AGILENT TECHNOLOGIES INC
Form DEF 14A
February 06, 2015

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

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 Pursuant to §240.14a-12

AGILENT TECHNOLOGIES, INC.
(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.

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(1)	Title of each class of securities to which transaction applies:
(2)	Aggregate number of securities to which transaction applies:
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(4)	Proposed maximum aggregate value of transaction:
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(1)	Amount Previously Paid:
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(3)	Filing Party:
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Agilent Technologies, Inc.
5301 Stevens Creek Blvd.
Santa Clara, California 95051

William P. Sullivan
Chief Executive Officer

February 2015

To our Stockholders:

I am pleased to invite you to attend the annual meeting of stockholders of Agilent Technologies, Inc. (Agilent) to be held on Wednesday, March 18, 2015 at 8:00 a.m., Pacific Standard Time, at Agilent s headquarters located at 5301 Stevens Creek Blvd., Building No. 5, Santa Clara, California (U.S.A.). Details regarding admission to the annual meeting and the business to be conducted are more fully described in the accompanying Notice of Annual Meeting and Proxy Statement.

If you are unable to attend the annual meeting in person, you may listen through the Internet or by telephone. To listen to the live webcast, log on at www.investor.agilent.com and select the link for the webcast. To listen by telephone, please call (877) 312-5529 (international callers should dial (253) 237-1147). The meeting identification number is 45043300. The webcast will begin at 8:00 a.m. and will remain on Agilent s website for one year. You cannot record your vote or ask questions on this website or at this phone number.

We have elected to take advantage of Securities and Exchange Commission rules that allow issuers to furnish proxy materials to their stockholders on the Internet. We believe that the rules will allow us to provide our stockholders with the information they need, while lowering the costs of delivery and reducing the environmental impact of the annual meeting.

Your vote is important. Whether or not you plan to attend the annual meeting, I hope that you will vote as soon as possible. Please review the instructions on each of your voting options described in the Proxy Statement and the Notice of Internet Availability of Proxy Materials you received in the mail.

Thank you for your ongoing support of, and continued interest in, Agilent.

Sincerely,

Admission to the annual meeting will be limited to stockholders. You are entitled to attend the annual meeting only if you are a stockholder of record as of the close of business on January 20, 2015, the record date, or hold a valid proxy for the meeting. In order to be admitted to the annual meeting, you must present proof of ownership of Agilent stock on the record date. This can be a brokerage statement or letter from a bank or broker indicating ownership on January 20, 2015, the Notice of Internet Availability of Proxy Materials, a proxy card, or legal proxy or voting instruction card provided by your broker, bank or nominee. Any holder of a proxy from a stockholder must present the proxy card, properly executed, and a copy of the proof of ownership. Stockholders and proxyholders may also be asked to present a form of photo identification such as a driver s license or passport. Backpacks, cameras, cell phones with cameras, recording equipment and other electronic recording devices will not be permitted at the annual meeting. Agilent reserves the right to inspect any persons or proposals prior to their admission to the annual meeting. Failure to follow the meeting rules or permit inspection will be grounds for exclusion from the annual meeting.

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AGILENT TECHNOLOGIES, INC.

5301 Stevens Creek Blvd.
Santa Clara, California 95051
(408) 553-2424

Notice of Annual Meeting of Stockholders

TIME	8:00 a.m., Pacific Standard Time, on Wednesday, March 18, 2015
PLACE	Agilent s Headquarters 5301 Stevens Creek Boulevard, Building No. 5 Santa Clara, California (U.S.A.)
ITEMS OF BUSINESS	(1) To elect three directors to a 3-year term. At the annual meeting, the Board of Directors intends to present the following nominees for election as directors: Robert J. Herbold Koh Boon Hwee; and Michael R. McMullen (2) To ratify the Audit and Finance Committee s appointment of PricewaterhouseCoopers LLP as Agilent s independent registered public accounting firm. (3) To re-approve and amend the Performance-Based Compensation Plan for Covered Employees. (4) To approve amendments to our Amended and Restated Certificate of Incorporation and Bylaws to declassify the Board. (5) To approve, on a non-binding advisory basis, the compensation of Agilent s named executive officers. (6) To consider such other business as may properly come before the annual meeting.
RECORD DATE	You are entitled to vote at the annual meeting and at any adjournments or postponements thereof if you were a stockholder at the close of business on Tuesday, January 20, 2015.
ANNUAL MEETING ADMISSION	To be admitted to the annual meeting, you must present proof of ownership of Agilent stock as of the record date. This can be a brokerage statement or letter from a bank or broker indicating ownership on January 20, 2015, the Notice of Internet Availability of Proxy Materials, a proxy card, or legal proxy or voting or voting instruction card provided by your broker, bank or nominee. You may also be asked to present a form of photo identification such as a driver s license or passport. The annual meeting will begin promptly at 8:00 a.m. Limited seating is available on a first come, first served basis.
VOTING	For instructions on voting, please refer to the instructions on the Notice of Internet Availability of Proxy Materials you received in the mail or, if you received a hard copy of the Proxy Statement, on your enclosed proxy card.

By Order of the Board,
Marie Oh Huber
Senior Vice President, General Counsel and
Secretary

This Proxy Statement and the accompanying proxy card are being sent or made available on or about February 6, 2015.

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PROXY SUMMARY

The following is a summary which highlights information contained elsewhere in this Proxy Statement. This summary does not contain all of the information you should consider, and you are urged to read the entire Proxy Statement carefully before voting.

Voting Matters and Vote Recommendations

There are five items of business which Agilent currently expects to be considered at the Annual Meeting. The following table lists those items of business and the Agilent Board s vote recommendation.

PROPOSAL		BOARD VOTE RECOMMENDATION
(1)	Election of Directors	For each director nominee
(2)	Ratification of the Independent Registered Public Accounting Firm	For
(3)	Re-approval and amendment of the Performance-Based Compensation Plan for Covered Employees	For
(4)	Amendments to our Amended and Restated Certificate of Incorporation and Bylaws to declassify the Board	For
(5)	Advisory vote to approve Named Executive Officer compensation	For

Proposal 1 - Director Nominees

Agilent s Board is currently divided into three classes serving staggered three-year terms. On September 17, 2014, Mr. Sullivan notified the Company that he would retire as Chief Executive Officer and as a member of the Company s board of directors effective March 18, 2015. Mr. McMullen, Agilent s current President and Chief Operating Officer, is being nominated to fill the board vacancy left by Mr. Sullivan s retirement and will assume the title of Chief Executive Officer on March 18, 2015. The following table provides summary information about each of the three director nominees who are being voted on at the Annual Meeting.

					COMMITTEE MEMBERSHIPS				OTHER PUBLIC
NAME	AGE	DIRECTOR SINCE	OCCUPATION	INDE-PENDENT	AC	CC	NCG	EC	BOARDS
Robert J. Herbold	72	2000	Managing Director of The Herbold Group, LLC	Yes	M		M		1
Koh Boon Hwee	64	2003	Managing Partner, Credence Capital Fund II (Cayman) Ltd.	Yes		C	M		4
Michael R. McMullen	53		President and Chief Operating Officer of Agilent Technologies	No					

Key: AC: Audit Committee; CC: Compensation Committee; NCG: Nominating/Corporate Governance Committee; EC: Executive Committee; C: Chairperson; M: Member

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SUMMARY INFORMATION

Proposal 2 - Independent Registered Public Accounting Firm

We ask that our stockholders ratify the selection of PricewaterhouseCoopers LLP as Agilent s independent registered public accounting firm for fiscal year 2015. Below is summary information about PricewaterhouseCoopers fees for services performed during fiscal years 2014 and 2013:

Fee Category:	Fiscal 2014	% of Total	Fiscal 2013	% of Total
Audit Fees	$ 7,791,000	76.8	$4,984,000	83.1
Audit-Related Fees	1,695,000	16.7	762,000	12.7
Tax Fees:				
Tax compliance/preparation	265,000	2.6	245,000	4.1
Other tax services	0	0	0	0
Total Tax Fees	265,000	2.2	245,000	4.1
All Other Fees	392,000	3.9	4,000	0.01
Total Fees	$10,143,000	100	$5,995,000	100

Proposal 3 - Re-approval and Amendment of the Performance-Based Compensation Plan for Covered Employees

At the Annual Meeting, Agilent is requesting that stockholders approve the material terms of the Agilent Technologies, Inc. Performance-Based Compensation Plan for Covered Employees (the Performance Plan) and approve an amendment to the Performance Plan that will provide the ability to pay awards under the Performance Plan in the form of cash and/or Agilent common stock. Subject to stockholder approval, the Performance Plan, as amended, will be effective commencing with fiscal year 2015. Section 162(m) of the Internal Revenue Code requires that the stockholders approve the material terms of the Performance Plan at least every five years. The Performance Plan was most recently approved by our stockholders at the 2010 annual meeting.

As proposed for approval, and with the exception of the ability to pay awards under the Performance Plan in the form of cash and/or Agilent common stock, the Performance Plan is substantially the same as the version approved by the stockholders in 2010.

Proposal 4 - Amendments to our Amended and Restated Certificate of Incorporation and Bylaws to Declassify the Board

As part of the Company s commitment to effective governance practices, management and the Board undertook a review of current corporate governance trends and considered the view held by many institutional stockholders that transitioning to an annually elected board is preferable to maintaining a classified board. After careful consideration the Board has determined that it is appropriate to propose for stockholder consideration amendments to our Amended and Restated Certificate of Incorporation and Bylaws that, if adopted, would eliminate the classified structure of our Board over a three-year period.

If this proposal is approved by the requisite percentage of stockholders, the Company will transition to a declassified structure under which current directors will serve out their remaining terms prior to standing for election and the entire Board will stand for election annually beginning in 2018. As part of the transition, at the Annual Meetings of Stockholders in 2016 and 2017, each of the Class I and Class II directors, respectively, will begin standing for annual election. The proposed amendments will not affect the unexpired term of any director elected prior to the Annual Meeting of Stockholders in 2016.

