Each non-employee Director currently meets the stock ownership requirements or is on track to do so within the requisite five-year period.

Director Clawback Policy

In January 2013, we adopted a clawback policy under which we will seek, in all appropriate cases, to recoup incentive compensation paid to, awarded to, or credited for the benefit of a Director if and to the extent that:

- it is determined that, in connection with the performance of that Director’s duties, he or she substantially participated in a breach of a fiduciary duty arising from a material violation of a U.S. federal or state law, or recklessly disregarded his or her duty to exercise reasonable oversight; or
- the Director is named as a defendant in a law enforcement proceeding for having substantially participated in a breach of a fiduciary duty arising from a material violation of a U.S. federal or state law, the Director disagrees with the allegations relating to the proceeding and either (A) we initiate a review and determine that the alleged action is not indemnifiable or (B) the Director does not prevail at trial, enters into a plea arrangement, agrees to the entry of a final administrative or judicial order imposing sanctions, or otherwise admits to the violation in a legal proceeding.

Depending on the circumstances described above, the disinterested members of the Board, the disinterested members of the Compensation Committee, and/or the disinterested members of the Nominating and Corporate Governance Committee may be involved in the process of reviewing, considering, and making determinations regarding the Director's alleged conduct, whether recoupment is appropriate or required, and the type and amount of incentive compensation to be recouped from the Director.

The policy also provides that, to the extent permitted by applicable law and not previously disclosed in a filing with the SEC, we will disclose in our proxy statement the circumstances of any recoupment arising under the policy or that there has not been any recoupment pursuant to the policy for the prior calendar year. There was no recoupment under the policy in 2014.

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Charitable Contributions and Other Benefits

Matching Gift Programs

To further our support for charities, Directors may participate in the Halliburton Foundation's matching gift programs for educational institutions, not-for-profit hospitals, and medical foundations. For each eligible contribution, the Halliburton Foundation makes a contribution of 2.25 times the amount contributed by the Director, subject to approval by its Trustees. The maximum aggregate of all contributions each calendar year by a Director eligible for matching is $50,000, resulting in a maximum aggregate amount contributed annually by the Halliburton Foundation in the form of matching gifts of up to $112,500 for any Director who participates in the programs. Neither the Halliburton Foundation nor we have made a charitable contribution, within the preceding three years, to any charitable organization in which a Director serves as an employee or an immediate family member of the Director serves as an executive officer that exceeds in any single year the greater of $1 million or 2% of such charitable organization's consolidated gross revenues.

Accidental Death and Dismemberment

We offer an optional accidental death and dismemberment policy for non-employee Directors for individual coverage or family coverage with a benefit per Director of up to $250,000 and lesser amounts for family members. Ms. Dicciani and Messrs. Carroll, Gerber, and Malone elected individual coverage at a cost of $99 annually. Messrs. Al Khayyal, Grubisich, and Martin elected family coverage at a cost of $159 annually. These premiums are included in the All Other Compensation column of the 2014 Director Compensation table for those who participate.

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2014 Director Compensation

Name	Fees Earned or Paid in Cash ($)	Stock Awards ($)	Change in Pension Value and Nonqualified Deferred Compensation Earnings ($)	All Other Compensation ($)	Total ($)
Abdulaziz F. Al Khayyal	8,750	97,776		595	107,121
Alan M. Bennett	129,190	178,878	0	144,017	452,085
James R. Boyd	124,190	178,878	0	139,171	442,239
Milton Carroll	109,190	178,878	0	33,518	321,586
Nance K. Dicciani	109,190	178,878	0	132,808	420,876
Murry S. Gerber	109,190	178,878	0	118,385	406,453
José C. Grubisich	109,190	178,878	0	4,350	292,418
Abdallah S. Jum'ah	109,190	178,878	0	125,196	413,264
Robert A. Malone	124,190	178,878	0	126,476	429,544
J. Landis Martin	134,190	178,878	0	141,352	454,420
Debra L. Reed	124,190	178,878	0	147,171	450,239

Fees Earned or Paid In Cash. The amounts in this column represent retainer fees earned in fiscal year 2014, but not necessarily paid in 2014. Refer to the section Directors' Fees for information on annual retainer fees.

Stock Awards. The amounts in the Stock Awards column reflect the grant date fair value of RSUs awarded in 2014. Accounting Standards Codification (ASC) 718 requires the reporting of the aggregate grant date fair value of equity awards granted to the Director during the fiscal year. We calculate the fair value of equity awards by multiplying the number of RSUs granted by the closing stock price as of the award's grant date.

The number of restricted shares, RSUs, and SEUs held at December 31, 2014 by non-employee Directors are:

Name	Restricted Shares	RSUs	SEUs
Abdulaziz F. Al Khayyal	—	2,433	—
Alan M. Bennett	25,236	11,710	15,299
James R. Boyd	25,236	11,710	28,664
Milton Carroll	20,271	11,710	23,898
Nance K. Dicciani	14,843	11,710	7,567
Murry S. Gerber	2,000	7,942	—
José C. Grubisich	—	7,949	—
Abdallah S. Jum'ah	9,126	11,710	1,973
Robert A. Malone	14,843	7,942	—
J. Landis Martin	35,162	11,710	—
Debra L. Reed	33,562	11,710	11,925

Change in Pension Value and Nonqualified Deferred Compensation Earnings. None of the Directors had a change in pension value or nonqualified deferred compensation earnings that represented above market earnings in 2014.

All Other Compensation. This column includes compensation related to the Halliburton Foundation, Accidental Death and Dismemberment program, dividends or dividend equivalents in cash on restricted shares or RSUs, and dividend equivalents associated with the Directors' Deferred Compensation Plan.

Directors who participated in the matching gift programs under the Halliburton Foundation and the corresponding match provided by the Halliburton Foundation are: Mr. Bennett - $112,500; Mr. Boyd - $99,750; Ms. Dicciani - $112,500; Mr. Gerber - $112,500; Mr. Jum'ah - $112,500; Mr. Malone- $112,500; Mr. Martin - $112,500; and Ms. Reed - $112,500. The amounts reflected indicate matching payments made by the Halliburton Foundation in 2014.

Directors who participated in the Accidental Death and Dismemberment program and incurred imputed income for the benefit amount of $99 for individual coverage and $159 for family coverage are: Mr. Al Khayyal - $159; Mr. Carroll- $99; Ms. Dicciani - $99; Mr. Gerber - $99; Mr. Grubisich - $159; Mr. Malone -$99; and Mr. Martin - $159.

Directors who received dividends or dividend equivalents in cash on restricted shares or RSUs held on Halliburton record dates are: Mr. Bennett - $15,899; Mr. Boyd - $15,899; Mr. Carroll - $12,766; Ms. Dicciani - $9,351; Mr. Gerber - $5,786; Mr. Jum'ah - $5,749; Mr. Malone - $13,877; Mr. Martin - $22,152; and Ms. Reed - $21,144.

Directors who received dividend equivalents attributable to their stock equivalents account under the Directors' Deferred Compensation Plan are: Mr. Bennett - $9,077; Mr. Boyd - $16,981; Mr. Carroll - $14,112; Ms. Dicciani - $4,317; Mr. Jum'ah - $406; and Ms. Reed - $6,986.

Directors who received dividend equivalents attributable to their deferred RSUs under the Directors' Deferred Compensation Plan are: Mr. Al Khayyal - $436; Mr. Bennett - $6,541; Mr. Boyd - $6,541; Mr. Carroll - $6,541; Ms. Dicciani - $6,541; Mr. Grubisich - $4,191; Mr. Jum'ah - $6,541; Mr. Martin - $6,541; and Ms. Reed - $6,541.

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STOCK OWNERSHIP INFORMATION

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Securities Exchange Act of 1934 requires our Directors and executive officers to file reports of holdings and transactions in Halliburton stock with the SEC and the NYSE. Based on our records and other information, we believe that in 2014 our Directors and our officers who are subject to Section 16 met all applicable filing requirements.

Stock Ownership of Certain Beneficial Owners and Management

The following table sets forth beneficial ownership information about persons or groups that own or have the right to acquire more than 5% of our common stock, based on information contained in Schedules 13G filed with the SEC.

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of Class
BlackRock, Inc. 40 East 52nd Street, New York, NY 10022	47,648,538 (1)	5.6%
The Vanguard Group 100 Vanguard Blvd, Malvern, PA 19355	46,133,032 (2)	5.4%

(1) *BlackRock, Inc. is a parent holding company and is deemed to be the beneficial owner of 47,648,538 shares. BlackRock has sole power to vote or to direct the vote of 39,972,036 shares and has sole power to dispose or to direct the disposition of 47,613,853 shares. BlackRock has shared power to vote or to direct the vote, and shared power to dispose or to direct the disposition of 34,685 shares.*

(2) *The Vanguard Group is an investment adviser and is deemed to be the beneficial owner of 46,133,032 shares. The Vanguard Group has sole power to vote or to direct the vote of 1,462,335 shares and has sole power to dispose or to direct the disposition of 44,779,442 shares. The Vanguard Group has shared power to dispose or to direct the disposition of 1,353,590 shares.*

The following table sets forth information, as of March 12, 2015, regarding the beneficial ownership of our common stock by each Director, each Named Executive Officer, and by all Directors and executive officers as a group.

