

HALLIBURTON CO
Form DEF 14A
April 05, 2010

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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
SCHEDULE 14A**

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 Pursuant to §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):

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- o Fee paid previously with preliminary materials.
- o 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:

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April 5, 2010

To Our Stockholders:

You are cordially invited to attend the Annual Meeting of Stockholders of Halliburton Company. The meeting will be held on Wednesday, May 19, 2010 at 9:00 a.m. Central Daylight Time at The Houstonian Hotel, 111 North Post Oak Lane, Houston, Texas 77024.

At the meeting, stockholders are being asked to:

elect the ten nominees named in the attached proxy statement to serve on the Board of Directors for the coming year;

ratify the selection of KPMG LLP as principal independent public accountants to examine the financial statements and books and records of Halliburton for 2010; and

consider four stockholder proposals.

Please refer to the proxy statement for detailed information on each of these proposals.

It is very important 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 we hope you will be able to attend the Annual Meeting.

Sincerely,

David J. Lesar
*Chairman of the Board, President
and Chief Executive Officer*

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Notice of Annual Meeting of Stockholders

to be held May 19, 2010

Halliburton Company, a Delaware corporation, will hold its Annual Meeting of Stockholders on Wednesday, May 19, 2010 at 9:00 a.m. Central Daylight Time at The Houstonian Hotel, 111 North Post Oak Lane, Houston, Texas 77024. 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 ten 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 2010.
3. To consider and act upon four stockholder proposals, if properly presented at the meeting.
4. 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 March 22, 2010 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.

This year we are furnishing proxy materials to our stockholders over the Internet. On or about April 5, 2010, we mailed our stockholders a Notice of Internet Availability of Proxy Materials containing instructions on how to access our 2010 proxy statement and 2009 Annual Report on Form 10-K and 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 brokerage accounts will need to bring a copy of a brokerage statement reflecting stock ownership as of the record date. Please note that you may be asked to present valid picture identification, such as a driver's license or passport.

By order of the Board of Directors,

Sherry D. Williams
Vice President and Corporate Secretary

April 5, 2010

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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PROXY STATEMENT

GENERAL INFORMATION

The proxy statement is solicited by the Board of Directors of Halliburton Company (Halliburton , the Company , we or us). 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 5, 2010. Our Annual Report on Form 10-K, including financial statements, for the fiscal year ended December 31, 2009 accompanies this proxy statement. The Annual Report on Form 10-K shall not to 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 may 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; and in these cases, your shares will be voted as you specify. If you do not specify a vote, the shares will be voted in accordance with the recommendations of the Board of Directors. 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 22, 2010. Halliburton's common stock, par value \$2.50, is the only class of capital stock that is outstanding. As of March 22, 2010, there were 905,316,988 shares of common stock outstanding. Each of the 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 E., Building J-4, Houston, Texas 77032.

Votes cast by proxy or in person at the Annual Meeting will be counted by the persons appointed by us 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 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 (10th) 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. Those shares may be entitled to vote on other matters.

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In accordance with our confidential voting policy, the stockholders' votes will not be disclosed to Halliburton's officers, Directors or employees, except:

- as necessary to meet legal requirements and to assert claims for and defend claims against Halliburton;
- 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 employees of Halliburton.

ELECTION OF DIRECTORS

(Item 1)

Mr. Jay A. Precourt, who has served as a Director since 1998, is retiring from the Board immediately prior to the Annual Meeting of Stockholders on May 19, 2010. He will not be a candidate for reelection for the ensuing year.

The ten nominees listed below are presently Directors of Halliburton. The common stock represented by the proxies will be voted to elect the ten 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

ALAN M. BENNETT, 59, Retired Interim Chief Executive Officer, H&R Block, Inc. (a tax and financial services provider); Interim Chief Executive Officer, H&R Block, Inc. 2007-2008; Senior Vice President and Chief Financial Officer, Aetna, Inc. (a leading provider of health, dental, group life, disability and long-term care benefits), 2001-2007; joined Halliburton Company Board in 2006; Chairman of the Audit Committee and member of the Nominating and Corporate Governance Committee; Current Director of H&R Block, Inc. (since 2008) and TJX Companies, Inc. (since 2007). Former Director of Bausch & Lomb (2004-2008). 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 Fortune 85 company. He is a certified public accountant and also has chief executive officer experience.