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Proposal 5 - Approve Named Executive Officer Compensation

We are requesting your non-binding vote to approve the compensation of the Company s named executive officers as described in the Compensation Discussion and Analysis and Executive Compensation sections of the proxy statement. The proxy statement contains information about Agilent s executive compensation programs. In particular, you will find detailed information in the Compensation Discussion and Analysis and the Executive Compensation tables.

We believe our programs are well aligned with the interests of our shareholders and are instrumental to achieving our business strategy. In determining executive compensation for fiscal year 2014, the Compensation Committee considered the overwhelming stockholder support (97% approval of votes cast) that the Say-on-Pay proposal received at our March 20, 2013 annual meeting of stockholders. The Compensation Committee believes that the shareholder vote confirms the philosophy and objective of linking our executive compensation to our operating and strategic objectives and the enhancement of shareholder value. We view this level of shareholder support as an affirmation of our current pay practices for fiscal year 2014. The Compensation Committee will continue to consider the outcome of the Company s say-on-pay votes when making future compensation decisions for the named executive officers.

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PROPOSAL 1 ELECTION OF DIRECTORS

Director Nomination Criteria: Qualifications and Experience

The Nominating/Corporate Governance Committee (the Nominating Committee) performs an assessment of the skills and the experience needed to properly oversee the interests of the Company. Generally the Nominating Committee reviews both the short and long term strategies of the Company to determine what current and future skills and experience are required of the Board in exercising its oversight function. The Nominating Committee then compares those skills to the skills of the current directors and potential director candidates. The Nominating Committee conducts targeted efforts to identify and recruit individuals who have the qualifications identified through this process. The Nominating Committee looks for its current and potential directors collectively to have a mix of skills and qualifications, some of which are described below:

- a reputation for personal and professional integrity and ethics;
- executive or similar policy-making experience in relevant business or technology areas or national prominence in an academic, government or other relevant field;
- breadth of experience;
- soundness of judgment;
- the ability to make independent, analytical inquiries;
- the willingness and ability to devote the time required to perform Board activities adequately;
- the ability to represent the total corporate interests of Agilent; and
- the ability to represent the long-term interests of stockholders as a whole.

In addition to these minimum requirements, the Nominating Committee will also consider whether the candidate s skills are complementary to the existing Board members skills; the diversity of the Board in factors such as age, experience in technology, manufacturing, finance and marketing, international experience and culture; and the Board s needs for specific operational, management or other expertise. The Nominating Committee from time to time reviews the appropriate skills and characteristics required of board members, including factors that it seeks in board members such as diversity of business experience, viewpoints and, personal background, and diversity of skills in technology, finance, marketing, international business, financial reporting and other areas that are expected to contribute to an effective Board of Directors. In evaluating potential candidates for the Board of Directors, the Nominating Committee considers these factors in the light of the specific needs of the Board of Directors at that time.

Current Director Terms

Agilent s Board is divided into three classes serving staggered three-year terms. Directors for each class are elected at the annual meeting of stockholders held in the year in which the term for their class expires. Agilent s Bylaws, as amended, allow the Board to fix the number of directors by resolution. Our Board currently consists of nine directors divided into three classes.

If Proposal 4 is approved by the requisite percentage of stockholders at the Annual Meeting, the Company will transition to a declassified structure under which the entire Board will stand for election annually beginning in 2018. As part of the transition, at the Annual Meetings of Stockholders in 2016 and 2017, each of the Class I and Class II directors, respectively, will begin standing for annual election. The proposed amendments will not affect the unexpired term of any director elected prior to the Annual Meeting of Stockholders in 2016.

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ELECTION OF DIRECTORS

The terms of two current director nominees will expire at this Annual Meeting. On September 17, 2014, Mr. Sullivan notified the Company that he would retire as Chief Executive Officer and as a member of the Company s board of directors effective March 18, 2015 and would not stand for re-election at this Annual Meeting. Mr. McMullen, Agilent s current President and Chief Operating Officer is being nominated to fill the vacancy left by Mr. Sullivan s retirement and will assume the title of Chief Executive Officer on March 18, 2015.

The current composition of the Board and the term expiration dates for each director is as follows:

Class	Directors	Term Expires
III	Robert J. Herbold, Koh Boon Hwee and William P. Sullivan	2015
I	Paul N. Clark, James G. Cullen and Tadataka Yamada, M.D.	2016
II	Heidi Fields, A. Barry Rand and George A. Scangos, Ph.D.	2017

Directors elected at the 2015 annual meeting will hold office for a three-year term expiring at the annual meeting in 2018 (or until their respective successors are elected and qualified, or until their earlier death, resignation or removal). All nominees, except Mr. McMullen, are currently directors of Agilent. Information regarding each nominee is provided below as of December 31, 2014. There are no family relationships among Agilent s executive officers and directors.

Director Nominees for Election to New Three-Year Terms That Will Expire in 2018

ROBERT J. HERBOLD

Age: 72

Director Since:

June 2000

Agilent Committees:

Audit and Finance

Nominating/Corporate Governance

Public Directorships:

Neptune Orient Lines Limited

Former Public Directorships Held During the Past Five Years:

None

Mr. Herbold has served as the Managing Director of the consulting firm The Herbold Group, LLC since 2003. He served as Executive Vice President and Chief Operating Officer of Microsoft Corporation from 1994 to April 2001 and served as an Executive Vice President (part-time) of Microsoft Corporation until June 2003. Prior to joining Microsoft, Mr. Herbold was employed by The Procter & Gamble Company for twenty-six years, and served as a Senior Vice President at The Procter & Gamble Company from 1990 to 1994.

Mr. Herbold possesses significant leadership experience and business expertise from his executive leadership positions with Microsoft Corporation and The Procter & Gamble Company. Having been a member of the Agilent board for over 10 years, Mr. Herbold has a strong knowledge of Agilent s business. In addition, Mr. Herbold brings considerable public and private company director experience and perspective on public company management and governance issues and practices.

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KOH BOON HWEE

Age: 64	**Agilent Committees:**	**Public Directorships:**
Director Since:	Compensation (Chair)	AAC Technologies Holdings, Inc.
May 2003	Nominating/Corporate Governance	Sunningdale Tech, Ltd.
		Yeo Hiap Seng Ltd.
		Far East Orchard Ltd.
		Former Public Directorships Held During the Past Five Years:
		DBS Group Holdings Ltd.
		DBS Bank Ltd.
		Yeo Hiap Seng (Malaysia) Bhd

Mr. Koh is the managing partner of Credence Capital Fund II (Cayman) Ltd., a private equity fund. Mr. Koh has served as the non-Executive Chairman of Sunningdale Tech Ltd. since January 2009 and previously served as its Executive Chairman and Chief Executive Officer from July 2005 to January 2009. He has served as the non-Executive Chairman of Yeo Hiap Seng Ltd. since April 2010, the non-Executive Chairman of Rippledot Capital Advisers Pte. Ltd. since February 2011 and the non-Executive Chairman of Far East Orchard Ltd. since April 2013. He served as Executive Director of MediaRing Limited from February 2002 to August 2009; Chairman of DBS Bank Ltd. from January 2006 to April 2010; Chairman of Singapore Airlines from July 2001 to December 2005 and Chairman of Singapore Telecom from April 1992 to August 2001. Mr. Koh spent fourteen years with Hewlett-Packard Company in its Asia Pacific region.

Mr. Koh possesses a strong mix of leadership and operational experience from his various senior positions with Sunningdale Tech, AAC Technologies, MediaRing Limited, DBS Bank, Singapore Airlines and Singapore Telecom. In addition, Mr. Koh has deep experience in the Asia Pacific region and brings that knowledge and perspective to the Board. Mr. Koh has extensive experience with Agilent and its predecessor, Hewlett-Packard, having served on the Agilent board for over 10 years and having spent 14 years with Hewlett-Packard.

MICHAEL R. MCMULLEN

Age: 53	**Agilent Committees:**	**Public Directorships:**
Director Since:	Slated to serve on	None
New Nominee	Executive Committee	
		Former Public Directorships Held During the Past Five Years:
		None

Mr. McMullen has served as President and Chief Operating Officer since September 2014 and will assume the title of Chief Executive Officer effective as of March 18, 2015. From September 2009 to September 2014 he served as Senior Vice President, Agilent and President, Chemical Analysis Group. From January 2002 to September 2009, he served as our Vice President and General Manager of the Chemical Analysis Solutions Unit of the Life Sciences and Chemical Analysis Group. Prior to assuming this position, from March 1999 to December 2001, Mr. McMullen served as Country Manager for Agilent s China, Japan and Korea Life Sciences and Chemical Analysis Group. Prior to this position, Mr. McMullen served as our Controller for the Hewlett-Packard Company and Yokogawa Electric Joint Venture from July 1996 to March 1999.

Mr. McMullen has broad and deep experience with Agilent and its businesses having been an employee of Agilent and its predecessor, Hewlett-Packard, for over 20 years. During the course of his career, he has developed considerable expertise in, and in-depth knowledge of, Agilent s businesses, having seen them as an individual contributor and at numerous levels of management. This perspective gives valuable insight to the Agilent board.

Agilent s Board recommends a vote FOR the election to the Board of each of the foregoing nominees.

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Continuing Directors Not Being Considered for Election at this Annual Meeting

The Agilent directors whose terms are not expiring this year are listed below. They will continue to serve as directors for the remainder of their terms or such other date, in accordance with Agilent s Bylaws. Information regarding each of such directors is provided below.

Directors Whose Terms Will Expire in 2016

PAUL N. CLARK

Age: 67	**Agilent Committees:**	**Public Directorships:**
Director Since: May 2006	Audit and Finance	Biolase, Inc.
	Nominating/Corporate Governance	Keysight Technologies, Inc.
		Former Public Directorships Held During the Past Five Years:
		Amylin Pharmaceuticals, Inc.
		Talecris Biotherapeutics Holdings Corp

Mr. Clark has been a Strategic Advisory Board member of Genstar Capital, LLC since August 2007 and was an Operating Partner from August 2007 to January 2013. Genstar Capital LLC is a middle market private equity firm that focuses on investments in selected segments of life sciences and healthcare services, industrial technology, business services and software. Prior to that, Mr. Clark was the Chief Executive Officer and President of ICOS Corporation, a biotherapeutics company, from June 1999 to January 2007, and the Chairman of the Board of Directors of ICOS from February 2000 to January 2007. From 1984 to December 1998, Mr. Clark worked in various capacities for Abbott Laboratories, a health care products manufacturer, retiring from Abbott Laboratories as Executive Vice President and a board member. His previous experience included senior positions with Marion Laboratories, a pharmaceutical company, and Sandoz Pharmaceuticals (now Novartis Corporation), a pharmaceutical company.