Name of Beneficial Owner or Number of Persons in Group	Amount and Nature of Beneficial Ownership Sole Voting and Investment Power (1),(2)		Shared Voting or Investment Power		Percent of Class
Abdulaziz F. Al Khayyal	0				*
Alan M. Bennett	27,236				*
James R. Boyd	47,236				*
James S. Brown	439,021				*
Milton Carroll	20,271				*
Nance K. Dicciani	19,843				*
Murry S. Gerber	35,536				*
José C. Grubisich	0				*
Abdallah S. Jum'ah	9,126				*
David J. Lesar	993,711		49,070	(3)	*
Robert A. Malone	18,379				*
J. Landis Martin	96,764	(4)			*
Mark A. McCollum	307,818				*
Jeffrey A. Miller	368,777				*
Joe D. Rainey	239,296				*
Debra L. Reed	33,563		500	(5)	*
Shares owned by all current Directors and executive officers as a group (22 persons)	3,281,922				*

**Less than 1% of shares outstanding.*

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(1) *The table includes shares of common stock eligible for purchase pursuant to outstanding stock options within 60 days of March 12, 2015 for the following: Mr. Brown –122,901; Mr. Lesar – 435,134; Mr. McCollum – 126,002; Mr. Miller – 48,133; Mr. Rainey –48,700; and six unnamed executive officers – 210,321. Until the options are exercised, these individuals will not have voting or investment power over the underlying shares of common stock, but will only have the right to acquire beneficial ownership of the shares through exercise of their respective options. The table also includes restricted shares of common stock over which the individuals have voting power but no investment power.*

(2) *The table does not include restricted stock units (RSUs) held by non-employee Directors or stock equivalent units (SEUs) held by non-employee Directors under the Directors' Deferred Compensation Plan for the following (RSUs/SEUs): Mr. Al Khayyal – 2,433 / 0; Mr. Bennett – 11,710 / 15,299; Mr. Boyd – 11,710 / 28,664; Mr. Carroll –11,710 / 23,898; Ms. Dicciani – 11,710 / 7,567; Mr. Gerber – 7,942 / 0; Mr. Grubisich – 7,949 / 0; Mr. Jum'ah – 11,710 / 1,973; Mr. Malone – 7,942 / 0; Mr. Martin – 11,710 / 0; and Ms. Reed – 11,710 / 11,925. Until the underlying shares of common stock are distributed with respect to the RSUs or SEUs, non-employee Directors will not have voting or investment power over such shares. No shares of common stock with respect to RSUs will be distributed within 60 days of March 12, 2015, unless the Board in its discretion vests the RSUs upon a non-employee Director's separation of service from the Board. No shares of common stock with respect to SEUs will be distributed within 60 days of March 12, 2015, because such shares are distributed in January of the year following the year the non-employee Director has a separation of service from the Board.*

(3) *Shares held by Mr. Lesar's spouse. Mr. Lesar disclaims the beneficial ownership of these shares.*

(4) *Includes 61,602 shares held by Martin Enterprises LLC. Mr. Martin is the sole manager, and Mr. Martin and trusts (of which Mr. Martin is the sole trustee) formed solely for the benefit of his children, are the sole members of Martin Enterprises LLC.*

(5) *Shares held by Ms. Reed's spouse in an Individual Retirement Account.*

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PROPOSAL NO. 2 RATIFICATION OF THE SELECTION OF AUDITORS

The Audit Committee is responsible for the appointment, compensation, retention, and oversight of the work of the principal independent public accountants retained to audit our financial statements. The Audit Committee and Board have approved the appointment of KPMG LLP as our principal independent public accountants to examine our financial statements for the year ending December 31, 2015, and a resolution will be presented at the Annual Meeting to ratify this appointment.

KPMG began serving as our principal independent public accountants for the year ended December 31, 2002. The current appointment was made based on a careful review by the Audit Committee of KPMG's qualification to continue to serve as independent public accountants for us, including the nature and extent of non-audit services performed by KPMG and other factors required to be considered when assessing KPMG's independence from Halliburton and its management. In order to assure continued auditor independence, the Audit Committee periodically considers whether there should be a rotation of the principal independent public accountants. Further, in conjunction with the mandated rotation of the firm's lead engagement partner, the Audit Committee and its Chairman are involved in the process for selecting KPMG's new lead engagement partner. The Audit Committee and Board believe that the continued retention of KPMG to serve as our principal independent public accountants is in the best interests of Halliburton and our stockholders.

Representatives of KPMG are expected to be present at the Annual Meeting, will have an opportunity to make a statement if they desire to do so, and are expected to be available to respond to appropriate questions from stockholders.

The affirmative vote of the holders of a majority of the shares of our common stock represented at the Annual Meeting and entitled to vote on the matter is needed to approve the proposal.

If the stockholders do not ratify the selection of KPMG, the Board will reconsider the selection of independent public accountants.

The Board of Directors recommends a vote FOR ratification of the appointment of KPMG LLP as principal independent public accountants to examine our financial statements and books and records for the year ending December 31, 2015.

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AUDIT COMMITTEE REPORT

We operate under a written charter, a copy of which is available on Halliburton's website, *www.halliburton.com.* As required by the charter, we review and reassess the charter annually and recommend any changes to the Board for approval.

Halliburton's management is responsible for preparing Halliburton's financial statements and the principal independent public accountants are responsible for auditing those financial statements. The Audit Committee's role is to provide oversight of management in carrying out management's responsibility and to appoint, compensate, retain, and oversee the work of the principal independent public accountants. The Audit Committee is not providing any expert or special assurance as to Halliburton's financial statements or any professional certification as to the principal independent public accountants' work.

In fulfilling our oversight role for the year ended December 31, 2014, we:

- reviewed and discussed Halliburton's audited financial statements with management;
- discussed with KPMG LLP, Halliburton's principal independent public accountants, the matters required by Statement on Auditing Standards No. 61 relating to the conduct of the audit;
- received from KPMG the written disclosures and letter required by the Public Company Accounting Oversight Board regarding KPMG's independence; and
- discussed with KPMG its independence and reviewed other matters required to be considered under Securities and Exchange Commission rules regarding KPMG's independence.

Based on our:

- review of the audited financial statements;
- discussions with management;
- discussions with KPMG; and
- review of KPMG's written disclosures and letter,

we recommended to the Board that the audited financial statements be included in Halliburton's Annual Report on Form 10-K for the fiscal year ended December 31, 2014, for filing with the Securities and Exchange Commission.

THE AUDIT COMMITTEE

Alan M. Bennett

James R. Boyd

Nance K. Dicciani

Murry S. Gerber

José C. Grubisich

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FEES PAID TO KPMG LLP

During 2014 and 2013, we incurred the following fees for services performed by KPMG LLP.

	2014 (In millions)	2013 (In millions)
Audit fees	$ 11.8	$ 11.8
Audit-related fees	0.5	0.4
Tax fees	3.7	2.6
All other fees	0.0	0.1
TOTAL	$ 16.0	$ 14.9

Audit Fees

Audit fees represent the aggregate fees for professional services rendered by KPMG for the integrated audit of our annual financial statements for the fiscal years ended December 31, 2014 and December 31, 2013. Audit fees also include the audits of many of our subsidiaries in regards to compliance with statutory requirements in foreign countries, reviews of our financial statements included in the Forms 10-Q we filed during fiscal years 2014 and 2013, and reviews of registration statements.

Audit-Related Fees

Audit-related fees primarily include professional services rendered by KPMG for audits of our employee benefit plans.

Tax Fees

The aggregate fees for tax services primarily consisted of international tax compliance and tax return services related to our expatriate employees. In 2014, tax compliance and preparation fees total $2.4 and tax advisory fees total $1.3 and in 2013, tax compliance and preparation fees total $2.4 and tax advisory fees total $0.2.

All Other Fees

All other fees comprise professional services rendered by KPMG related to nonrecurring miscellaneous services.

Fee Approval Policies and Procedures

The Audit Committee has established a written policy that requires the approval by the Audit Committee of all services provided by KPMG as the principal independent public accountants that examine our financial statements and books and records and of all audit services provided by other independent public accountants. Prior to engaging KPMG for the annual audit, the Audit Committee reviews a Principal Independent Public Accountants Auditor Services Plan. KPMG then performs services throughout the year as approved by the Committee. KPMG reviews with the Committee, at least quarterly, a projection of KPMG’s fees for the year. Periodically, the Audit Committee approves revisions to the plan if the Committee determines changes are warranted. Our Audit Committee also considered whether KPMG’s provisions of tax services and all other fees as reported above are compatible with maintaining KPMG’s independence as our principal independent public accountants. All of the fees described above for services provided by KPMG to us were approved in accordance with the policy.

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PROPOSAL NO. 3 ADVISORY APPROVAL OF EXECUTIVE COMPENSATION

Pursuant to Section 14A of the Securities Exchange Act of 1934, our stockholders are being presented with the opportunity to vote to approve, on an advisory (nonbinding) basis, the compensation of our named executive officers as disclosed in this proxy statement. As approved by our stockholders at the 2011 Annual Meeting of Stockholders, consistent with our Board's recommendation, we are submitting this proposal for a non-binding vote on an annual basis.

As described in detail under Compensation Discussion and Analysis, our executive compensation programs are designed to attract, motivate, and retain our named executive officers, who are critical to our success. Under these programs, our named executive officers are rewarded for the achievement of specific annual, long-term and strategic goals, corporate goals, and the realization of increased stockholder value. Please read Compensation Discussion and Analysis for additional details about our executive compensation programs, including information about the fiscal year 2014 compensation of our named executive officers.

The Compensation Committee continually reviews the compensation programs for our named executive officers to ensure the programs achieve the desired goals of aligning our executive compensation structure with our stockholders' interests and current market practices. We believe our executive compensation program achieves the following objectives identified in Compensation Discussion and Analysis:

- Provide a clear and direct relationship between executive pay and our performance on both a short-term and long-term basis;
- Emphasize operating performance drivers;
- Link executive pay to measures that drive stockholder value;
- Support our business strategies; and
- Maximize the return on our human resource investment.

We are asking our stockholders to indicate their support for our named executive officers' compensation as described in this proxy statement and ask that our stockholders vote "FOR" the following resolution at the Annual Meeting:

"**RESOLVED**, that the compensation paid to Halliburton's named executive officers, as disclosed in this proxy statement pursuant to Item 402 of Regulation S-K, including the Compensation Discussion and Analysis, compensation tables and narrative discussion, is hereby approved."

The say-on-pay vote is advisory and, therefore, not binding on us, the Compensation Committee or our Board. Our Board and our Compensation Committee value the opinions of our stockholders. To the extent there is any significant vote against the named executive officers' compensation as disclosed in this proxy statement, the Compensation Committee will evaluate whether any actions are necessary to address those concerns.

The Board of Directors recommends a vote FOR the approval, on an advisory basis, of the compensation of our named executive officers.

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COMPENSATION DISCUSSION AND ANALYSIS

Introduction

In this Compensation Discussion and Analysis, we review the objectives and elements of Halliburton's executive compensation program and discuss the 2014 compensation earned by our Named Executive Officers, or NEOs.