JAMES R. BOYD, 63, Retired Chairman of the Board, Arch Coal, Inc. (one of the largest United States coal producers); Chairman of the Board, Arch Coal, Inc., 1998-2006; joined Halliburton Company Board in 2006; Chairman of the Compensation Committee and member of the Health, Safety and Environment Committee; Current Director of Arch Coal, Inc. (since 1990). The Board determined that Mr. Boyd should be nominated for election as a Director because of his experience as a Chief Executive Officer, Chairman and lead Director of a large company and his career experience in corporate business development, operations and strategic planning.

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MILTON CARROLL, 59, Chairman of the Board, CenterPoint Energy, Inc. (a public utility holding company) since 2002 and Chairman of Instrument Products, Inc. (a private oil-tool manufacturing company) since 1977; joined Halliburton Company Board in 2006; member of the Compensation and the Nominating and Corporate Governance Committees; Chairman of Health Care Service Corporation (since 2002) and Director (since 1998); Director of Western Gas Partners, L.P. (since 2008). Former Director of Devon Energy (2003-2005) and EGL, Inc. (2003-2007). 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 knowledge of the oil and natural gas services industry.

NANCE K. DICCIANI, 62, Retired President and Chief Executive Officer, Honeywell International Specialty Materials (a diversified technology and manufacturing company); President and Chief Executive Officer, Honeywell International Specialty Materials, 2001-2008; joined the Halliburton Company Board in 2009; member of the Audit and the Health, Safety and Environment Committees; Current Director of Rockwood Holdings, Inc. (since 2008) and Praxair, Inc. (since 2008); Trustee of Villanova University (since 2009). The Board determined that Ms. Dicciani should be nominated for election as a Director because of her technical expertise in the chemical industry, 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.

S. MALCOLM GILLIS, 69, University Professor, Rice University since 2004; President, Rice University, 1993-2004; joined Halliburton Company Board in 2005; member of the Audit and the Health, Safety and Environment Committees; Current Director of AECOM Technology (since 1998) and Service Corporation International (since 2004). Former Director of Electronic Data Systems Corporation (2005-2008) and Introgen Therapeutics, Inc. (2004-2009). The Board determined that Dr. Gillis should be nominated for election as a Director because of his economics and academic expertise, his executive expertise as president of a major research university and his public company board experience.

JAMES T. HACKETT, 56, Chairman of the Board and Chief Executive Officer of Anadarko Petroleum Corporation (an independent oil and natural gas exploration and production company) since 2010; Chairman of the Board, President and Chief Executive Officer of Anadarko Petroleum Corporation, 2006-2010; President and Chief Executive Officer of Anadarko Petroleum Corporation, 2003-2006; joined Halliburton Company Board in 2008; Current Director of Fluor Corporation (since 2001). Chairman of the Federal Reserve Bank of Dallas (2006-2009). Former Director of Temple-Inland, Inc. (2000-2008). The Board determined that Mr. Hackett should be nominated for election as a Director because of his industry expertise, including significant international business experience, and his executive and board leadership experience in industry and government.

DAVID J. LESAR, 56, Chairman of the Board, President and Chief Executive Officer of the Company since 2000; joined Halliburton Company Board in 2000. Former Director of Mirant Corporation (2000-2005) and Lyondell Chemical Company (2000-2007). 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.

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ROBERT A. MALONE, 58, President and Chief Executive Officer, The First National Bank of Sonora, Texas (a community bank), since 2009. Chairman of the Board and President, BP America Inc. (the nation's largest producer of oil and natural gas and the second largest gasoline retailer), 2006-2009; Chief Executive Officer, BP Shipping Limited, 2002-2006; joined Halliburton Company Board in 2009; member of the Audit and the Health, Safety and Environment Committees; Current 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, 64, Founder and Managing Director, Platte River Ventures, L.L.C. (a private equity firm) since 2005; Chairman (1989-2005) and Chief Executive Officer (1995-2005), Titanium Metals Corporation; joined Halliburton Company Board in 1998; Lead Director and member of the Health, Safety and Environment and the Nominating and Corporate Governance Committees; Current Director of Apartment Investment and Management Company (since 1994), Crown Castle International Corporation (since 1995) and Intrepid Potash, Inc. (since 1998). 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 knowledge of Halliburton's operations.