Mr. Clark has significant experience in the pharmaceutical and biotechnology industries, including his experience serving in senior management positions with ICOS Corporation (where he served as Chief Executive Officer and President), Abbott Laboratories, Marion Laboratories and Sandoz Pharmaceuticals. In addition, Mr. Clark brings considerable public company director experience and perspective on company management and governance issues and practices.

JAMES G. CULLEN

Age: 72	**Agilent Committees:**	**Public Directorships:**
Director Since:	Nominating/Corporate	Johnson & Johnson
April 2000	Governance (Chair)	Prudential Financial, Inc.
	Executive (Chair)	Neustar, Inc.
		Keysight Technologies, Inc.
		Former Public Directorships Held During the Past Five Years:
		None

Mr. Cullen has served as Non-Executive Chairman of our Board since March 2005. Mr. Cullen was President and Chief Operating Officer of Bell Atlantic Corporation (now known as Verizon) from 1997 to June 2000 and a member of the office of chairman from 1993 to June 2000. Prior to this appointment, Mr. Cullen was the President and Chief Executive Officer of the Telecom Group of Bell Atlantic from 1995 to 1997. Prior to the creation of Bell Atlantic on January 1, 1984, Mr. Cullen held management positions with New Jersey Bell from 1966 to 1981 and AT&T from 1981 to 1983.

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Mr. Cullen has considerable managerial and operational experience and expertise from his senior leadership position with Bell Atlantic and its predecessors. In addition, Mr. Cullen brings significant public company director experience and perspective on public company management and governance. Mr. Cullen has a strong understanding of Agilent having served on the board for over 10 years, including more than 5 years as the non-executive chairman.

TADATAKA YAMADA, M.D.

Age: 69	**Agilent Committees:**	**Public Directorships:**
Director Since:	Compensation	Takeda Pharmaceutical Co. Ltd.
January 2011	Nominating/Corporate Governance	
		Former Public Directorships Held During the Past Five Years:
		Covidien plc

Dr. Yamada currently serves as the Chief Medical and Scientific Officer of Takeda Pharmaceuticals International, Inc., a research-based global pharmaceutical company. Dr. Yamada previously served as President of the Global Health Program of the Bill & Melinda Gates Foundation from June 2006 to June 2011. From 2000 to 2006, Dr. Yamada was Chairman of Research and Development for GlaxoSmithKline Inc. and prior to that, he held research and development positions at SmithKline Beecham. Prior to joining SmithKline Beecham, Dr. Yamada was Chairman of the Department of Internal Medicine at the University of Michigan Medical School and Physician-in-Chief of the University of Michigan Medical Center.

Dr. Yamada brings to our Board a unique perspective with his experience as the former President of the Global Health Program of the Bill & Melinda Gates Foundation as well as his significant research and development experience. Dr. Yamada s extensive pharmaceutical industry knowledge gives him an insight into a number of issues facing Agilent that other directors might not possess.

Directors Whose Terms Will Expire in 2017

HEIDI FIELDS

Age: 60	**Agilent Committees:**	**Public Directorships:**
Director Since:	Audit and Finance (Chair)	Financial Engines, Inc.
February 2000	Nominating/Corporate Governance	Halyard Health, Inc.
		Former Public Directorships Held During the Past Five Years:
		None

Ms. Fields served as Executive Vice President and Chief Financial Officer of Blue Shield of California from September 2003 through December 2012. She served as Executive Vice President and the Chief Financial Officer of Gap, Inc. from 1999 to January 2003. Prior to assuming that position, Ms. Fields served as the Chief Financial Officer of ITT Industries, Inc. from 1995 to 1999. From 1979 to 1995, she held senior financial management positions at General Motors Corporation, including Vice President and Treasurer.

Ms. Fields possesses significant experience and experience in management and financial matters, having served as the Chief Financial Officer of both public and private companies, including at Blue Shield of California, Gap, Inc. and ITT Industries, Inc. Ms. Fields is the chairperson of our Audit and Finance Committee and is qualified as a financial expert under SEC guidelines. In addition, Ms. Fields has considerable experience and expertise with Agilent having been a member of Agilent s board of directors for over 10 years.

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A. BARRY RAND

Age: 70	**Agilent Committees:**	**Public Directorships:**
Director Since:	Compensation	Campbell Soup Company
November 2000	Nominating/Corporate Governance	
		Former Public Directorships Held During the Past Five Years:
		None

Mr. Rand served as the Chief Executive Officer of AARP from April 2009 to August 2014. He served as Chairman and Chief Executive Officer of Equitant from February 2003 to April 2005 and as Non-Executive Chairman of Aspect Communications from February 2003 to October 2005. Mr. Rand was the Chairman and Chief Executive Officer of Avis Group Holdings, Inc. from November 1999 to April 2001. Prior to joining Avis Group, Mr. Rand was Executive Vice President, Worldwide Operations, for Xerox Corporation from 1992 to 1999. Mr. Rand is Chairman of the Board of Trustees of Howard University and holds a MBA from Stanford University where he also was a Stanford Sloan Executive Fellow. Mr. Rand also holds several honorary doctorate degrees.

Mr. Rand possesses a strong mix of organizational and operational management skills having served as the chairman and/or chief executive officer of numerous companies, including past roles with Equitant, Avis Group Holdings, Aspect Communications and AARP. He brings public company director experience and perspective from his membership on the Campbell Soup board of directors and has considerable expertise with Agilent having served as a director for over 10 years.

GEORGE A. SCANGOS, Ph.D.

Age: 66	**Agilent Committees:**	**Public Directorships:**
Director Since:	Compensation	Biogen Idec, Inc.
September 2014	Nominating/Corporate Governance	Exelixis, Inc.
		Former Public Directorships Held During the Past Five Years:
		Anadys Pharmaceuticals, Inc.

Dr. Scangos has served as the Chief Executive Officer and a director of Biogen Idec Inc. since July 2010. From 1996 to July 2010, Dr. Scangos served as the President and Chief Executive Officer of Exelixis, Inc., a drug discovery and development company. From 1993 to 1996, Dr. Scangos served as President of Bayer Biotechnology, where he was responsible for research, business development, process development, manufacturing, engineering and quality assurance of Bayer s biological products. Before joining Bayer in 1987, Dr. Scangos was a Professor of Biology at Johns Hopkins University for six years. Dr. Scangos served as non-executive Chairman of Anadys Pharmaceuticals, Inc., a biopharmaceutical company, from 2005 to July 2010 and was a director of the company from 2003 to July 2010. Dr. Scangos served as the Chair of the California Healthcare Institute in 2010 and was a member of the Board of the Global Alliance for TB Drug Development from 2006 until 2010. He is also a member of the National Board of Visitors of the University of California, Davis School of Medicine and is currently an Adjunct Professor of Biology at Johns Hopkins University.

Dr. Scangos has extensive training as a scientist, significant knowledge and experience with respect to the biotechnology, healthcare and pharmaceutical industries, and a comprehensive leadership background resulting from service on various boards of directors and as an executive in the pharmaceutical industry.

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Corporate Governance Matters

Agilent has had formal corporate governance standards in place since the Company s inception in 1999. We have reviewed internally and with the Board the provisions of the Sarbanes-Oxley Act of 2002 (Sarbanes-Oxley Act), the rules of the SEC and the NYSE s corporate governance listing standards regarding corporate governance policies and processes and are in compliance with the rules and listing standards.

We have adopted charters for our Compensation Committee, Audit and Finance Committee, Nominating/Corporate Governance Committee and Executive Committee consistent with the applicable rules and standards. Our committee charters, Amended and Restated Corporate Governance Standards and Standards of Business Conduct are located in the Investor Relations section of our website and can be accessed by clicking on Governance Policies in the Corporate Governance section of our web page at www.investor.agilent.com.

Board Leadership Structure

Agilent currently separates the positions of chief executive officer and chairman of the Board. Since March 2005, Mr. Cullen, one of our independent directors, has served as our chairman of the Board. The responsibilities of the chairman of the Board include: setting the

agenda for each Board meeting, in consultation with the chief executive officer; chairing the meetings of independent directors; and facilitating and conducting, with the Nominating/ Corporate Governance Committee, the annual self-assessments by the Board and each standing committee of the Board, including periodic performance reviews of individual directors.

Separating the positions of chief executive officer and chairman of the Board allows our chief executive officer to focus on our day-today business, while allowing the chairman of the Board to lead the Board in its fundamental role of providing advice to and independent oversight of management. The Board believes that having an independent director serve as chairman of the Board is the appropriate leadership structure for Agilent at this time.

However, our Corporate Governance Standards permit the roles of the chairperson of the Board and the chief executive officer to be filled by the same or different individuals. This provides the Board with flexibility to determine whether the two roles should be combined in the future based on Agilent s needs and the Board s assessment of Agilent s leadership from time to time. Our Corporate Governance Standards provide that, in the event that the chairperson of the Board is also the chief executive officer, the Board may consider the election of an independent Board member as a lead independent director.

In 2014, we amended the Corporate Governance Standards to raise the mandatory retirement age for directors from 72 to 75. The Board made the change in recognition of the contribution that experienced directors, with knowledge of the Company, bring to effective board oversight.

Board s Role in Risk Oversight

The Board executes its risk management responsibility directly and through its committees. The Audit and Finance Committee has primary responsibility for overseeing Agilent s enterprise risk management process. The Audit and Finance Committee receives updates and discusses individual and overall risk areas during its meetings, including the Company s financial risk assessments, risk

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management policies and major financial risk exposures and the steps management has taken to monitor and control such exposures. The Compensation Committee oversees risks associated with our compensation policies and practices with respect to both executive compensation and compensation generally.