For 2014, our NEOs were:

Name	Age	Occupation	Since
David J. Lesar	61	Chairman of the Board and Chief Executive Officer	2000
Mark A. McCollum	56	Executive Vice President and Chief Financial Officer	2008
James S. Brown	60	President - Western Hemisphere	2008
Jeffrey A. Miller	51	President	2012
Joe D. Rainey	58	President - Eastern Hemisphere	2011

2014 Highlights

- We set revenue records as a total company, including both divisions and 12 out of 13 product service lines.
- We achieved record total company operating income, as well as in our Middle East/Asia region and four out of 13 product service lines.
- We returned 33% of our cash flow from operations to our stockholders, including $800 million in share repurchases and over $500 million in dividends.
- We executed a merger agreement to acquire Baker Hughes in a stock and cash transaction.
- We reached a settlement agreement relating to the Macondo well incident litigation for approximately $1.1 billion.

During 2014, we grew our revenue to a new record of $32.9 billion, which increased $3.5 billion, or 12%, from 2013, primarily as a result of higher stimulation activity in the United States land market and increased activity in almost all of our product service lines in the Eastern Hemisphere. We set new revenue records this year in both divisions and 12 out of 13 product service lines. Our 2014 operating income of $5.1 billion, which reflects an operating margin of 16%, was also a total company record and was driven by increased stimulation activity in the United States land market and strong growth in our Middle East/Asia region.

In November 2014, Halliburton and Baker Hughes entered into a merger agreement under which Halliburton will, subject to certain closing conditions, acquire all of the outstanding shares of Baker Hughes in a stock and cash transaction. Under the terms of the merger agreement, each share of Baker Hughes common stock outstanding will be converted into the right to receive 1.12 shares of Halliburton common stock plus $19.00 in cash. The merger agreement has been unanimously approved by both companies' Boards of Directors, Halliburton's stockholders have approved the issuance of shares necessary to complete the acquisition of Baker Hughes, and Baker Hughes' stockholders have approved the merger. The closing of the transaction is subject to receipt of certain regulatory approvals and other conditions specified in the merger agreement. The closing of the transaction is expected to occur in the second half of 2015.

In September 2014, we reached an agreement, subject to court approval, to settle a substantial portion of the plaintiffs' claims asserted against us relating to the Macondo well incident, and agreed to pay an aggregate of $1.1 billion. The multi-district litigation court also issued its ruling and found that Halliburton's conduct did not constitute gross negligence. We believe the settlement, along with the court's ruling, removes the vast majority of our legal exposure relating to the Macondo well incident.

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Results of 2014 Advisory Vote on Executive Compensation

In accordance with our stockholders' preference, we submit our executive compensation program to an advisory vote annually. In 2014, our compensation program received the support of 93% of the total votes cast at our annual meeting. The Committee believes that our compensation program closely aligns the interests of company management with our stockholders' interests. The positive results of the advisory vote on executive compensation held at the 2014 annual meeting reinforces this. The Committee determined, therefore, that no changes to the compensation program were necessary.

Halliburton's Executive Compensation Objectives and Practices

Our executive compensation program is designed to achieve the following objectives:

- Provide a clear and direct relationship between executive pay and our performance on both a short-term and long-term basis;
- Emphasize operating performance drivers;
- Link executive pay to measures that drive stockholder value;
- Support our business strategies; and
- Maximize the return on our human resource investment.

These objectives serve to assure our long-term success and are built on the following compensation principles:

- Executive compensation is managed from a total compensation perspective (*i.e.*, base salary, short- and long-term incentives, and retirement are reviewed altogether).
- Each component of the total compensation package is analyzed in order to determine that compensation opportunities for our NEOs are competitive and market-driven.
- All elements of compensation are compared to the total compensation packages of a comparator peer group, which includes both competitors and companies representing general industry that reflect the markets in which we compete for business and people.

Summary of our Executive Compensation Practices

Compensation Practice	**Pursued at Halliburton?**	**More information**
Pay for performance	YES. The majority of our NEO compensation is performance based.	*p28*
Alignment between long-term objectives and the creation of stockholder value	YES. Long-term incentives reward the achievement of value creation and performance goals while aligning management with stockholders' interests.	*p30*
Benchmarking against a relevant peer group	YES. The Compensation Committee reviews market data for peer group companies as well as general industry surveys.	*p26*
Independent, External Compensation Consultant	YES. Pearl Meyer & Partners provides executive compensation consulting services to the Committee.	*p26*
Stock Ownership Requirements	YES. Robust executive and director stock ownership requirements.	*p14 and 34*
Hedging and Pledging Policy	YES. Executives and directors are prohibited from hedging and pledging company stock, except for charitable donation purposes.	*p34*
Clawback Policy	YES. Our policy provides for the forfeiture, recovery, or reimbursement of incentive plan awards. We also will report to stockholders if any clawback occurred.	*p14 and 33*
Annual "Say on Pay" vote	YES. Support of 93% of the total votes cast at our 2014 annual meeting.	*p28*
Repricing of underwater stock options	NO. We prohibit repricing.	
Exchange underwater options	NO. We prohibit the buyout or exchange of underwater options.	
Liberal stock or option recycling	NO. We prohibit liberal stock and option recycling.	
Excise-tax gross-ups	NO. We do not provide for excise tax gross-ups.	*p43*
Guaranteed bonuses or uncapped incentives	NO. We do not provide guaranteed bonuses or uncapped incentives.	

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Elements of our Executive Compensation Program for Fiscal 2014

Halliburton's executive compensation program is composed of base salary, short-term incentives, and long-term incentives, each of which is described below:

As illustrated below, the majority of our CEO's and NEO's total direct compensation opportunity is performance-based, at-risk, and long-term. The graphs depict the mix of total direct compensation set for our NEOs during 2014 and assumes plan performance levels are achieved.

Executive Compensation Procedures

Our compensation procedures guide the actions taken by the Compensation Committee, or Committee. This ensures consistency from year to year and adherence to the responsibilities listed in the Committee's Charter. The Committee reviews and approves total compensation annually, which includes:

•Selecting and engaging an independent, external compensation consultant;

•Identifying the comparator peer group companies;

•Reviewing market data on benchmark positions; and

•Reviewing performance results against operating plans and our comparator peer group.

These procedures are used to make the final determination of total compensation for our NEOs.

Our internal stock nomination process under the Halliburton Company Stock and Incentive Plan, or the Stock and Incentive Plan, ensures

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that all award grant dates are prospective and not retroactive. For NEOs, the grant date is the day the Committee determines annual compensation actions, generally in December of each year. However, awards may be approved by the Committee throughout the year as they determine, such as for retention or performance purposes. Exercise prices are set at the closing stock price on the date of the approved grant.

Role of the CEO in Setting Compensation

Mr. Lesar does not provide recommendations concerning his own compensation, nor is he present when his compensation is discussed by the Committee. The Committee, with input from its independent, external compensation consultant, discusses the elements of his compensation in executive session and makes a recommendation to all of the non-employee members of the Board for discussion and final approval. At the Committee's request, a member of our management team may attend the executive session to answer questions from the Committee.

Mr. Lesar does, however, assist the Committee in setting executive compensation for the other NEOs. He and the independent, external compensation consultant to the Committee are guided by our compensation principles. They also consider current business conditions.

The following recommendations are made to the Committee for each NEO:

- Base salary adjustments, taking into account comparator peer group data, and the NEO's individual performance and role within the company.
- Performance measures, target goals, and award schedules for short-term incentive opportunities under our performance pay plan, with performance targets being set relative to the projected business cycle and business plan.
- Long-term incentive awards made under the Stock and Incentive Plan, including developing and providing specific recommendations to the Committee on the aggregate number and types of shares to be awarded annually, reviewing the rationale and guidelines for annual stock awards, and recommending changes to the grant types, when appropriate.
- Retirement awards, which are calculated by an external actuary, under the Halliburton Company Supplemental Executive Retirement Plan.

Use of Independent Consultants and Advisors

The Committee engaged Pearl Meyer & Partners, or PM&P, as its independent, external compensation consultant during 2014. PM&P provides only executive compensation consulting services to the Committee and does not provide any other services to us. The primary responsibilities of the independent, external compensation consultant were to:

- Provide the Committee with independent and objective market data;
- Conduct compensation analysis;
- Recommend potential changes to the comparator peer group;
- Recommend plan design changes;
- Advise on risks associated with compensation plans; and
- Review and advise on pay programs and pay levels.

These services are provided as requested by the Committee throughout the year.

Executive Compensation Benchmarking

The companies comprising the comparator peer group are selected based on the following considerations:

- Market capitalization;
- Revenue and number of employees;
- Scope in terms of global impact and reach; and
- Industry affiliation.

Industry affiliation includes companies that are involved in the oil and natural gas and energy services industries. The comparator peer group is reviewed annually by the Committee to ensure relevance, with data provided to the Committee by the independent, external compensation consultant. The Committee targets between 20 and 25 companies for our comparator peer group.

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Comparator Peer Group

The 2014 comparator peer group was composed of specific peer companies within the energy industry as well as selected companies representing general industry. This peer group was utilized to determine market levels of total compensation for the 2014 calendar year.

The comparator peer group used for our 2014 compensation review, changed slightly from the comparator peer group used for our 2013 compensation review. Over the past several years, our growth in revenue and market capitalization has exceeded that of the comparator peer group. To modestly adjust the size of the comparator peer group so that we are closer to the median in terms of revenue and market capitalization, the Committee added ConocoPhillips and removed Devon Energy Corporation and The Williams Companies, Inc.

Our 2014 comparator peer group consisted of the following companies:

- 3M Company
- Anadarko Petroleum Corporation
- Apache Corporation
- Baker Hughes Incorporated
- Caterpillar Inc.
- ConocoPhillips
- Deere and Company
- Emerson Electric Co.
- Fluor
- Hess Corporation
- Honeywell International Inc.
- Johnson Controls, Inc.
- Murphy Oil Corporation
- National Oilwell Varco, Inc.

•Occidental Petroleum Corporation

•Raytheon Co.

•Schlumberger Ltd.

•Transocean Ltd.

•Weatherford International, Ltd.

A slightly different comparator peer group is utilized for the 2014 cycle Performance Unit Program and is described in the *Long-term Incentives—Performance Units* section.