DEBRA L. REED, 53, Executive Vice President, Sempra Energy (regulated utility), since 2010. President and Chief Executive Officer, Southern California Gas Company and San Diego Gas & Electric Company (2006-2010); President and Chief Operating Officer, Southern California Gas Company and San Diego Gas & Electric Company, 2004-2006; joined Halliburton Company Board in 2001; Chairman of the Nominating and Corporate Governance Committee and member of the Compensation Committee; Director of Avery Dennison Corporation (since 2009). Former Director of Genentech, Inc. (2005-2009). 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.

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

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	65,030,477 ⁽¹⁾	7.21%

- (1) BlackRock, Inc. is a parent holding company and is deemed to be the beneficial owner of 65,030,477 shares. BlackRock, Inc. has sole power to vote or to direct the vote of 65,030,477 shares and has sole power to dispose or to direct the disposition of 65,030,477 shares.

The following table sets forth, as of March 1, 2010, the amount of our common stock owned beneficially by each Director, each Director Nominee, each of the executive officers named in the Summary Compensation Table on page 27 and all Directors, Director Nominees and executive officers as a group.

Name of Beneficial Owner or Number of Persons in Group	Amount and Nature of Beneficial Ownership		Percent of Class
	Sole Voting and Investment Power⁽¹⁾	Shared Voting or Investment Power	
Alan M. Bennett	20,110		*
James R. Boyd	40,110		*
James S. Brown	312,111		*
Milton Carroll	13,145		*
Albert O. Cornelison, Jr.	270,327		*
Nance K. Dicciani	12,717		*
S. Malcolm Gillis	21,636		*
James T. Hackett	10,341		*
David J. Lesar	2,055,338		*
Robert A. Malone	7,717		*
J. Landis Martin	89,638		*
Mark A. McCollum	210,988		*
Jay A. Precourt	72,306		*

Timothy J. Probert	265,673		*
Debra L. Reed	26,436	500 ⁽²⁾	*
Shares owned by all current Directors, Director Nominees and executive officers as a group (20 persons)	4,014,345		*

* Less than 1% of shares outstanding.

- (1) Included in the table are shares of common stock eligible for purchase pursuant to outstanding stock options within 60 days of March 1, 2010 for the following: Mr. Brown 44,827; Mr. Cornelison 87,734; Mr. Lesar 869,192; Mr. McCollum 75,199; Mr. Precourt 20,000; Mr. Probert 128,920; and five unnamed executive officers 178,859. Until the options are exercised, these individuals will neither have voting nor investment power over the underlying shares of common stock but only have the right to acquire beneficial ownership of the shares through exercise of their respective options.
- (2) Ms. Reed has shared voting and investment power over 500 shares held in her husband's Individual Retirement Account.

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CORPORATE GOVERNANCE

In 1997, our Board adopted a formal statement of its responsibilities and corporate governance guidelines to ensure effective governance in all areas of its responsibilities. Since then, our corporate governance guidelines have been reviewed periodically and revised as appropriate to reflect the dynamic and evolving processes relating to corporate governance, including the operation of the Board. Our Board's Corporate Governance Guidelines, as revised in March 2010, can be found on the Corporate Governance page of our website www.halliburton.com and in Appendix A to this proxy statement.

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

On our website, we have posted 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. Any waivers to our code of ethics for our executive officers can only be made by our Audit Committee. There were no waivers of the code of ethics in 2009.

Our Board is charged with approving related persons transactions involving our Directors, executive officers or any nominees for Director and any greater than 5% stockholders and their immediate family members. We have adopted a policy governing related persons transactions. 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 and 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 percent beneficial ownership interest in, another entity). The Board will only approve related persons transactions when the Board determines such transactions are in our best interests or the best interests of our stockholders. In determining whether to approve or ratify a related person transaction, the Board will apply the following standards and such other standards 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.