The Compensation Committee receives reports and discusses whether Agilent s compensation policies and practices create risks that are reasonably likely to have a material adverse effect on the Company.

The full Board is kept abreast of its committees risk oversight and other activities via reports of the committee chairpersons to the full Board during Board meetings.

Majority Voting for Directors

Our Bylaws provide for majority voting of directors regarding director elections. In an uncontested election, any nominee for director shall be elected by the vote of a majority of the votes cast with respect to the director. A majority of the votes cast means that the number of shares voted FOR a director must exceed 50% of the votes cast with respect to that director. The votes cast shall include votes to withhold authority and exclude votes to ABSTAIN with respect to that director s election. If a director is not elected due to a failure to receive a majority of the votes cast and his or her successor is not otherwise elected and qualified, the director shall promptly tender his or her resignation following certification of the stockholder vote.

The Nominating/Corporate Governance Committee will consider the resignation offer and recommend to the Board whether to accept or reject it, or whether other action should be taken. The Board will act on the Nominating/Corporate Governance Committee s recommendation within 90 days following certification of the stockholder vote. Thereafter, the Board will promptly disclose their decision and the rationale behind it in a press release to be disseminated in the same manner as Company press releases typically are distributed. Any director who tenders his or her resignation pursuant to this provision shall not participate in the Nominating/Corporate

Governance Committee recommendation or Board action regarding whether to accept the resignation offer.

Board Communications

Stockholders and other interested parties may communicate with the Board and Agilent s Non-Executive Chairperson of the Board of Directors by filling out the form at Contact Chairman under Corporate Governance at www.investor.agilent.com or by writing to James G. Cullen, c/o Agilent Technologies, Inc., General Counsel, 5301 Stevens Creek Blvd., MS 1A-11, Santa Clara, California 95051. The General Counsel will perform a legal review in the normal discharge of her duties to ensure that communications forwarded to the Non-Executive Chairperson preserve the integrity of the process. For example, items that are unrelated to the duties and responsibilities of the Board such as spam, junk mail and mass mailings, product complaints, personal employee complaints, product inquiries, new product suggestions, resumes and other forms of job inquiries, surveys, business solicitations or advertisements (the Unrelated Items) will not be forwarded to the Non-Executive Chairperson. In addition, material that is unduly hostile, threatening, illegal or similarly unsuitable will not be forwarded to the Non-Executive Chairperson.

Any communication that is relevant to the conduct of Agilent s business and is not forwarded will be retained for one year (other than Unrelated Items) and made available to the Non-Executive Chairperson and any other independent director on request. The independent directors grant the General Counsel discretion to decide what correspondence shall be shared with Agilent management and specifically instruct that any personal employee complaints be forwarded to Agilent s Human Resources Department.

Director Independence

Agilent adopted the following standards for director independence in compliance with the NYSE corporate governance listing standards:

1. No director qualifies as independent unless the Board affirmatively determines that the director has no material relationship with Agilent or any of its subsidiaries (either

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directly, or as a partner, stockholder or officer of an organization that has a relationship with Agilent). Agilent or any of its subsidiaries must identify which directors are independent and disclose the basis for that determination.

In addition, a director is not independent if:

2. The director is, or has been within the last three years, an employee of Agilent or any of its subsidiaries, or an immediate family member is, or has been within the last three years, an executive officer of Agilent or any of its subsidiaries.

3. The director has received, or has an immediate family member who has received, during any twelvemonth period within the last three years, more than $120,000 in direct compensation from Agilent or any of its subsidiaries, other than director and committee fees and pension or other forms of deferred compensation for prior service (provided such compensation is not contingent in any way on continued service).

4. (A) The director is a current partner or employee of a firm that is Agilent s internal or external auditor; (B) the director has an immediate family member who is a current partner of such a firm; (C) the director has an immediate family member who is a current employee of such a firm and personally works on Agilent s audit; or (D) the director or an immediate family member was within the last three years a partner or employee of such a firm and personally worked on Agilent s or any of its subsidiaries audit within that time.

5. The director or an immediate family member is, or has been within the last three years, employed as an executive officer of another company where any of Agilent s or any of its subsidiaries current executive officers at the same time serves or served on that company s compensation committee.

6. The director is a current employee, or an immediate family member is a current executive officer, of a company that has made payments to, or received payments from, Agilent or any of its subsidiaries for property or services in an amount which, in any of the last three fiscal years, exceeds the greater of $1 million, or 2% of such other company s consolidated gross revenues.

The Board determined that Paul N. Clark, James G. Cullen, Heidi Fields, Robert J. Herbold, Koh Boon Hwee, George A. Scangos, Ph.D., A. Barry Rand and Tadataka Yamada, M.D. met the aforementioned independence standards. William P. Sullivan did not meet the aforementioned independence standards because he is Agilent s current Chief Executive Officer and an employee of Agilent and Michael R. McMullen, a board nominee at the 2015 Annual Meeting also did not meet the aforementioned independence standards as he is Agilent s President and Chief Operating Officer and will become Agilent s Chief Executive Officer on March 18, 2015.

Agilent s non-employee directors meet at regularly scheduled executive sessions without management. As the Non-Executive Chairman of the Board, James G. Cullen was chosen to preside at executive sessions of the non-management directors.

Compensation Committee Member Independence

Agilent has adopted standards for compensation committee member independence in compliance with the NYSE corporate governance listing standards. In affirmatively determining the independence of any director who will serve on the compensation committee, the board of directors must consider all factors specifically relevant to determining whether such director has a relationship to Agilent or any of its subsidiaries which is material to such director s ability to be independent from management in connection with the duties of a compensation committee member, including, but not limited to:

(A) the source of compensation of such director, including any consulting, advisory or other compensatory fee paid by Agilent to such director; and

(B) whether such director is affiliated with Agilent, a subsidiary of Agilent or an affiliate of a subsidiary of Agilent.

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COMMITTEES OF THE BOARD OF DIRECTORS

The Board has four standing committees as set forth in the table below. Each director attended at least 75% of the aggregate number of Board and applicable committee meetings held when the director was serving on the Board.

Director	Board	Audit and Finance	Compensation	Nominating/ Corporate Governance	Executive
Paul N. Clark					
James G. Cullen	CHAIR			CHAIR	CHAIR
Heidi Fields		CHAIR			
Robert J. Herbold					
Koh Boon Hwee			CHAIR		
George A. Scangos, Ph.D. (1)					
A. Barry Rand					
Tadataka Yamada, M.D.					
William P. Sullivan (2)					
No. of Meetings in FY2014	6	12	5	6	0

(1) Dr. Scangos joined our Board on September 17, 2014.

(2) Mr. Sullivan will retire from the Board effective March 18, 2015.

Agilent encourages, but does not require, its Board members to attend the annual meeting of stockholders. Last year, all of our directors who were serving at such time, attended the annual meeting of stockholders.

Audit and Finance Committee

The Audit and Finance Committee is responsible for the oversight of the quality and integrity of Agilent s consolidated financial statements, its compliance with legal and regulatory requirements, the qualifications and independence of its independent registered public accounting firm, the performance of its internal audit function and independent registered public accounting firm and other significant financial matters. In discharging its duties, the Audit and Finance Committee is expected to:

have the sole authority to appoint, retain, compensate, oversee, evaluate and replace the independent registered public accounting firm;

review and approve the scope of the annual internal and external audit;

review and pre-approve the engagement of Agilent s independent registered public accounting firm to perform audit and non-audit services and the related fees;

meet independently with Agilent s internal auditing staff, independent registered public accounting firm and senior management;

review the adequacy and effectiveness of the system of internal control over financial reporting and any significant changes in internal control over financial reporting;

review Agilent s consolidated financial statements and disclosures including Management s Discussion and Analysis of Financial Condition and Results of Operations in the Company s reports on Form 10-K or Form 10-Q;

establish and oversee procedures for (a) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, and (b) the confidential anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters;

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- review funding and investment policies, implementation of funding policies and investment performance of Agilent s benefit plans;
- monitor compliance with Agilent s Standards of Business Conduct; and
- review disclosures from Agilent s independent registered public accounting firm required by the applicable requirements of the Public Company Accounting Oversight Board regarding the independence of accountant s communications with the audit committee.

Compensation Committee

The Compensation Committee reviews the performance of Agilent s elected officers and other key employees and determines, approves and reports to the Board on the elements of their compensation, including total cash compensation and long-term equity based incentives. In addition, the Compensation Committee:

- approves and monitors Agilent s benefit plan offerings;
- supervises and oversees the administration of Agilent s incentive compensation, variable pay and stock programs, including the impact of Agilent s compensation programs and arrangements on Company risk;
- recommends to the Board the annual retainer fee as well as other compensation for non-employee directors;
- establishes comparator peer group and compensation targets based on this peer group for the Company s named executive officers; and
- has sole authority to retain and terminate executive compensation consultants.

For more information on the responsibilities and activities of the Compensation Committee, including the committee s processes for determining executive compensation, see Compensation Discussion and Analysis, Compensation Committee Report, Executive Compensation and the Compensation Committee s charter.

The Compensation Committee also helps determine compensation for non-employee directors. The process the Compensation Committee undertakes for setting non-employee director compensation is similar to that of setting executive officer compensation. The Compensation Committee is aided by an independent consultant, currently Frederic W. Cook & Co., Inc. (F.W. Cook), who is selected and retained by the Compensation Committee. The role of the independent consultant is to measure and benchmark our non-employee director compensation against a certain peer group of companies with respect to appropriate compensation levels for positions comparable in the market. The independent consultant recommends appropriate retainers, committee chair retainers, grant values and stock ownership guidelines to the Compensation Committee. This information is reviewed, discussed and finalized at a Compensation Committee meeting and a recommendation is made to the full Board. The full Board makes the final determination on non-employee director compensation.

Nominating/Corporate Governance Committee

The Nominating/Corporate Governance Committee proposes a slate of directors for election by Agilent s stockholders at each annual meeting and recommends to the Board candidates to fill any vacancies on the Board. It is also responsible for reviewing management succession plans, recommending to the Board the appropriate Board size and committee structure and developing and reviewing corporate governance principles applicable to Agilent.