Analysis of Market Data

The market data is size adjusted by revenue as necessary so that it is comparable with our trailing 12 month revenue. We size adjust the total compensation benchmarking data because of variances in market capitalization and revenue size among the companies comprising our comparator peer group. These adjusted values are used as the basis of comparison of compensation between our executives and those of the comparator peer group.

Total executive compensation for each NEO is structured to target market competitive pay levels in base salary and short- and long-term incentive opportunities. We also place an emphasis on variable pay at risk, which enables this compensation structure to position actual pay above or below the 50^{th} percentile of our comparator peer group depending on performance.

A consistent pre-tax, present value methodology is used in assessing stock-based and other long-term incentive awards, including the Black-Scholes model used to value stock option grants.

The independent, external compensation consultant gathers and performs an analysis of market data for each NEO, comparing each of their individual components of compensation as well as total compensation to that of the comparator peer group. This competitive analysis consists of market data comparing each of the pay elements and total compensation at the 25^{th}, 50^{th}, and 75^{th} percentiles of the comparator peer group to current compensation for each of the NEOs.

Integration of Compensation Components, Plan Design, and Decision-Making

The Committee considers all elements of the executive compensation package for each NEO for the upcoming year in December. The Committee receives historical and prospective breakdowns of the total compensation components for each NEO as follows:

- Individual two-year total compensation history, which includes base salary, short- and long-term incentives, and other benefits and perquisites;
- Total company-awarded stock position, including vested and unvested awards;
- Detailed supplemental retirement award calculations; and
- The market analysis prepared by the independent, external compensation consultant.

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The Committee also reviews the results of the advisory vote on executive compensation held at the prior year's annual meeting and considers those results, along with many other factors, when evaluating our executive compensation program. Because 93% of our stockholders voting at our annual meeting approved the compensation paid to our executives as described in the 2014 proxy statement, including the Compensation Discussion and Analysis, compensation tables and narrative discussion, and because the Committee believes that our compensation program aligns our executive compensation structure with our stockholders' interests and current market practices, the Committee did not implement any changes to our executive compensation program as a result of the advisory vote on the program.

In making compensation decisions, each of the following compensation elements is reviewed separately and collectively:

•Base salary;

•Short-term (annual) incentives;

•Long-term incentives; and

•Supplemental executive retirement benefits.

Of these elements, all but base salary are variable and at risk of forfeiture. The Committee uses base salary as the primary reference point for determining the target value and actual value of each of the above elements of compensation, individually and in the aggregate, for each NEO. This assists the Committee in confirming that our compensation package for NEOs is appropriate and competitive to our comparator peer group.

The Committee then considers the following when making final compensation determinations:

•How compensation elements serve to appropriately motivate and reward each NEO;

•Competitively positioning each NEO's total compensation to retain their services;

•Individual NEO performance in reaching financial and operational objectives;

•Sustained levels of performance, future potential, time in position, and years of service; and

•Other factors including operational or functional goals as the Committee determines are appropriate.

These factors are considered on an unweighted basis in making final pay decisions and to ensure internal equity among positions having similar scope and responsibility.

After considering these factors, the Committee then sets the final compensation opportunity for each NEO so that their actual total compensation is consistent with our executive compensation philosophy of paying at the 50th percentile or higher for those years of superior performance and paying below the 50th percentile when performance does not meet competitive standards.

The procedures used to set compensation for each of the NEOs are the same. Variations do exist in the amounts of compensation among the NEOs as a result of each NEO's position and corresponding scope of responsibility, individual performance, length of time in the role, and differences in the competitive market pay levels for their positions.

Generally, in years when we achieve financial results substantially above or below expectations, actual compensation may fall outside the initial targets established by the Committee.

Determination of CEO and NEO Target Total Compensation

When determining target total compensation for Mr. Lesar, the Committee takes into consideration competitive market pay levels for the CEOs in the comparator peer group. They also consider Mr. Lesar's performance and accomplishments in the areas of business development and expansion, management succession, development and retention of management, ethical leadership, and the achievement of financial and operational objectives.

Each year, Mr. Lesar and the members of the Board agree upon a set of objectives addressing the following areas specified in our corporate governance guidelines:

•Leadership and vision;

•Integrity;

•Keeping the Board informed on matters affecting Halliburton and its operating units;

•Performance of the business;

•Development and implementation of initiatives to provide long-term economic benefit to Halliburton;

•Accomplishment of strategic objectives; and

•Development of management.

The Board determined that Mr. Lesar met these objectives in 2014 through the following achievements:

- Halliburton and its business units maintained superior relative performance against major competitors in terms of revenue, margins and Return on Capital Employed (performance of the business);
- Led the organization through the business cycle through effective stakeholder communication; maintained high visibility with employees, investors, and customers, particularly following the Baker Hughes acquisition announcement (leadership and vision);
- Continued international diversification realizing major tender wins throughout Halliburton's international portfolio and delivered industry leading double-digit revenue growth in the Eastern Hemisphere (accomplishment of strategic objectives and development and implementation of initiatives to provide long-term economic benefit to Halliburton);
- Maintained unwavering commitment to our Health, Safety and Environment program. For the second consecutive year, Dow Jones Sustainability Index recognized Halliburton as best in class as it relates to the environment (leadership and vision);

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- Continued to expose the next generation of management to the Board, further enhanced management/employee succession process, strengthened diversity initiatives, and focused senior management on talent development initiatives (development of management);
- Maintained unwavering commitment to our Code of Business Conduct and continued to act in a role model capacity as it relates to ethical behavior (integrity);
- Communicated regularly with the members of the Board providing status reports and notification of issues of concern (keeping the Board informed); and
- Executed an agreement to acquire Baker Hughes and reached a settlement agreement relating to the Macondo well incident litigation (accomplishment of strategic objectives and development and implementation of initiatives to provide long-term economic benefit to Halliburton).

Other NEO compensation is determined similar to that of the CEO by evaluating each NEO's performance and considering the market competitive pay levels of the comparator peer group for the NEO's position.

Base Salary

The Committee generally targets base salaries at the median of the comparator peer group; however, the Committee also considers the following factors when setting base salary:

- Level of responsibility;
- Experience in current role and equitable compensation relationships among internal peers;
- Performance and leadership; and
- External factors involving competitive positioning, general economic conditions, and marketplace compensation trends.

No specific formula is applied to determine the weight of each factor. Salary reviews are conducted annually to evaluate each executive; however, individual salaries are not necessarily adjusted each year.

The Committee approved the following base salaries effective January 1, 2014:

NEO	2013 Salary	2014 Salary	% Increase

Mr. Lesar	$1,630,000	$1,630,000	0.0%
Mr. McCollum	$732,000	$760,000	3.8%
Mr. Brown	$788,000	$820,000	4.1%
Mr. Miller(1)	$800,000	$850,000	6.3%
Mr. Rainey	$788,000	$788,000	0.0%

(1) In recognition of Mr. Miller's promotion to President, the Committee approved a new base salary of $1,000,000 effective August 1, 2014, which represented a 17.6% increase over his January 1, 2014 salary.

As a result of the changes shown above, our NEOs' salaries averaged at the market median as provided by our independent, external compensation consultant, PM&P.

Short-term (Annual) Incentives

The Committee established the Annual Performance Pay Plan to:

- Reward executives and other key members of management for improving financial results that drive the creation of economic value for our stockholders; and
- Provide a means to connect individual cash compensation directly to our performance.

The Annual Performance Pay Plan provides for performance awards in accordance with the terms of the Stock and Incentive Plan.

The Annual Performance Pay Plan provides an incentive to our NEOs to achieve the business objective of generating more earnings than normally expected by the investors who have provided us with capital to grow our business. We measure achievement of this objective using Cash Value Added, or CVA.

CVA is a financial measurement that demonstrates the amount of economic value added to our business. The formula for calculating CVA is as follows:

Operating Income
+ Interest Income
+ Foreign Currency Gains (Losses)
+ Other Nonoperating Income (Expense), Net
= Net Operating Profit
– Income Taxes
= **Net Operating Profit After Taxes**

Net Invested Capital
x Weighted Average Cost of Capital
= **Capital Charge**

Cash Value Added (CVA) = Net Operating Profit After Taxes - Capital Charge

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Net Operating Profit After Taxes equals the sum of operating income plus interest income plus foreign currency gains (losses) plus other nonoperating income (expense), reduced by our income taxes. When determining actual CVA performance, we apply our effective income tax rate.

Capital Charge equals total assets (excluding deferred income tax assets) less total liabilities (excluding debt and deferred income tax liabilities) multiplied by a weighted average cost of capital percentage.

Cash Value Added is computed monthly and accumulated throughout the calendar year. Adjustments in the calculation of the CVA payout may, at times, be approved by the Committee and can include the treatment of unusual items that may have impacted our actual results.

At the beginning of each plan year, the Committee approves an incentive award schedule that equates given levels of CVA performance with varying reward opportunities paid in cash. The performance goals range from “Threshold” to “Target” to “Maximum.” Threshold reflects the minimum CVA performance level which must be achieved in order for awards to be earned and Maximum reflects the maximum level that can be earned.

These goals are based on our annual operating plan, as reviewed and approved by our Board, and are set at levels believed to be sufficient to meet or exceed stockholder expectations of our performance, as well as expectations of the relative performance to our competitors. Given the cyclical nature of our business, our performance goals vary from year to year, which can similarly impact the difficulty in achieving these goals.

The Committee set the 2014 performance goals for our NEOs based on company-wide consolidated CVA results, specifying when these goals were set that the impact of any Macondo well incident related charges would be excluded from the CVA calculation. The Committee also approved the exclusion of $17 million in costs related to the Baker Hughes acquisition. Threshold CVA was based on 90% of planned operating income, Target CVA on 100% of planned operating income, and Maximum CVA on 110% of planned operating income. The CVA targets for 2014 were $281 million at Threshold, $589 million at Target, and $899 million at Maximum. Actual CVA for 2014 was $997 million.

Individual incentive award opportunities are established as a percentage of base salary at the beginning of the plan year. The maximum amount a NEO can receive is limited to two times the target opportunity level. The level of achievement of annual CVA performance determines the dollar amount of incentive compensation payable to participants following completion of the plan year.