**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, except Mr. James T. Hackett. The Board has made the determination regarding the independence of non-employee Directors based on the independence standards set forth in our corporate governance guidelines. The Board determined that Mr. Hackett was no longer independent because the amount of payments made by Anadarko Petroleum Corporation, of which Mr. Hackett is the Chairman and Chief Executive Officer, to Halliburton for services and products during 2009 exceeded 2% of Anadarko Petroleum Corporation's gross revenues that year. As a result of this determination, Mr. Hackett stopped

serving as a member of our Audit Committee and our Compensation Committee on March 22, 2010. Our independence standards, which meet the requirements of the New York Stock Exchange, or NYSE, provide that a Director will be considered independent if he or she:

has not been employed by us or our affiliates in the preceding three years and no member of the Director's immediate family has been employed as one of our or our affiliates' executive officers in the preceding three years;

has not received, and does not have an immediate family member that has received for service as one of our executive officers, within the preceding three years, during any twelve-month period, more than \$120,000 in direct compensation from us, other than director's fees, committee fees or pension or deferred compensation for prior service;

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is not (A) a current partner or employee of our independent auditor, and (B) was not during the past three calendar years a partner or employee of our independent auditor and personally worked on our audit; does not have an immediate family member who (A) is a current partner of our independent auditor, (B) is a current employee of our independent auditor who personally works on our audit, and (C) was during the past three calendar years, a partner or employee of our independent auditor and personally worked on our audit; is not a current employee of one of our or our affiliates' customers or suppliers and does not have an immediate family member who is a current executive officer of one of our or our affiliates' customers or suppliers that made payments to, or received payments from, us or our affiliates in an amount which exceeds the greater of \$1 million or 2% of our customer's or supplier's consolidated gross revenues within any of the preceding three years; and has not been within the preceding three years part of an interlocking directorate in which our chief executive officer or another of our executive officers serves on the compensation committee of another corporation that employs the Director, or an immediate family member of the Director, as an executive officer.

There were no 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. The definition of independence and compliance with this policy is periodically reviewed by the Nominating and Corporate Governance Committee.

During the last fiscal year, the Board met on 6 occasions, the Audit Committee met on 9 occasions, the Compensation Committee met on 4 occasions, the Health, Safety and Environment Committee met on 2 occasions, and the Nominating and Corporate Governance Committee met on 2 occasions. The non-employee Directors of the Board met in executive session, with no Halliburton personnel present, on 5 occasions. All members of the Board attended at least 75% of the total number of meetings of the Board and the committees on which he or she served during the last fiscal year. Our corporate governance guidelines provide that all Directors should attend our Annual Meeting. All of our Directors attended the 2009 Annual Meeting. The Board of Directors, as part of its review and evaluation of the Company's succession planning process, discusses succession planning throughout the year, and holds a specific succession planning session with the CEO and Chief Human Resources Officer each December.

Halliburton's By-laws give the Board the flexibility to determine whether the roles of Chairman and Chief Executive Officer should be combined or separate. Halliburton's Board of Directors has chosen to combine the roles of Chief Executive Officer and Chairman of the Board, which positions are held by Mr. Lesar. The Board believes that having Mr. Lesar fill both roles remains the best leadership structure for Halliburton at this time. Mr. Martin is our Lead Director. As Lead Director, he presides over the executive sessions of the non-employee Directors. Mr. Martin also reviews and approves the agenda items to be considered at meetings of the Board of Directors. Except for Messrs. Hackett and Lesar, the Board is composed of independent Directors. Halliburton had a practice of having key committees of the Board comprised of independent directors long before the enactment of the Sarbanes-Oxley Act of 2002 and the implementation of the New York Stock Exchange Corporate Governance Rules mandating this. As a result, Halliburton has established, existing and independent processes for the effective oversight of critical issues entrusted to independent Directors, such as the integrity of Halliburton's financial statements, CEO and senior management compensation, Board evaluation and selection of Directors.