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The Nominating/Corporate Governance Committee will consider director candidates recommended for nomination by stockholders, provided that the recommendations are made in accordance with the procedures described in the section entitled General Information About the Meeting located at the end of this Proxy Statement. Candidates recommended for nomination by stockholders that comply with these procedures will receive the same consideration as other candidates recommended by the Nominating/Corporate Governance Committee.

Agilent typically hires a third party search firm to help identify and facilitate the screening and interview process of candidates for director. To be considered by the Nominating/Corporate Governance Committee, a director nominee must have:

- a reputation for personal and professional integrity and ethics;
- executive or similar policy-making experience in relevant business or technology areas or national prominence in an academic, government or other relevant field;
- breadth of experience;
- soundness of judgment;
- the ability to make independent, analytical inquiries;
- the willingness and ability to devote the time required to perform Board activities adequately;
- the ability to represent the total corporate interests of Agilent; and
- the ability to represent the long-term interests of stockholders as a whole.

In addition to these minimum requirements, the Nominating/Corporate Governance Committee will also consider whether the candidate s skills are complementary to the existing Board members skills; the diversity of the Board in factors such as age, experience in technology, manufacturing, finance and marketing, international experience and culture; and the Board s needs for specific operational, management or other expertise. The Nominating/Corporate Governance Committee from time to time reviews the appropriate skills and characteristics required of board members, including factors that it seeks in board members such as diversity of business experience, viewpoints and, personal background, and diversity of skills in technology, finance, marketing, international business, financial reporting and other areas that are expected to contribute to an effective Board of Directors. In evaluating potential candidates for the Board of Directors, the Nominating/Corporate Governance Committee considers these factors in the light of the specific needs of the Board of Directors at that time. The search firm screens the candidates, does reference checks, prepares a biography for each candidate for the Nominating/Corporate Governance Committee to review and helps set up interviews. The Nominating/Corporate Governance Committee and Agilent s Chief Executive Officer interview candidates that meet the criteria, and the Nominating/Corporate Governance Committee selects candidates that best suit the Board s needs. We do not use a third party to evaluate current Board members.

The Nominating/Corporate Governance Committee also administers Agilent s Related Person Transactions Policy and Procedures. See Related Person Transactions Policy and Procedures for more information.

Executive Committee

The Executive Committee meets or takes written action when the Board is not otherwise meeting. The Committee has full authority to act on behalf of the Board, except that it cannot amend Agilent s Bylaws, recommend any action that requires the approval of the stockholders, fill vacancies on the Board or any Board committee, fix director compensation, amend or repeal any non-amendable or non-repealable resolution of the Board, declare a distribution to the stockholders except at rates determined by the Board, appoint other committees or take any action not permitted under Delaware law to be delegated to a committee.

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COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION

The members of the Compensation Committee are Koh Boon Hwee, A. Barry Rand, George A. Scangos, Ph.D. and Tadataka Yamada, M.D. During the most recent fiscal year, no Agilent executive officer served on the compensation committee (or equivalent), or the board of directors, of another entity whose executive officer(s) served on Agilent s Compensation Committee.

The members of the Compensation Committee are considered independent under the Company s Board of Directors and Compensation Committee Independence Standards as set forth in the Company s Amended and Restated Corporate Governance Guidelines.

RELATED PERSON TRANSACTIONS POLICY AND PROCEDURES

The Company s Standards of Business Conduct and Director Code of Ethics require that all employees and directors avoid conflicts of interests that interfere with the performance of their duties or the best interests of the Company. In addition, the Company has adopted a written Related Person Transactions Policy and Procedures (the Related Person Transactions Policy) that prohibits any of the Company s executive officers, directors or any of their immediate family members from entering into a transaction with the Company, except in accordance with the policy. For purposes of the policy, a related person transaction includes any transaction (within the meaning of Item 404(a) of the Securities and Exchange Commission s Regulation S-K) involving the Company and any related person that would be required to be disclosed pursuant to Item 404(a) of the Securities and Exchange Commission s Regulation S-K.

Under our Related Person Transactions Policy, the General Counsel must advise the Nominating/Corporate Governance Committee of any related person transaction of which she becomes aware. The Nominating/Corporate Governance Committee must then either approve or reject the transaction in accordance with the terms of the policy. In the course of making this determination, the Nominating/Corporate Governance Committee shall consider all relevant information available to it and, as appropriate, must take into consideration the following:

the size of the transaction and the amount payable to the related person;

the nature of the interest of the related person in the transaction;

whether the transaction may involve a conflict of interest; and

whether the transaction involved the provision of goods or services to the Company that are available from unaffiliated third parties and, if so, whether the transaction is on terms and made under circumstances that are at least as favorable to the Company as would be available in comparable transactions with or involving unaffiliated third parties.

Under the Related Person Transactions Policy, Company management screens for any potential related person transactions, primarily through the annual circulation of a Directors and Officers Questionnaire (D&O Questionnaire) to each member of the Board of Directors and each officer of the Company that is a reporting person under Section 16 of the Securities Exchange Act of 1934. The D&O Questionnaire contains questions intended to identify related persons and transactions between the Company and related persons. If a related person transaction is identified, such transaction is brought to the attention of the Nominating/Corporate Governance Committee for its approval, ratification, revision, or rejection in consideration of all of the relevant facts and circumstances.

The Nominating/Corporate Governance Committee must approve or ratify each related person transaction in accordance with the policy. Absent this approval or ratification, no such transaction may be entered into by the Company with any related person.

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In March 2008, the Nominating/Corporate Governance Committee amended the Related Person Transactions Policy to provide for standing pre-approval of limited transactions with related persons. Pre-approved transactions include:

(a) Any transaction with another company at which a related person s only relationship is as an employee (other than an executive officer or an equivalent), director or beneficial owner of less than 10% of that company s shares, if the aggregate amount involved does not exceed the greater of (i) $1,000,000, or (ii) 2 percent of that company s total annual revenues.

(b) Any charitable contribution, grant or endowment by the Company to a charitable organization, foundation or university at which a related person s only relationship is as an employee (other than an executive officer or an equivalent), a director or a trustee, if the aggregate amount involved does not exceed the lesser of $500,000, or 2 percent of the charitable organization s total annual receipts.

Agilent will disclose the terms of related person transactions in its filings with the SEC to the extent required.

Transactions with Related Persons

We purchase services, supplies, and equipment in the normal course of business from many suppliers and sell or lease products and services to many customers. In some instances, these transactions occur with companies with which members of our management or Board of Directors have relationships as directors or executive officers. For transactions entered into during fiscal year 2014, no related person had or will have a direct or indirect material interest. None of the fiscal year 2014 transactions exceeded or fell outside of the pre-approved thresholds set forth in our Related Party Transaction Policy except for the transactions with Biogen Idec Inc. (Biogen). George A. Scangos, Ph.D. is the Chief Executive Officer of Biogen and joined our board in September 2014. The Nominating/Corporate Governance Committee reviewed, approved and ratified the transactions with Biogen in accordance with the policy.

The following list identifies which of these companies purchased from Agilent, or sold to Agilent, more than $120,000 in products and/or services in fiscal 2014.

AAC Technologies Holdings Inc. (AAC). Mr. Koh Boon Hwee is the Chairman of AAC. AAC, or its affiliates, purchased from Agilent an aggregate of approximately $1.8 million of products and/or services.

Avnet, Inc. (Avnet). Mr. William P. Sullivan served as a director of Avnet until May 2014. Avnet, or its affiliates, purchased from Agilent an aggregate of approximately $1.3 million of products and/or services and Agilent purchased from Avnet an aggregate of approximately $913,000 in products and/or services.

Biogen Idec Inc. (Biogen). Mr. George A. Scangos, Ph.D. is the Chief Executive Officer and a director of Biogen. Biogen, or its affiliates, purchased from Agilent an aggregate of approximately $2.7 million in products and/or services.

Campbell Soup Company (Campbell). Mr. A. Barry Rand is a director of Campbell. Campbell, or its affiliates, purchased from Agilent an aggregate of approximately $208,000 of products and/or services.

Catalent Pharma Solutions (Catalent). Mr. Paul N. Clark served as a director of Catalent until September 2014. Catalent, or its affiliates, purchased from Agilent an aggregate of approximately $2.7 million of products and/or services.

Harlan Laboratories, Inc. (Harlan). Mr. Paul N. Clark served as a director of Harlan until March 2014. Harlan, or its affiliates, purchased from Agilent an aggregate of approximately $627,000 of products and/or services.

International Rectifier Corp. (IRC). Mr. Didier Hirsch is a director of IRC. IRC, or its affiliates, purchased from Agilent an aggregate of approximately $124,000 of products and/or services.

Johns Hopkins University (JHU). Mr. George A. Scangos, Ph.D. is an adjunct professor with the JHU Department of Biology. JHU, or its affiliates, purchased from Agilent an aggregate of approximately $5.9 million in products and/or services.

Johnson & Johnson (J&J). Mr. James G. Cullen is a director of J&J. J&J, or its affiliates, purchased from Agilent an aggregate of approximately $12.4 million of products and/or services.

Nanyang Technological University (Nanyang). Mr. Koh Boon Hwee is the Chair of the Board of Trustees of Nanyang. Nanyang, or its affiliates, purchased from Agilent an aggregate of approximately $1.2 million of products and/or services.

Takeda Pharmaceutical Co. Ltd. and Takeda Pharmaceuticals International, Inc. (collectively, Takeda). Dr. Tadataka Yamada is a director of Takeda Pharmaceutical Co. Ltd. and the Chief Medical and Scientific Officer of Takeda Pharmaceuticals International, Inc. Takeda or its affiliates, purchased from Agilent an aggregate of approximately $2.0 million of products and/or services.

URS Corporation (URS). Mr. William P. Sullivan served as a director of URS until May 2014. URS, or its affiliates, purchased from Agilent an aggregate of approximately $184,000 of products and/or services.