The Committee set incentive award opportunities under the plan as follows:

NEO	Threshold Opportunity	Target Opportunity	Maximum Opportunity
Mr. Lesar	60%	150%	300%
Mr. McCollum	36%	90%	180%
Mr. Brown	40%	100%	200%
Mr. Miller	40%	100%	200%
Mr. Rainey	40%	100%	200%

Threshold, Target, and Maximum opportunity dollar amounts can be found in the Grants of Plan-Based Awards in Fiscal 2014 table.

Over the past ten years, the Annual Performance Pay Plan achieved Maximum performance levels six times, achieved Target performance level two times, and fell short of the Threshold performance level two times.

Long-term Incentives

The Committee established the Stock and Incentive Plan to achieve the following objectives:

•Reward consistent achievement of value creation and operating performance goals;

•Align management with stockholder interests; and

•Encourage long-term perspectives and commitment.

Our Stock and Incentive Plan provides for a variety of cash and stock-based awards, including nonqualified and incentive stock options, restricted stock and units, performance shares and units, stock appreciation rights, and stock value equivalents. Under the Stock and Incentive Plan, the Committee may, at its discretion, select from among these types of awards to establish individual long-term incentive awards.

Long-term incentives represent the largest component of total executive compensation opportunity. We believe this at-risk based compensation ties executive pay closely to stockholders' interests.

For 2014, we used a combination of long-term incentive vehicles, including time-based restricted stock or restricted stock units, performance units, and nonqualified stock options. Except where there is a distinction to make between restricted stock and restricted stock units, this Compensation Discussion and Analysis refers to both restricted stock and restricted stock units as "restricted stock". Operations-based incentives in the form of performance units targeted

40% of the long-term incentive value, another 40% was delivered through restricted stock, and the remaining 20% was delivered in stock options.

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Using a mix of incentives allows us to provide a diversified yet balanced long-term incentive program that effectively addresses volatility in our industry and in the stock market, in addition to maintaining an incentive to meet performance goals. Value to be earned by a NEO from stock options and restricted stock are directly tied to our stock price performance and, therefore, directly to stockholder value. Additionally, restricted stock provides a significant retention incentive while the Performance Unit Program motivates the NEOs to also focus on improving long-term returns on capital employed, measured on both absolute and relative bases.

In determining the size of long-term incentive awards, the Committee first considers market data for comparable positions and then may adjust the awards upwards or downwards based on the Committee's review of internal equity. This can result in positions of similar magnitude and pay receiving awards of varying size. The 2014 restricted stock and stock option awards for each NEO were based primarily on market data and were targeted slightly above market median.

Restricted Stock and Stock Options

Our restricted stock and stock option awards are granted under the Stock and Incentive Plan and are listed in the Grants of Plan-Based Awards in Fiscal 2014 table.

Restricted stock grants are generally subject to a graded vesting schedule of 20% per year over five years. However, different vesting schedules may be utilized at the discretion of the Committee. Shares of restricted stock receive dividend or dividend equivalent payments.

Stock option awards vest over a three-year graded vesting period with 33-1/3% of the grant vesting each year. All options are priced at the closing stock price on the date the grant is approved by the Committee.

The stock and option award columns in the Summary Compensation Table reflect the aggregate grant date fair value of the restricted stock and option awards for each NEO.

Performance Units

The Performance Unit Program provides NEOs and other selected executives with incentive opportunities based on our consolidated Return on Capital Employed, or ROCE, during three-year performance periods. This program reinforces our objectives for sustained long-term performance and value creation. It also reinforces strategic planning processes and balances short- and long-term decision making.

The program measures ROCE on both an absolute and a relative basis to the results of our comparator peer group companies used for the Performance Unit Program. The three-year performance period aligns this measurement with our and our comparator peer group's business cycles.

ROCE indicates the efficiency and profitability of our capital investments and is determined based on the ratio of earnings divided by average capital employed. The calculation is as follows:

$$\textbf{ROCE} = \frac{\text{Net income + after-tax interest expense}}{\text{Stockholders' equity (average of beginning and end of period) + Debt (average of beginning and end of period)}}$$

The comparator peer group used for the Performance Unit Program is comprised of oilfield equipment and service companies and domestic and international exploration and production companies. This comparator peer group is used for the Performance Unit Program because these companies represent the timing, cyclicality, and volatility of the oil and natural gas industry and provide an appropriate industry group to measure our relative performance against.

The comparator peer group for the 2014 cycle Performance Unit Program remains unchanged from the comparator peer group used for the 2013 cycle Performance Unit Program and consists of the following companies:

•Anadarko Petroleum Corporation

•Apache Corporation

•Baker Hughes Incorporated

•Cameron International Corporation

•Chesapeake Energy Corporation

•Devon Energy Corporation

•Hess Corporation

•Marathon Oil Corporation

•Murphy Oil Corporation

•Nabors Industries Ltd.

•National Oilwell Varco, Inc.

- Schlumberger Ltd.
- Transocean Ltd.
- Weatherford International, Ltd.
- The Williams Companies, Inc.

The program allows for rewards to be paid in cash, stock, or a combination of cash and stock. Over the past ten years, the program has achieved maximum performance levels six times and between maximum and target four times.

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2012 Cycle Performance Unit Program Payout for NEOs

The 2012 cycle of the Performance Unit Program ended on December 31, 2014. Both the absolute and relative performance measures established at the beginning of the cycle were approved by the Committee. The 2012 cycle required a three-year average ROCE above 15% to achieve the Maximum level on an absolute basis, and a three-year average ROCE above the 75th percentile of the ROCE for our comparator peer group to achieve the Maximum level on a relative basis. Our three-year average ROCE for the 2012 cycle was 14.12%, which is above our comparator peer group at the 75th percentile. Because our results for this cycle were at the Target level on an absolute basis and in excess of the Maximum level on measures relative to our comparator peer group, the award paid at 150% of the target opportunity level. The NEOs received these payments in 2015 as set forth in the Non-Equity Incentive Plan Compensation column in the Summary Compensation Table and in the related narrative following the table.

2014 Cycle Performance Unit Program Opportunities for NEOs

Individual incentive opportunities are established based on market references and the NEO's role within the organization. The Threshold, Target, and Maximum columns under the heading Estimated Future Payouts Under Non-Equity Incentive Plan Awards in the Grants of Plan-Based Awards in Fiscal 2014 table indicate the potential payout for each NEO under the Performance Unit Program for the 2014 cycle. The potential payouts are performance driven and completely at risk. Actual payout amounts, if any, will not be determined until the three year cycle closes on December 31, 2016.

Supplemental Executive Retirement Plan

The objective of the Supplemental Executive Retirement Plan, or SERP, is to provide a competitive level of pay replacement upon retirement. The current pay replacement target is 75% of final base salary at age 65 with 25 years of service.

The material factors and guidelines considered in making an allocation include:

- Retirement benefits provided, both qualified and nonqualified;
- Current compensation;
- Length of service; and
- Years of service to normal retirement.

The calculation takes into account the following variables:

- Base salary;
- Years of service;
- Age;
- Employer portion of qualified plan savings;
- Age 65 value of any defined benefit plan; and
- Existing nonqualified plan balances and any other retirement plans.

Several assumptions are made annually and include a base salary increase percentage, qualified and nonqualified plan contributions and investment earnings, and an annuity rate. These factors are reviewed and approved annually by the Committee in advance of calculating any awards.

To determine the annual benefit, external actuaries calculate the total lump sum retirement benefit needed at age 65 from all company retirement sources to produce an annual retirement benefit of 75% of final base salary. Company retirement sources include any qualified benefit plans and contributions to nonqualified benefit plans. If the combination of these two sources does not yield a total retirement balance that will meet the 75% objective, then contributions may be made annually through the SERP to bring the total benefit up to the targeted level.

To illustrate, assume $10 million is needed at age 65 to produce an annual retirement benefit equal to 75% of final base salary. The participant is projected to have $3 million in his qualified benefit plans at retirement and $4 million in his nonqualified retirement plans at retirement. Since the total of these two sources is $7 million, a shortfall of $3 million results. This is the amount needed to achieve the 75% pay replacement objective. Such shortfall may be offset through annual contributions to the SERP.

Participation in the SERP is limited to the direct reports of the CEO and other selected executives as recommended by the CEO and approved at the discretion of the Committee. However, participation one year does not guarantee future participation. In 2014, the Committee authorized retirement allocations under the SERP to all NEOs as listed in the 2014 Nonqualified Deferred Compensation table and as included in the All Other Compensation column in the Summary Compensation Table. The average annual amounts allocated over the history of participation are as follows: Mr. Lesar: $316,572; Mr. McCollum: $164,417; Mr. Brown: $453,571; Mr. Miller: $415,333; and Mr. Rainey: $382,000.

Messrs. Lesar, McCollum, Brown, and Rainey are fully vested in their respective account balances. Balances earn interest at an annual rate of 5%. In 2009, the Committee approved a change to the vesting schedule of the SERP for awards made in 2009 and in future years. The new vesting schedule requires participants to be at least 55 years of age with 10 years of service with us or meet the Rule of 70 (age plus years of service equal 70 or more). This change was made to increase the retentive value of the plan. Mr. Miller does not meet the vesting requirements for any awards he has received.

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Other Executive Benefits and Policies

Retirement and Savings Plan

All NEOs participate in the Halliburton Retirement and Savings Plan, which is the defined contribution benefit plan available to all eligible U.S. employees. The matching contributions amounts we contributed on behalf of each NEO are included in the Supplemental Table: All Other Compensation.

Elective Deferral Plan

All NEOs may participate in the Halliburton Elective Deferral Plan, which was established to provide highly compensated employees with an opportunity to defer earned base salary and incentive compensation in order to help meet retirement and other future income needs.

The Elective Deferral Plan is a nonqualified deferred compensation plan and participation is completely voluntary. Pre-tax deferrals of up to 75% of base salary and/or eligible incentive compensation are allowed each calendar year. Gains or losses are credited based upon the participant's election from among 12 benchmark investment choices with varying degrees of risk.

In 2014, Messrs. Brown and Rainey participated in this plan by deferring a percentage of their compensation. Mr. Lesar has an account balance from participation in prior years. Messrs. McCollum and Miller are not participants in the plan. Further details can be found in the 2014 Nonqualified Deferred Compensation table.