For the above reasons, the Board does not believe that a separation of the CEO and Chairman positions will provide any meaningful additional oversight. Moreover, the Board believes its current leadership structure positions Halliburton to achieve the optimal result for its stockholders. At the present time, the Board firmly believes that combining the offices contributes to a more efficient and effective Board. Because the CEO bears primary responsibility for managing the day-to-day business of Halliburton, the Board believes that Mr. Lesar is best suited to chair Board meetings and ensure that key business issues and stockholders' interests are brought to the attention of the Board.

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

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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 NYSE and the SEC. The methods of communication with the Board, which follow, include mail, a dedicated telephone number and an e-mail address.

Contact the Board

You may choose one of the options listed below to report complaints about Halliburton’s accounting, internal accounting controls or auditing matters to the Audit Committee, or other concerns to the Board.

Complaints relating to Halliburton’s accounting, internal accounting controls or auditing matters will be referred to members of the Audit Committee.

Other concerns will be referred to the Lead Director.

All complaints and concerns will be received and processed by the Halliburton Director of Business Conduct. Concerns may be reported anonymously or confidentially. Confidentiality shall be maintained unless disclosure is:

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

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

Halliburton’s Director of Business Conduct, a Halliburton employee, reviews all stockholder communications directed to the Audit Committee and the Board. The Chairman of the Audit Committee is promptly notified of any significant communication involving accounting, internal accounting controls, or auditing matters. The Lead Director is promptly notified of any other significant stockholder communications, and significant communications addressed to a named Director are promptly sent to the Director. Copies of all communications are available for review by any Director.

Information regarding these methods of communication is also on our website, www.halliburton.com, under Corporate Governance .

Members of the Committees of the Board of Directors

Audit Committee	Compensation Committee	Health, Safety and Environment Committee	Nominating and Corporate Governance Committee
Alan M. Bennett*	James R. Boyd*	James R. Boyd	Alan M. Bennett
Nance K. Dicciani	Milton Carroll	Nance K. Dicciani	Milton Carroll
S. Malcolm Gillis	Debra L. Reed	S. Malcolm Gillis	J. Landis Martin
Robert A. Malone		Robert A. Malone	Debra L. Reed*
Jay A. Precourt		J. Landis Martin	

Jay A. Precourt*

* Chairperson

Audit Committee

Halliburton's Audit Committee consists of Directors who, in the business judgment of the Board, are independent under Securities and Exchange Commission regulations and the New York Stock Exchange listing standards. In addition, in the business judgment of the Board, all five members of the Audit Committee, Alan M. Bennett, Nance K. Dicciani, S. Malcolm Gillis, Robert A. Malone and Jay A. Precourt, have accounting or related financial management experience required under the listing standards and have been designated by the Board as audit committee financial

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experts . As noted on page 6 of this proxy statement, Mr. Hackett has been determined to no longer be an independent Director as a result of the amount of business between Halliburton and Anadarko Petroleum Corporation in 2009. As a result, his service on the Audit Committee ended on March 22, 2010. Mr. Hackett's name appears with the other Audit Committee members' names on the Audit Committee Report on page 49 of this proxy statement because he was serving as a member of the Audit Committee at the time the actions summarized in that report were taken. The Audit Committee's role is one of oversight, while Halliburton's management is responsible for preparing financial statements. The independent public accounting firm appointed to audit our financial statements (the principal independent public accountants) is responsible for auditing those financial statements. The Audit Committee does not provide any expert or special assurance as to Halliburton's financial statements or any professional certification as to the principal independent public accountants' work. The following functions are the key responsibilities of the Audit Committee in carrying out its oversight:

- Recommending the appointment of the principal independent public accountants to the Board, and 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 Halliburton's financial policies and accounting systems and controls;
- Reviewing audited financial statements and interim financial statements;
- Preparing a report for inclusion in Halliburton's proxy statement regarding the Audit Committee's review of audited financial statements for the last fiscal year which includes a statement on whether it recommends that the Board include those financial statements in the Annual Report on Form 10-K;
- Approving the services to be performed by the principal independent public accountants; and
- Reviewing and assessing the adequacy of the Audit Committee's Charter annually and