Agreements with Keysight

On November 1, 2014, we completed the spin-off of Keysight Technologies, Inc. (Keysight), our electronic measurement business (the Spin-off). Following the Spin-off, Agilent and Keysight have operated as separate publicly-traded companies and neither entity has any ownership interest in the other. However, two of our directors, James G. Cullen and Paul N. Clark, serve on the board of directors of Keysight. In connection with the Spin-off, Agilent and Keysight entered into various agreements, as described below.

Effective as of November 1, 2014, Agilent and Keysight each operate separately as independent publicly-traded companies. Agilent has entered into a separation and distribution agreement with Keysight, which is referred to in this proxy statement as the separation agreement or the separation and distribution agreement. In connection with the Spin-off, Agilent also entered into various other agreements to effect the Spin-off and provide a framework for its relationship with Keysight after the Spin-off, including a services agreement, a tax matters agreement, an employee matters agreement, an intellectual property matters agreement, a trademark license agreement and a real estate matters agreement (collectively, the Agreements).

These Agreements provide for the allocation between Agilent and Keysight of Agilent s assets, employees, liabilities and obligations (including its investments, property and employee benefits and tax-related assets and liabilities) attributable to periods prior to, at and after Keysight s separation from Agilent and govern certain relationships between Keysight and Agilent after the Spin-off. The summaries of the Agreements are qualified in their entirety by reference to the full text of the applicable Agreements, which have been filed as exhibits to Agilent s Current Report on Form 8-K filed with the Securities Exchange Commission on August 5, 2014.

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PROPOSAL 2 RATIFICATION OF THE INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Audit and Finance Committee of the Board has appointed PricewaterhouseCoopers LLP as Agilent s independent registered public accounting firm to audit its consolidated financial statements for the 2015 fiscal year. During the 2014 fiscal year, PricewaterhouseCoopers LLP served as Agilent s independent registered public accounting firm and also provided certain tax and other non-audit services. Although Agilent is not required to seek stockholder approval of this appointment, the Board believes it to be sound corporate governance to do so. If the appointment is not ratified, the Audit and Finance Committee will investigate the reasons for stockholder rejection and will reconsider the appointment.

Representatives of PricewaterhouseCoopers LLP are expected to attend the annual meeting where they will be available to respond to questions and, if they desire, to make a statement.

Agilent s Board recommends a vote FOR the ratification of the Audit and Finance Committee s appointment of PricewaterhouseCoopers LLP as Agilent s Independent Registered Public Accounting Firm.

Fees Paid to PricewaterhouseCoopers LLP

The following table sets forth the aggregate fees charged to Agilent by PricewaterhouseCoopers LLP for audit services rendered in connection with the audited consolidated financial statements and reports for the 2014 and 2013 fiscal years and for other services rendered during the 2014 and 2013 fiscal years to Agilent and its subsidiaries, as well as all out-of-pocket costs incurred in connection with these services:

Fee Category:	Fiscal 2014	% of Total	Fiscal 2013	% of Total
Audit Fees	$ 7,791,000	76.8	$ 4,984,000	83.1
Audit-Related Fees	1,695,000	16.7	762,000	12.7
Tax Fees:				
Tax compliance/preparation	265,000	2.6	245,000	4.1
Other tax services	0	0	0	0
Total Tax Fees	265,000	2.2	245,000	4.1
All Other Fees	392,000	3.9	4,000	0.01
Total Fees	$ 10,143,000	100	$ 5,995,000	100

Audit Fees: Consists of fees billed for professional services rendered for the integrated audit of Agilent s consolidated financial statements and its internal control over financial reporting and review of the interim condensed consolidated financial statements included in quarterly reports. Fiscal 2014 and 2013 fees also consist of fees billed for services that are normally provided by PricewaterhouseCoopers LLP in connection with statutory reporting and regulatory filings or engagements, and attest services, except those not required by statute or regulation. Fiscal 2014 audit fees reflect additional fees of $2,800,000 for services performed by PricewaterhouseCoopers LLP in connection with the separation and spin-off of Keysight.

Audit-Related Fees: Consists of fees billed for assurance and related services that are reasonably related to the performance of the audit or review of Agilent s consolidated financial statements and are not reported under Audit Fees. These services include employee benefit plan audits, accounting consultations in connection with acquisitions and divestitures, attest services

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that are not required by statute or regulation, and consultations concerning financial accounting and reporting standards. Fiscal 2014 audit related fees reflect additional fees of $1,670,000 for services performed by PricewaterhouseCoopers LLP in connection with the separation and spin-off of Keysight.

Tax Fees: Consists of fees billed for professional services for tax compliance, tax advice and tax planning. These services include assistance regarding federal, state and international tax compliance, tax audits and appeals, customs and duties, mergers and acquisitions and international tax planning.

All Other Fees: Consists of fees for all other services other than those reported above. These services include a license for specialized accounting research software. Agilent s intent is to minimize services in this category. The increase in this category for fiscal 2014 reflects additional fees of $388,000 for marketing consulting work provided by BGT Partners, an affiliate of PricewaterhouseCoopers LLP.

In making its recommendation to ratify the appointment of PricewaterhouseCoopers LLP as Agilent s independent registered public accounting firm for the fiscal year ending October 31, 2015, the Audit and Finance Committee has considered whether services other than audit and audit-related services provided by PricewaterhouseCoopers LLP are compatible with maintaining the independence of PricewaterhouseCoopers LLP.

Policy on Audit and Finance Committee Preapproval of Audit and Permissible Non-Audit Services of Independent Registered Public Accounting Firm

The Audit and Finance Committee s policy is to preapprove all audit and permissible non-audit services provided by the independent registered public accounting firm. These services may include audit services, audit-related services, tax services and other services. Preapproval is generally provided for up to one year and any preapproval is detailed as to the particular service or category of services and is subject to a specific budget. The Audit and Finance Committee has delegated its preapproval authority up to a specified maximum to the Chairperson of the Audit and Finance Committee, Heidi Fields, who may preapprove all audit and permissible non-audit services so long as her preapproval decisions are reported to the Audit and Finance Committee at its next scheduled meeting.

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AUDIT AND FINANCE COMMITTEE REPORT

The Audit Committee Report does not constitute soliciting material, and shall not be deemed to be filed or incorporated by reference into any other Company filing under the Securities Act of 1933, as amended, or the Exchange Act, except to the extent that the Company specifically incorporates the Audit Committee Report by reference therein.

AUDIT AND FINANCE COMMITTEE REPORT

During fiscal year 2014, the Audit and Finance Committee of the Board reviewed the quality and integrity of Agilent s consolidated financial statements, the effectiveness of its system of internal control over financial reporting, its compliance with legal and regulatory requirements, the qualifications and independence of its independent registered public accounting firm, the performance of its internal audit function and independent registered public accounting firm and other significant financial matters. Each of the Audit and Finance Committee members satisfies the definition of independent director and is financially literate as established in the New York Stock Exchange Listing Standards. In accordance with section 407 of the Sarbanes-Oxley Act of 2002, the Board of Directors has identified Heidi Fields as the Audit and Finance Committee s Financial Expert. Agilent operates with a November 1 to October 31 fiscal year. The Audit and Finance Committee met twelve times, including telephone meetings, during the 2014 fiscal year.

The Audit and Finance Committee s work is guided by a written charter that the Board has approved. The Audit and Finance Committee regularly reviews its charter to ensure that it is meeting all relevant audit committee policy requirements of the U.S. Securities and Exchange Commission, the Public Company Accounting Oversight Board and the New York Stock Exchange. You can access the latest Audit and Finance Committee charter by clicking on Governance Policies in the Corporate Governance section of the Web page at www.investor.agilent.com or by writing to us at Agilent Technologies, Inc., 5301 Stevens Creek Blvd., Santa Clara, California 95051, Attention: Investor Relations.

The Audit and Finance Committee has reviewed and discussed with management and PricewaterhouseCoopers LLP, Agilent s independent registered public accounting firm, Agilent s audited consolidated financial statements and Agilent s internal control over financial reporting. The Audit and Finance Committee has discussed with PricewaterhouseCoopers LLP, during the 2014 fiscal year, the matters required to be discussed by Statement on Auditing Standards No. 61, as amended (Communication with Audit Committees) as adopted by the Public Company Accounting Oversight Board in Rule 3200T.

The Audit and Finance Committee has received and reviewed the written disclosures and the letter from PricewaterhouseCoopers LLP required by the applicable requirements of the Public Company Accounting Oversight Board regarding the independent accountant s communications with the Audit and Finance Committee concerning independence, and has discussed with PricewaterhouseCoopers LLP its independence from Agilent. Based on the review and discussions noted above, the Audit and Finance Committee recommended to the Board that Agilent s audited consolidated financial statements be included in Agilent s Annual Report on Form 10-K for the fiscal year ended October 31, 2014, and be filed with the U.S. Securities and Exchange Commission.

Submitted by:

Audit and Finance Committee

Heidi Fields, Chairperson
Paul N. Clark
Robert J. Herbold

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PROPOSAL 3 RE-APPROVAL AND AMENDMENT OF THE PERFORMANCE-BASED COMPENSATION PLAN FOR COVERED EMPLOYEES

At the 2015 annual meeting, Agilent is requesting that stockholders approve the Agilent Technologies, Inc. Performance-Based Compensation Plan for Covered Employees (the Performance Plan) which was amended by the Compensation Committee of the Board on November 19, 2014, subject to stockholder approval and will be effective commencing with fiscal 2015. Section 162(m) of the Internal Revenue Code requires that the stockholders approve the material terms of the Performance Plan at least every five years. The Performance Plan was most recently approved by our stockholders at the 2010 annual meeting.

As proposed for approval, and with the exception of the ability to pay awards under the Performance Plan in the form of cash and/or Agilent common stock, the Performance Plan is substantially the same as the version approved by the stockholders in 2010.

Purpose of the Request for Approval

The Board believes that a well-designed incentive compensation plan is a significant factor in improving operating and financial performance of Agilent, thereby enhancing stockholder value. Important elements of such a plan include:

- pre-established goals and objectives for each performance period;
- objective, measurable factors bearing on reported financial results and other metrics as the basis for any payments made under the plan; and
- administrative oversight of the plan by the Compensation Committee.