Benefit Restoration Plan

The Halliburton Company Benefit Restoration Plan provides a vehicle to restore qualified plan benefits which are reduced as a result of limitations imposed under the Internal Revenue Code or due to participation in other plans we sponsor. It also serves to defer compensation that would otherwise be treated as excessive employee remuneration within the meaning of Section 162(m) of the Internal Revenue Code.

In 2014, all NEOs received awards under this plan in the amounts included in the Supplemental Table: All Other Compensation and the 2014 Nonqualified Deferred Compensation table.

Perquisites

Country club memberships are limited and provided on an as-needed basis for business purposes only. Mr. Brown had a club membership in 2014.

We do not provide cars to our NEOs. However, for security purposes and to allow for the efficient use of Mr. Lesar's time, a company-leased car and part-time driver are provided for Mr. Lesar for the primary purpose of commuting to and from work.

A taxable benefit for executive financial planning is provided with the amount dependent on the NEO's level within the company. This benefit does not include tax return preparation. It is paid, only if used, on a reimbursable basis.

We also provided for security at the personal residences of Messrs. Lesar, McCollum, and Miller during 2014.

At the direction of the Board, Mr. Lesar, his spouse, and children use company aircraft for all travel. The only personal use of the company aircraft in 2014 for other NEOs is for spousal and dependent travel on select business trips.

Mr. Rainey is an expatriate under our long-term expatriate business practice and as such receives certain assignment allowances including a goods and services differential and host country housing and utilities.

A differential is commonly paid to expatriates in assignment locations where the cost of goods and services is greater than the cost for the same goods and services in the expatriate's home country. Differentials are determined by Mercer/ORC, a third-party consultant. As part of his expatriate assignment, Mr. Rainey also participates in our tax equalization program, which neutralizes the tax effect of the international assignment and approximates the tax obligation the expatriate would pay in his home country.

Specific amounts for the above mentioned perquisites are detailed for each NEO in the Supplemental Table: All Other Compensation immediately following the Summary Compensation Table.

Clawback Policy

We have a clawback policy under which we will seek to recoup incentive compensation in all appropriate cases paid to, awarded to, or credited for the benefit of any of our executive officers, which include all the NEOs, if and to the extent that:

- The amount of incentive compensation was calculated on the achievement of financial results that were subsequently reduced due to a restatement of our financial results;
- The officer engaged in fraudulent conduct that caused the need for the restatement; and
- The amount of incentive compensation that would have been awarded or paid to the officer, had our financial results been properly reported, would have been lower than the amount actually paid or awarded.

Any such officer who receives incentive compensation based on the achievement of financial results that are subsequently the subject of a restatement will not be subject to recoupment unless the officer personally participates in the fraudulent conduct.

In addition, in January 2013, we amended the policy to provide that we will seek to recoup incentive compensation in all appropriate cases paid to, awarded to, or credited for the benefit of any of our executive officers, which include all the NEOs, and certain other senior officers if and to the extent that:

- It is determined that, in connection with the performance of that officer's duties, he or she substantially participated in a breach of a fiduciary duty arising from a material violation of a U.S. federal or state law, or both (A) had direct supervisory responsibility over an employee who substantially participated in such a violation and (B) recklessly disregarded his or her own supervisory responsibilities; or

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- the officer is named as a defendant in a law enforcement proceeding for having substantially participated in a breach of a fiduciary duty arising from a material violation of a U.S. federal or state law, the officer disagrees with the allegations relating to the proceeding and either (A) we initiate a review and determine that the alleged action is not indemnifiable or (B) the officer does not prevail at trial, enters into a plea arrangement, agrees to the entry of a final administrative or judicial order imposing sanctions, or otherwise admits to the violation in a legal proceeding.

Depending on the officer and the circumstances described in the immediately preceding paragraph, the disinterested members of the Board, the disinterested members of the Compensation Committee, the disinterested members of the Nominating and Corporate Governance Committee and/or the members of a management committee may be involved in the process of reviewing, considering and making determinations regarding the officer's alleged conduct, whether recoupment is appropriate or required, and the type and amount of incentive compensation to be recouped from the officer.

The policy also provides that, to the extent permitted by applicable law and not previously disclosed in a filing with the SEC, we will disclose in our proxy statement the circumstances of any recoupment arising under the policy or that there has not been any recoupment pursuant to the policy for the prior calendar year. There was no recoupment under the policy in 2014.

Stock Ownership Requirements

We have stock ownership requirements for our executive officers, which include all the NEOs, to further align their interests with our stockholders.

As a result, Mr. Lesar is required to own Halliburton common stock in an amount equal to or in excess of six times his annual base salary. Executive officers that report directly to Mr. Lesar are required to own an amount of Halliburton common stock equal to or in excess of three times their annual base salary, and all other executive officers are required to own an amount of Halliburton common stock equal to or in excess of two times their annual base salary. The Committee reviews their holdings, which include restricted shares and all other Halliburton common stock owned by the officer, at each December meeting. Each executive officer has five years to meet the requirements, measured from the later of September 12, 2011 or the date the officer first becomes subject to the ownership level for the applicable office.

After the five-year stock ownership period, as described above, executive officers who have not met their minimum ownership requirement must retain 100% of the net shares acquired upon stock option exercises and restricted stock vesting until they achieve their required ownership level. During this time period, any stock option exercises must be an exercise and hold.

As of December 31, 2014, all NEOs met the requirements.

Hedging and Pledging

Our executive officers are prohibited from hedging activities related to Halliburton securities and the pledging of Halliburton securities, except that hedging activities in connection with or related to a bona fide charitable donation may be approved in advance at the sole discretion of the General Counsel.

Elements of Post-Termination Compensation and Benefits

Termination events that trigger payments and benefits include normal or early retirement, change-in-control, cause, death, disability, and voluntary termination. Post-termination payments may include severance, accelerated vesting of restricted stock and stock options, maximum payments under cash-based short- and long-term incentive plans, nonqualified account balances, and health benefits, among others. The Post-Termination or Change-In Control Payment table in this proxy statement indicates the impact of various termination events on each element of compensation for the NEOs.

Impact of Regulatory Requirements on Compensation

Section 162(m) of the Internal Revenue Code generally disallows a tax deduction to public companies for compensation paid to the CEO or any of the four other most highly compensated officers to the extent the compensation exceeds $1 million in any year. Qualifying performance-based compensation is not subject to this limit if certain requirements are met.

Our policy is to utilize available tax deductions whenever appropriate and consistent with our compensation philosophy. When designing and implementing executive compensation programs, we consider all relevant factors, including tax deductibility of compensation. Accordingly, we have attempted to preserve the federal tax deductibility of compensation in excess of $1 million a year to the extent doing so is consistent with our executive compensation objectives; however, we may from time to time pay compensation to our executives that may not be fully deductible.

Our Stock and Incentive Plan enables qualification of stock options, stock appreciation rights, and performance share awards as well as short- and long-term cash performance plans under Section 162(m).

To the extent required by Section 304 of the Sarbanes-Oxley Act of 2002, we will make retroactive adjustments to any cash or equity-based incentive compensation paid to the CEO and CFO where the payment was predicated upon the achievement of certain financial results that were subsequently the subject of restatement. When and where applicable, we will seek to recover any amount determined to have been inappropriately received by the CEO and CFO.

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COMPENSATION COMMITTEE REPORT

We have reviewed and discussed the Compensation Discussion and Analysis with Company management and, based on such review and discussions, we recommended to the Board that the Compensation Discussion and Analysis be included in this proxy statement.

THE COMPENSATION COMMITTEE

James R. Boyd

Milton Carroll

Murry S. Gerber

Robert A. Malone

Debra L. Reed

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SUMMARY COMPENSATION TABLE

The following tables set forth information regarding the CEO, CFO, and our three other most highly compensated executive officers for the fiscal year ended December 31, 2014.

Name and Principal Position	Year	Salary ($)	Bonus ($)	Stock Awards ($)	Option Awards ($)	Non-Equity Incentive Plan Compensation ($)	Change In Pension Value and NQDC Earnings ($)	All Other Compensation ($)	Total ($)
David J. Lesar	2014	1,630,000	0	3,912,000	2,178,163	10,872,600	269,185	1,698,209	20,560,157
Chairman of the Board and Chief	2013	1,630,000	0	4,793,714	2,381,533	10,180,804	155,196	1,723,967	20,865,214
Executive Officer	2012	1,530,000	0	5,055,150	2,602,894	6,400,000	256,922	1,606,845	17,451,811
Mark A. McCollum	2014	760,000	0	4,531,750	567,472	2,769,000	43,427	491,054	9,162,703
Executive Vice	2013	732,000	0	1,230,066	611,358	2,679,877	22,366	470,366	5,746,033
President and Chief Financial Officer(1)	2012	661,000	0	1,068,650	549,486	2,021,600	35,746	405,052	4,741,534
James S. Brown	2014	820,000	0	1,304,000	727,685	3,482,000	79,934	986,492	7,400,111
President – Western	2013	788,000	0	1,579,344	785,785	2,743,666	57,834	992,489	6,947,118
Hemisphere	2012	633,000	0	1,376,850	708,974	2,274,400	81,363	725,457	5,800,044
Jeffrey A. Miller	2014	912,500	0	5,639,516	1,407,673	2,114,375	14,428	892,290	10,980,782
President	2013	800,000	0	1,933,684	961,939	1,565,460	3,406	676,731	5,941,220
	2012	425,000	0	3,997,150	1,109,917	692,437	1,126	378,556	6,604,186
Joe D. Rainey	2014	788,000	0	1,304,000	727,685	3,418,000	97,957	3,011,531	9,347,173
President – Eastern	2013	788,000	0	1,579,344	785,785	2,730,866	78,858	1,995,925	7,958,778
Hemisphere	2012	550,000	0	1,376,850	708,974	490,000	83,757	642,677	3,852,258

(1) *Effective January 1, 2015, Mr. McCollum assumed the role of Executive Vice President and Chief Integration Officer serving as head of the Joint Integration Team that Halliburton and Baker Hughes are assembling in*

connection with the pending acquisition of Baker Hughes.

Salary. The amounts represented in the Salary column are attributable to annual salary earned by each NEO. Information related to salary increases in 2014 is discussed in the Compensation Discussion and Analysis under Base Salary.