The Board also believes that all amounts paid pursuant to such a plan should be deductible as a business expense of Agilent. Code Section 162(m) limits the deductibility of bonuses paid to Agilent s CEO and certain other executive officers, unless the plan under which they are paid meets specified criteria, including stockholder approval. Code Section 162(m) generally does not allow a publicly-held corporation to deduct from its U.S. federal taxable income compensation above $1,000,000 that is paid in any taxable year to its chief executive officer or other named executive officers (excluding its chief financial officer). Compensation above $1,000,000 may be deducted if, among other things, it is payable upon the attainment of performance goals whose material terms are approved by the company s stockholders. If the company s compensation committee retains discretion to select which performance goals will apply to a particular performance period, Code Section 162(m) requires that the material terms of such performance goals be reapproved by the company s stockholders every five years. For purposes of Code Section 162(m), the material terms include (a) the employees eligible to receive compensation, (b) a description of the business criteria on which the performance goal may be based, and (c) the maximum amount of compensation that can be paid to an employee under the performance goal. Each of these terms is discussed below.

The Board believes the amendment and continuation of the Performance Plan to be in the best interest of stockholders and recommends its approval. If the Performance Plan is not approved by Agilent s stockholders, commencing with fiscal 2015, bonuses shall no longer be paid officers and key employees of Agilent under the Performance Plan.

The complete text of the Performance Plan, marked to show the proposed amendment, is attached to this proxy statement as Annex A. The following description of the proposed amended Performance Plan is a summary of certain provisions and is qualified in its entirety by the reference to Annex A.

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RE-APPROVAL AND AMENDMENT OF THE PERFORMANCE-BASED COMPENSATION PLAN FOR COVERED EMPLOYEES

Summary of the Performance-Based Compensation Plan, as amended

General

The purpose of the Performance Plan is to motivate and reward eligible employees by making a portion of their cash compensation dependent on the achievement of certain objective performance goals related to the performance of Agilent and its affiliates. In accordance with Agilent s compensation policy that cash compensation should vary with company performance, a substantial part of each executive s total cash compensation may be tied to Agilent s performance by way of performance-based bonuses under the Performance Plan.

Because of the fact-based nature of the performance-based compensation exception under Code Section 162(m) and the limited availability of binding guidance thereunder, Agilent cannot guarantee that the awards under the Performance Plan to covered employees will qualify for exemption under Code Section 162(m). However, the intention of Agilent and the Compensation Committee is to administer the Performance Plan in compliance with Code Section 162(m) with respect to covered employees or participants who may become covered employees. If any provision of the Performance Plan does not comply with the requirements of Code Section 162(m), then such provision will be construed or deemed amended to the extent necessary to conform to such requirements.

Administration

The Performance Plan will be administered by the Compensation Committee, which will have the authority to interpret the Performance Plan, to establish performance targets and to establish the amounts of awards payable under the Performance Plan.

Participation and Eligibility

Individuals eligible for Performance Plan awards are officers and key employees of Agilent (as determined by the Compensation Committee), which include Agilent s covered employees (within the meaning of Code Section 162(m)) and executive officers. Each executive officer has an interest in Proposal No. 3. The number of key employees who will participate in the Performance Plan and the amount of Performance Plan awards are not presently determinable.

Plan Operation

The Performance Plan provides Agilent with a competitive bonus plan reflecting the more prevalent customs and practices for bonus plans among its peer group. The payment of awards to each participant is based on an individual bonus target for the performance period set by the Compensation Committee in writing and related to the satisfaction of the applicable performance goal(s) pre-established by the Compensation Committee for such performance period. The performance goals available under the Performance Plan are listed below:

Performance Goals under the Performance-Based Compensation Plan

I.	Pre-tax income or after-tax income
II.	Income or earnings including operating income, earnings before or after taxes, interest, depreciation and/or amortization
III.	Net income excluding amortization of intangible assets, depreciation and impairment of goodwill and intangible assets and/or excluding charges attributable to the adoption of new accounting pronouncements
IV.	Earnings or book value per share (basic or diluted)
V.	Return on assets (gross or net), return on investment, return on invested capital, or return on equity

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Performance Goals under the Performance-Based Compensation Plan

VI.	Return on revenues
VII.	Cash flow, free cash flow, cash flow return on investment (discounted or otherwise), net cash provided by operations, or cash flow in excess of cost of capital
VIII.	Economic value created
IX.	Operating margin or profit margin
X.	Stock price or total stockholder return
XI.	Income or earnings from continuing operations
XII.	Capital expenditures, cost targets, reductions and savings and expense management
XIII.	Strategic business criteria, consisting of one or more objectives based on meeting specified market penetration or market share, geographic business expansion, objective customer satisfaction or information technology goals, and objective goals relating to divestitures, joint ventures, mergers, acquisitions and similar transactions

Under the Performance Plan, a performance goal is an objective formula or standard utilizing one or more of the factors in the table above and any objectively verifiable adjustment(s) thereto permitted and pre-established by the Compensation Committee in accordance with Code Section 162(m).

Under the Performance Plan, the Compensation Committee has the flexibility to determine the duration of a performance period as any period not exceeding 36 months. The performance period(s) individual bonus target(s) and performance goal(s) will be adopted by the Compensation Committee in its sole discretion with respect to each performance period and must be adopted no later than the latest time permitted by the Internal Revenue Code in order for bonus payments pursuant to the Performance Plan to be deductible under Code Section 162(m). Additionally, the Compensation Committee may establish different performance periods for different participants, and the Committee may establish concurrent or overlapping performance periods.

Payment of Awards

The Performance Plan will allow the Compensation Committee to pay awards in either cash and/or Agilent common stock issued from Agilent s 2009 Stock Plan. The actual amount of future bonus payments under the Performance Plan is not presently determinable. However, the Performance Plan provides that the maximum amount of any awards that can be paid under the Performance Plan to any participant with respect to any 12-month performance cycle is $10,000,000. The $10,000,000 maximum award with respect to any 12-month performance period is better aligned with current competitive maximums of Agilent s peer group and gives the Compensation Committee greater flexibility to award incentives based on need pursuant to prevalent practices by members of Agilent s peer group and pursuant to potential concurrent or overlapping performance periods. Further, the Compensation Committee, in its sole discretion, may exercise negative discretion to reduce or eliminate the amount of a participant s bonus under the Performance Plan to an amount below the amount otherwise payable pursuant to the Performance Plan formula.

The payment of an award for a given performance period generally requires the participant to be employed by Agilent as of the last day of the performance period. Prior to the payment of any award under the Performance Plan, the Compensation Committee must make a determination, certified in writing, that the conditions to payment for the applicable performance period have been satisfied. The payment of awards under the Performance Plan must be made in cash or Agilent common stock and occur within a reasonable period of time after the end of the applicable performance period. Payment

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of an award under the Performance Plan may also be deferred for payment at a future date under the terms of the 2005 Deferred Compensation Plan (see the Non-Qualified Deferred Compensation in Last Fiscal Year table below).

Federal Income Tax Considerations

All amounts paid pursuant to the Performance Plan are taxable income to the employee when paid. Agilent will be entitled to a federal income tax deduction for all amounts paid under the Performance Plan if it is approved by stockholders and meets the other requirements of Code Section 162(m). However, if the proposal is not approved by stockholders and the Compensation Committee implements alternative methods of paying bonuses in lieu of the Performance Plan beginning in fiscal 2015, the future deductibility by Agilent of any such bonuses may be limited by Code Section 162(m).

Amendment and Term of the Plan

The Performance Plan will first become available for performance periods beginning in fiscal 2015. The Performance Plan does not have a fixed termination date and may be terminated by the Compensation Committee at any time, provided that such termination will not affect the payment of any award accrued prior to the time of termination. The Compensation Committee may amend or suspend, and reinstate, the Performance Plan at any time, provided that any such amendment or reinstatement shall be subject to shareholder approval if required by Code Section 162(m), or any other applicable laws, rules or regulations.

Plan Benefits

All awards under the Performance Plan to the Agilent officers named in the Summary Compensation Table on page 55 and all current executive officer participants as a group during fiscal 2015 will be based on Agilent s actual performance during fiscal 2015 and will be made at the discretion of the Compensation Committee. Therefore, the benefits and amounts that will be received or allocated under the Performance Plan to Agilent s executive officers during fiscal 2015 are not determinable at this time. Cash bonuses paid to our named executive officers during fiscal 2014 are shown in this Proxy Statement in the Summary Compensation Table included in the section entitled Executive Compensation below and discussed in more detail in the section entitled Compensation Discussion and Analysis Short-Term Cash Incentives below. Bonuses under the Performance Plan are subject to the Executive Compensation Recoupment Policy, which is described in the section entitled Compensation Discussion and Analysis Compensation Philosophy below.

Vote Required

The affirmative vote of a majority of the shares of Agilent common stock present or represented by proxy and voting at the annual meeting, together with the affirmative vote of a majority of the required quorum, is required for approval of this proposal. If you own shares through a bank, broker or other holder of record, you must instruct your bank, broker or other holder of record how to vote in order for them to vote your shares so that your vote can be counted on this proposal.

Agilent s Board recommends a vote FOR the approval of the material terms of the performance goals and related provisions under the Performance Plan for purposes of Code Section 162(m) and of the amendment to the Performance Plan.

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PROPOSAL 4 APPROVAL OF AMENDMENTS TO OUR AMENDED AND RESTATED CERTIFICATE OF INCORPORATION AND BYLAWS TO DECLASSIFY THE BOARD

The Company s Amended and Restated Certificate of Incorporation (Certificate) and Amended and Restated Bylaws (the Bylaws) currently provide that the Board will be classified into three classes, as nearly equal in number as possible, with one class to be elected by the stockholders each year. As part of the Company s commitment to effective governance practices, management and the Board undertook a review of current corporate governance trends and considered the view held by many institutional stockholders that transitioning to an annually elected board is preferable to maintaining a classified board. After careful consideration the Board has determined that it is appropriate to propose for stockholder consideration amendments to our Certificate and Bylaws that, if adopted, would eliminate the classified structure of our Board over a three-year period.