Stock Awards. The amounts in the Stock Awards column reflect the grant date fair value of the restricted stock awarded in 2014. Except where there is a distinction to make between the two types of awards, this proxy statement refers to both restricted stock and restricted stock units as “restricted stock.” ASC 718 requires the reporting of the aggregate grant date fair value of stock awards granted to the NEO during the fiscal year. We calculate the fair value of restricted stock awards by multiplying the number of restricted shares or units granted by the closing stock price as of the award’s grant date.

Option Awards. The amounts in the Option Awards column reflect the grant date fair value of the stock options awarded in 2014. ASC 718 requires the reporting of the aggregate grant date fair value of stock options granted to the NEO during the fiscal year. The fair value of stock options is estimated using the Black-Scholes option pricing model. For a discussion of the assumptions made in these valuations, refer to Note 12 to the Consolidated Financial Statements, Stock-based Compensation, in the Halliburton Company Form 10-K for the fiscal year ended December 31, 2014.

Non-Equity Incentive Plan Compensation. The amounts represented in the Non-Equity Incentive Plan Compensation column are for amounts earned in 2014 and paid in 2015 for the Halliburton Annual Performance Pay Plan and the 2012 cycle Performance Unit Program.

Information about these programs can be found in the Compensation Discussion and Analysis under Short-term (Annual) Incentives for the Halliburton Annual Performance Pay Plan and under Long-term Incentives—Performance Units for the Performance Unit Program.

The Threshold, Target, and Maximum amounts for the 2014 Halliburton Annual Performance Pay Plan and the 2014 cycle of the Performance Unit Program can be found in the Grants of Plan-Based Awards in Fiscal 2014 table under the Estimated Future Payouts Under Non-Equity Incentive Plan Awards.

The 2014 Halliburton Annual Performance Pay Plan amounts paid to each NEO are: $4,890,000 for Mr. Lesar; $1,368,000 for Mr. McCollum; $1,640,000 for Mr. Brown; $1,700,000 for Mr. Miller; and $1,576,000 for Mr. Rainey.

The 2012 cycle Performance Unit Program amounts paid to each NEO are: $5,982,600 for Mr. Lesar; $1,401,000 for Mr. McCollum; $1,842,000 for Mr. Brown; $414,375 for Mr. Miller; and $1,842,000 for Mr. Rainey.

The amounts paid to the NEOs for the 2012 cycle Performance Unit Program differ from what is shown in the Grants of Plan-Based Awards in Fiscal Year 2014 table under Estimated Future Payments Under Non-Equity Incentive Plan Awards. The Grants of Plan-Based Awards in Fiscal Year 2014 table indicates the potential award amounts for Threshold, Target and Maximum under the 2014 cycle Performance Unit Program, which will close on December 31, 2016. The Summary Compensation Table shows amounts paid for the 2012 cycle Performance Unit Program, which closed on December 31, 2014.

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Change in Pension Value and NQDC Earnings. The amounts in the Change in Pension Value and NQDC Earnings column are attributable to the above-market earnings for various nonqualified plans. The methodology for determining what constitutes above-market earnings is the difference between the interest rate as stated in the applicable nonqualified plan document and the Internal Revenue Service Long-Term 120% AFR rate as of December 31, 2014. The 120% AFR rate used for determining above-market earnings in 2014 was 3.29%.

Halliburton Company Supplemental Executive Retirement Plan Above-Market Earnings. The current interest rate for participant accounts in the Halliburton Company Supplemental Executive Retirement Plan is 5% as defined by the plan document. The above-market earnings for the plan equaled 1.71% (5% (plan interest) minus 3.29% (120% AFR rate)) for 2014. The amounts shown in this column differ from the amounts shown for the Halliburton Company Supplemental Executive Retirement Plan in the 2014 Nonqualified Deferred Compensation table under the Aggregate Earnings in Last Fiscal Year column because that table includes all earnings and losses, and the Summary Compensation Table shows above-market earnings only.

NEOs earned above-market earnings for their balances associated with the Halliburton Company Supplemental Executive Retirement Plan as follows: $150,434 for Mr. Lesar; $34,720 for Mr. McCollum; $47,514 for Mr. Brown; $11,558 for Mr. Miller; and $24,694 for Mr. Rainey.

Halliburton Company Benefit Restoration Plan Above-Market Earnings. In accordance with the plan document, participants earn monthly interest at the 120% AFR rate, provided the interest rate shall be no less than 6% per annum or greater than 10% per annum. Because the 120% AFR rate was below the 6% minimum interest threshold, the above-market earnings associated with this plan were 2.71% (6% (plan interest earned in 2014) minus 3.29% (120% AFR rate)) for 2014. The amounts shown in this column differ from the amounts shown for the Halliburton Company Benefit Restoration Plan in the 2014 Nonqualified Deferred Compensation table under the Aggregate Earnings in Last Fiscal Year column because that table includes all earnings and losses, and the Summary Compensation Table shows above-market earnings only.

NEOs earned above-market earnings for their balances associated with the Halliburton Company Benefit Restoration Plan as follows: $77,182 for Mr. Lesar; $8,707 for Mr. McCollum; $7,715 for Mr. Brown; $2,870 for Mr. Miller; and $4,759 for Mr. Rainey.

Halliburton Company Elective Deferral Plan Above-Market Earnings. The average earnings for the balances associated with the Halliburton Company Elective Deferral Plan were 6.5% for 2014. The above-market earnings associated with this plan equaled 3.21% (6.5% minus 3.29% (120% AFR rate)) for 2014. The amounts shown in this column differ from the amounts shown for the Halliburton Company Elective Deferral Plan in the 2014 Nonqualified Deferred Compensation table under the Aggregate Earnings in Last Fiscal Year column because that table includes all earnings and losses and the Summary Compensation Table shows above-market earnings only.

Messrs. Lesar, Brown, and Rainey earned above-market earnings for balances associated with the Halliburton Company Elective Deferral Plan as follows: $41,569 for Mr. Lesar; $24,705 for Mr. Brown; and $68,504 for Mr. Rainey. Messrs. McCollum and Miller are not participants in and do not have any prior balances in the Halliburton Company Elective Deferral Plan.

All Other Compensation. Detailed information for amounts included in the All Other Compensation column can be found in the Supplemental Table: All Other Compensation below.

Supplemental Table: All Other Compensation

The following table details the components of the All Other Compensation column of the Summary Compensation Table for 2014.

Name	**Employee Physical ($)**	**Financial Planning ($)**	**Halliburton Foundation ($)**	**Halliburton Giving Choices ($)**	**HALPAC ($)**	**Restricted Stock Dividends ($)**	**HRSP Employer Match ($)**	**HRSP Basic Contribution ($)**	**Benefit Restoration Plan ($)**
David J. Lesar	1,718	15,000	112,500	0	5,000	226,452	13,000	10,400	123,300
Mark A. McCollum	0	0	45,000	1,000	5,000	69,798	12,667	10,400	45,000
James S. Brown	0	8,165	0	780	4,935	190,829	12,542	10,400	50,400
Jeffrey A. Miller	2,245	9,080	38,250	800	5,000	147,427	13,000	10,400	58,725
Joe D. Rainey	0	14,300	0	700	5,000	0	10,408	10,400	47,520

Employee Physical. The Employee Physical Program provides NEOs the opportunity to have an annual physical examination to encourage an ongoing habit of health and wellness. Participation in the program is strictly voluntary. The amount shown is based on the value of services the NEO received less any medical insurance covered benefits.

Financial Planning. This program allows NEOs to receive financial planning services by accredited financial planners. Tax planning is not covered under this program. The amount is based on the services the NEO received in 2014. If they do not utilize the program, the amount is forfeited.

Halliburton Foundation. The Halliburton Foundation allows NEOs and other employees to donate to approved universities, medical hospitals, and primary schools of their choice. In 2014, the Halliburton Foundation matched donations up to $20,000 on a 2.25 for 1 basis. Mr. Lesar

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participates in the Halliburton Foundation's matching program for Directors, which allowed his 2014 contributions up to $50,000 to qualified organizations to be matched on a 2.25 for 1 basis.

Halliburton Giving Choices. The Halliburton Giving Choices Program allows NEOs and other employees to donate to approved not-for-profit charities of their choice. We match donations by contributing ten cents for every dollar contributed by employees up to a maximum of $1,000. The amounts shown represent the match amounts the program donated to charities on behalf of the NEOs in 2014.

Halliburton Political Action Committee. The Halliburton Political Action Committee, or HALPAC, allows NEOs and other eligible employees to donate to political candidates and participate in the political process. We match the NEO's donation to HALPAC dollar-for-dollar to a 501(c)(3) status nonprofit organization of the contributor's choice. The amounts shown represent the match amounts the program donated to charities on behalf of the NEOs in 2014.

Restricted Stock Dividends. This is the amount of dividends paid on restricted stock held by NEOs in 2014. Restricted stock units do not receive dividend payments.

Halliburton Retirement and Savings Plan Employer Match. The amount shown is the contribution we made on behalf of each NEO to the Halliburton Company Retirement and Savings Plan, our defined contribution plan. We match employee contributions up to 5% of each employee's eligible base salary, up to the 401(a)(17) compensation limit of $260,000 in 2014.

Halliburton Retirement and Savings Plan Basic Contribution. This is the contribution we made on behalf of each NEO to the Halliburton Company Retirement and Savings Plan. If actively employed on December 31, 2014, each employee receives a contribution equal to 4% of their eligible base pay, up to the 401(a)(17) compensation limit of $260,000 in 2014.

Halliburton Company Benefit Restoration Plan. This is the award earned under the Halliburton Company Benefit Restoration Plan in 2014. The plan provides a vehicle to restore qualified plan benefits which are reduced as a result of limitations on contributions imposed under the Internal Revenue Code or due to participation in other plans we sponsor and to defer compensation that would otherwise be treated as excessive employee remuneration within the meaning of Section 162(m) of the Internal Revenue Code. Associated interest, awards, and beginning and ending balances for the Halliburton Company Benefit Restoration Plan are included in the 2014 Nonqualified Deferred Compensation table. Above-market interest earned on these awards and associated balances are shown in the Summary Compensation Table under the Change in Pension Value and NQDC Earnings column.

Halliburton Company Supplemental Executive Retirement Plan. These are awards approved under the Halliburton Company Supplemental Executive Retirement Plan as discussed in the Supplemental Executive Retirement Plan section of the Compensation Discussion and Analysis. Awards are approved by our Compensation Committee annually. The SERP provides a competitive level of pay replacement for key executives upon retirement. Associated interest, awards, and beginning and ending balances for the SERP are included in the 2014 Nonqualified Deferred Compensation table.

All Other.

- *Country Club Membership Dues.* Club memberships are approved for business purposes only. During 2014, we paid club membership dues for Mr. Brown. The amount incurred was $28,801.
- *Aircraft Usage.* Mr. Lesar, his spouse, and children use our aircraft for all travel for security reasons as directed by the Board. The only personal use of company aircraft in 2014 for other NEOs was for spousal and dependent travel on select business trips. For 2014, the incremental cost to us for this personal use of our aircraft was as follows: $389,790 for Mr. Lesar; $14,716 for Mr. McCollum; and $18,480 for Mr. Miller. For total compensation purposes in 2014, we valued the incremental cost of the personal use of aircraft using a method that takes into account: landing, parking, hanger, flight planning services, and dead-head costs; crew travel expenses; supplies and catering; aircraft fuel and oil expenses per hour of flight; any customs, foreign permit, and similar fees; and passenger ground transportation. For tax purposes, we impute income to the NEO for the value of the spousal and dependent travel on select business trips and reimburse the NEO for the tax impact of the imputed income. For 2014, tax reimbursements for imputed income associated with this spousal and dependent travel were as follows: $93,868, for Mr. Lesar; $12,437 for Mr. McCollum; $20,640 for Mr. Brown; $9,859 for Mr. Miller; and $4,496 for Mr. Rainey.
- *Home Security.* We provide security for residences based on risk assessments which consider the NEO's position. In 2014, home security costs were as follows: $108,717 for Mr. Lesar; $1,036 for Mr. McCollum; and $1,024 for Mr. Miller.
- *Car/Driver.* A car and driver have been assigned to Mr. Lesar so that he can work while in transit to allow him to meet customer and our needs. In 2014, the cost to us was $17,914.
- *Other Compensation for Mr. Lesar.* In 2014, Mr. Lesar received $1,878 in imputed income for tax equalization.
- *Other Compensation for Mr. Rainey.* In 2014, Mr. Rainey received $45,900 for cost of living adjustment; $78,800 mobility premium; $2,122,977 for tax equalization; $500 for tax preparation fees; $122,461 for imputed housing allowance; and $13,069 for auto imputed allowance. All compensation amounts are associated with his expatriate assignment and other expatriates on comparable assignments receive similar types of adjustments.

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GRANTS OF PLAN-BASED AWARDS IN FISCAL 2014

The following table represents amounts associated with the 2014 cycle Performance Unit Program, the 2014 Annual Performance Pay Plan, and restricted stock and stock option awards granted in 2014 to our NEOs.

Name	Grant Date	Estimated Future Payouts Under Non- Equity Incentive Plan Awards Threshold ($)	Target ($)	Maximum ($)		All Other Stock Awards: Number of Shares of Stock or Units (#)		All Other Option Awards: Number of Securities Underlying Options (#)	Exercise or Base Price of Option Awards ($/Share)	Grant Date Fair Value of Stock and Option Awards ($)
David J. Lesar		2,544,727	5,089,453	10,178,906	(1)					
		978,000	2,445,000	4,890,000	(2)					
	12/03/2014					96,000				3,912,000
	12/03/2014							178,100	40.75	2,178,163
Mark A. McCollum		654,710	1,309,419	2,618,838	(1)					
		273,600	684,000	1,368,000	(2)					
	7/15/2014					50,000	(3)			3,513,000
	12/03/2014					25,000				1,018,750
	12/03/2014							46,400	40.75	567,472
James S. Brown		841,411	1,682,822	3,365,644	(1)					
		328,000	820,000	1,640,000	(2)					
	12/03/2014					32,000				1,304,000
	12/03/2014							59,500	40.75	727,685
Jeffrey A. Miller		1,027,000	2,054,000	4,108,000	(1)					
		340,000	850,000	1,700,000	(2)					
	8/01/2014					45,300	(4)			3,113,016
	12/03/2014					62,000				2,526,500
	12/03/2014							115,100	40.75	1,407,673
Joe D. Rainey		841,411	1,682,822	3,365,644	(1)					
		315,200	788,000	1,576,000	(2)					
	12/03/2014					32,000				1,304,000
	12/03/2014							59,500	40.75	727,685

(1) *Opportunity levels under the 2014 cycle of the Performance Unit Program.*

(2) *Opportunity levels under the 2014 Halliburton Annual Performance Pay Plan.*

(3) *Mr. McCollum received a special restricted stock award as a retention incentive. The shares vest 100% after five years.*

(4) *Mr. Miller received a special restricted stock award in recognition of his promotion to President. The shares vest 100% after five years.*

As indicated by footnote (1), the opportunities for each NEO under the 2014 cycle Performance Unit Program if the Threshold, Target or Maximum levels are achieved are reflected under Estimated Future Payouts Under Non-Equity Incentive Plan Awards. This program measures our consolidated Return on Capital Employed as compared to our internal goals as well as relative to our comparator peer group utilized for the program during three-year cycles. The potential payouts are performance driven and completely at risk. For more information on the 2014 cycle Performance Unit Program, refer to Long-term Incentives in the Compensation Discussion and Analysis.

As indicated by footnote (2), the opportunities for each NEO under the 2014 Halliburton Annual Performance Pay Plan are also reflected under Estimated Future Payouts Under Non-Equity Incentive Plan Awards. This plan measures company Cash Value Added as compared to our pre-established goals during a one-year period. The potential payouts are performance driven and completely at risk. For more information on the 2014 Halliburton Annual Performance Pay Program, refer to Short-term (Annual) Incentives in the Compensation Discussion and Analysis.

All restricted stock and nonqualified stock option awards are granted under the Stock and Incentive Plan. The awards listed under All Other Stock Awards: Number of Shares of Stock or Units and under All Other Option Awards: Number of Securities Underlying Options were awarded to each NEO on the date indicated by the Compensation Committee. The annual restricted stock grants awarded to the NEOs in 2014 are subject to a graded vesting schedule of 20% per year over five years. This vesting schedule serves to motivate our NEOs to remain employed with us. All restricted shares are priced at fair market value on the date of grant. Quarterly dividends are paid on the restricted shares at the same time and rate payable on our common stock, which was $0.15 per share during the first three quarters of 2014 and $0.18 per share in the fourth quarter of 2014. Quarterly dividends are not paid on restricted stock units. The shares may not be sold, transferred or used as collateral until fully vested. The shares remain subject to forfeiture during the restricted period in the event of a NEO's termination of employment or an unapproved early retirement.

Nonqualified stock options granted in 2014 vest over a three-year graded vesting period with 33 1/3% of the grants vesting each year. All options are priced at the fair market value on the date of grant using the Black-Scholes options pricing model. There are no voting or dividend rights unless the NEO exercises the options and acquires the shares.

The Estimated Future Payouts Under Equity Incentive Plan Awards columns have been omitted because awards under the Performance Unit Program and Halliburton Annual Performance Pay Plan are expected to be paid in cash and are disclosed under Estimated Future Payouts Under Non-Equity Incentive Plan Awards.

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OUTSTANDING EQUITY AWARDS AT FISCAL YEAR END 2014

The following table represents outstanding stock option and restricted stock awards for our NEOs as of December 31, 2014.

		Option Awards				Stock Awards	
Name	**Grant Date**	**Number of Securities Underlying Unexercised Options (#) Exercisable**	**Number of Securities Underlying Unexercised Options (#) Unexercisable**	**Option Exercise Price ($)**	**Option Expiration Date**	**Number of Shares or Units of Stock Not Vested (#)**	**Market Value of Shares or Units of Stock Not Vested ($)**
David J. Lesar[(1)]	12/06/2006					16,875	663,694
	12/01/2010	108,000	0	39.19	12/01/2020	19,260	757,496
	12/06/2011	141,900	0	35.57	12/06/2021	44,000	1,730,520
	12/05/2012	139,267	69,633	33.50	12/05/2022	90,540	3,560,938
	12/04/2013	45,967	91,933	50.62	12/04/2023	75,760	2,979,641
	12/03/2014	0	178,100	40.75	12/03/2024	96,000	3,775,680
TOTAL		**435,134**	**339,666**			**342,435**	**13,467,969**
Mark A. McCollum[(2)]	12/06/2006					2,600	102,258
	12/05/2007	12,000	0	36.90	12/05/2017		
	2/13/2008	11,500	0	35.67	2/13/2018		
	12/01/2010	28,100	0	39.19	12/01/2020	5,000	196,650
	12/06/2011	33,200	0	35.57	12/06/2021	10,320	405,886
	12/05/2012	29,401	14,699	33.50	12/05/2022	19,140	752,776
	12/04/2013	11,801	23,599	50.62	12/04/2023	19,440	764,575
	7/15/2014					50,000	1,966,500
	12/03/2014	0	46,400	40.75	12/3/2024	25,000	983,250
TOTAL		**126,002**	**84,698**			**131,500**	**5,171,895**
James S. Brown[(3)]	1/03/2007					3,900	153,387
	12/02/2008					77,821	3,060,692
	12/01/2010	26,100	0	39.19	12/01/2020	4,660	183,278
	5/18/2011					106,474	4,187,622
	12/06/2011	43,700	0	35.57	12/06/2021	13,560	533,315
	12/05/2012	37,934	18,966	33.50	12/05/2022	24,660	969,878
	12/04/2013	15,167	30,333	50.62	12/04/2023	24,960	981,677
	12/03/2014	0	59,500	40.75	12/03/2024	32,000	1,258,560
TOTAL		**122,901**	**108,799**			**288,035**	**11,328,409**
Jeffrey A. Miller[(4)]	1/03/2007					900	35,397
	1/01/2011					2,500	98,325
	9/27/2011					50,000	1,966,500

1/03/2012	0	3,833	34.15	1/03/2022	5,400	212,382
9/19/2012					50,000	1,966,500
12/05/2012	25,733	25,733				