If this proposal is approved by the requisite percentage of stockholders, the Company will transition to a declassified structure under which current directors will serve out their remaining terms prior to standing for election and the entire Board will stand for election annually beginning in 2018. As part of the transition, at the Annual Meetings of Stockholders in 2016 and 2017, each of the Class I and Class II directors, respectively, will begin standing for annual election. The proposed amendments will not affect the unexpired term of any director elected prior to the Annual Meeting of Stockholders in 2016.

The proposed amendments to Article VII of the Certificate and Article III of the Bylaws are attached hereto as Annexes B and C, respectively.

If the requisite percentage of stockholders approve the amendments, the Company anticipates filing the amended Certificate with the Delaware Secretary of State promptly following the Annual Meeting. Additionally, the Bylaws will be amended and restated to reflect these changes thereafter.

Vote Required

The affirmative vote of the holders of at least eighty percent (80%) of the outstanding voting stock of the Company is required for approval of this proposal.

Agilent s Board recommends a vote FOR the approval of the proposed amendments to our Certificate and Bylaws to declassify the Board.

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COMMON STOCK OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth information, as of December 31, 2014, concerning each person or group known by Agilent, based on filings pursuant to Section 13(d) or (g) under the Securities Exchange Act of 1934, as amended (the Exchange Act), to own beneficially more than 5% of the outstanding shares of our Common Stock

Name and Address of Beneficial Owner	Amount and Nature	Percent of Class
T. Rowe Price Associates, Inc. 100 E. Pratt Street Baltimore, MD 21202	34,580,955 (1)	10.3%
BlackRock, Inc. 40 East 52nd Street New York, NY 10022	22,918,085 (2)	6.8%

(1) Based solely on information contained in a Schedule 13G/A filed with the SEC on November 10, 2014 by T. Rowe Price Associates, Inc. The Schedule 13G/A indicates that T. Rowe Price Associates, Inc. has sole voting power with respect to 8,551,483 shares and sole dispositive power with respect to 34,580,955 shares. These securities are owned by various individual and institutional investors including T. Rowe Price International Ltd. and T. Rowe Price Mutual Funds which T. Rowe Price Associates, Inc. serves as an investment adviser with power to direct investments and/or sole power to vote the securities. For purposes of the reporting requirements of the Securities Exchange Act of 1934, T. Rowe Price Associates, Inc. is deemed to be a beneficial owner of such securities; however, T. Rowe Price Associates, Inc. expressly disclaims that it is, in fact, the beneficial owner of such securities.

(2) Based solely on information contained in a Schedule 13G/A filed with the SEC on January 29, 2015 by BlackRock, Inc. The Schedule 13G/A indicates that BlackRock, Inc. has sole voting power with respect to 20,218,204 shares and sole dispositive power with respect to 22,918,085 shares.

The following table sets forth information, as of December 31, 2014, concerning:

- the beneficial ownership of Agilent s common stock by each director and each of the named executive officers included in the Summary Compensation Table herein; and

- the beneficial ownership of Agilent s common stock by all directors and executive officers as a group.

The number of shares beneficially owned by each entity, person, director or executive officer is determined under the rules of the SEC, and the information is not necessarily indicative of beneficial ownership for any other purpose. Under such rules, beneficial ownership includes any shares as to which the individual has the sole or shared voting power or investment power and also any shares that the individual has the right to acquire as of March 1, 2015, 60 days after December 31, 2014, through the exercise of any stock option or other right. Unless otherwise indicated, each person has sole investment and voting power, or shares such powers with his or her spouse, with respect to the shares set forth in the following table.

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COMMON STOCK OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

Name of Beneficial Owner	Number of Shares of Common Stock	Deferred Stock [1]	Total Number of Shares Beneficially Owned [2]	Number of Shares Subject to Exercisable Options [3]	Total Shares Beneficially Owned Plus Underlying Units
William P. Sullivan	239,825	218,342	458,167	720,836	1,179,003
Paul N. Clark	764	77,836	78,600	37,973 (4)	116,573
James G. Cullen	16,767 (5)	70,727	87,494	41,049	128,543
Heidi Fields	17,861	50,889	68,750	41,049	109,799
Robert J. Herbold	41,449 (6)		41,449	41,049	82,498
Didier Hirsch	4,620 (7)	91,975	96,595	286,213	382,808
Marie Oh Huber	38,506		38,506	169,667	208,173
Koh Boon Hwee	40,633	12,231	52,864	41,049	93,913
Michael R. McMullen	73,700		73,700	428,012	501,712
Ronald S. Nersesian	3,083		3,083		3,083
A. Barry Rand	19,388	53,316	72,704	41,049	113,753
George A. Scangos, Ph.D.	2,353		2,353		2,353
Tadataka Yamada, M.D.	8,175	15,405	23,580		23,580
All directors and executive officers as a group (19) persons [8]	548,502	597,123	1,145,625	2,033,718	3,179,343

(1) Represents the number of deferred shares or share equivalents held by Fidelity Management Trust Company under the Deferred Compensation Plan as to which voting or investment power exists.

(2) Individual directors and executive officers as well as all directors and executive officers as a group beneficially own less than 1% of the 335,846,684 shares of Common Stock outstanding, as of December 31, 2014.

(3) Exercisable Options means options that may be exercised as of March 1, 2015.

(4) Consists of vested options gifted to Mr. Clark s Family LLC.

(5) Includes 3,000 shares held by Mr. Cullen s Family Limited Partnership.

(6) Includes 38,949 shares held by Mr. Herbold s Revocable Trust.

(7) Includes 100 shares held by Mr. Hirsch s spouse.

(8) Includes 47,780 direct and indirect shares, and 185,772 exercisable options for a total of 233,552 shares held by executive officers not separately listed in this table.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Exchange Act, requires Agilent s directors, executive officers and holders of more than 10% of Agilent common stock to file reports with the SEC regarding their ownership and changes in ownership of Agilent stock. Agilent believes that during the 2014 fiscal year, its executive officers, directors and holders of 10% or more of our common stock complied with all Section 16(a) filing requirements.

In making these statements, Agilent has relied upon examination of copies of Forms 3, 4 and 5 provided to Agilent and the written representations of its directors and officers.

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COMPENSATION OF NON-EMPLOYEE DIRECTORS

Directors who are employed by Agilent do not receive any compensation for their Board services. As a result, Mr. Sullivan, an employee of Agilent, received no additional compensation for his Board services. The general policy of the Board is that compensation for non-employee directors should be a mix of cash and equity-based compensation that is competitive with the compensation paid to non-employee directors within Agilent s peer group. The non-employee director s compensation plan year begins on March 1 of each year (the Plan Year).

The table below sets forth the annual retainer, equity grants and committee premiums for the non-employee directors and the Non-Executive Chairman for the 2014 Plan Year:

Summary of Non-Employee Director Annual Compensation for the 2014 Plan Year

	Cash Retainer (1)	Equity Grant (2)	Committee Chair Premium (3)	Audit Committee Member Premium (4)
Non-employee director	$90,000	$180,000 in value of a stock grant	$15,000	$10,000
Non-Executive Chairman	$245,000	$180,000 in value of a stock grant	Not eligible	$10,000

(1) Each non-employee director may elect to defer all or part of the cash compensation to the 2005 Deferred Compensation Plan for Non-Employee Directors. Any deferred cash compensation is converted into shares of Agilent common stock.

(2) The stock will be granted on the later of (i) March 1 or (ii) the first trading day after each Annual Meeting of Stockholders. The number of shares underlying the stock grant is determined by dividing $180,000 by the average fair market value of Agilent s common stock over 20 consecutive trading days up to and including the day prior to the grant date. The stock grant vests immediately upon grant. Voluntary deferral is available as an option for the non-employee directors.

(3) Non-employee directors (excluding the Non-Executive Chairman) who serve as the chairperson of a Board committee receive a committee chair premium of $15,000 in cash, paid at the beginning of each Plan Year.

(4) Non-employee directors (including the Non-Executive Chairman) who serve as a member of the Audit and Finance Committee receive an additional $10,000 in cash, paid at the beginning of each Plan Year.

A non-employee director who joins the Board of Directors after the start of the Plan Year will have his or her cash retainer, equity grant and committee chair premium pro-rated based upon the remaining days in the Plan Year that the director will serve.

In September 2014, the Compensation Committee and the Board, based on the recommendation of the Compensation Committee s independent compensation consultant, F.W. Cook, concluded that the current non-employee director compensation is competitive with Agilent s peer group and would remain unchanged for the 2015 Plan Year.

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Non-Employee Director Compensation for Fiscal Year 2014

The table below sets forth information regarding the compensation earned by each of Agilent s non-employee directors during the fiscal year ended October 31, 2014:

Non-Employee Director Compensation for Fiscal Year 2014					
Name		Cash Retainer ($) (1)	Committee Fees ($) (1)	Stock Awards ($) (2) (3)	Total ($)
Paul N. Clark	$	90,000$	10,000(5)	$180,000	$280,000
James G. Cullen (4)	$	245,000$		$180,000	$425,000
Heidi Fields	$	90,000$	25,000(5) (6)	$180,000	$295,000
Robert J. Herbold	$	90,000$	10,000(5)	$180,000	$280,000
Koh Boon Hwee	$	90,000$	15,000(7)	$180,000	$285,000
George A. Scangos, Ph.D.	$	15,123$		$ 90,739	$105,862
A. Barry Rand	$	90,000$		$180,000	$270,000
Tadataka Yamada, M.D.	$	90,000$		$180,000	$270,000

(1) Reflects all cash compensation earned during fiscal year 2014, whether or not any of the cash compensation was deferred into Agilent common stock pursuant to the 2005 Deferred Compensation Plan for Non-Employee Directors. The number of shares of Agilent common stock received in lieu of cash is determined by dividing the dollar value of the deferred cash amount by the twenty (20) day average fair market value for the applicable deferral date. The aggregate number of shares of Agilent common stock deferred by each non-employee director is set forth in the footnotes to the Beneficial Ownership Table included in this proxy statement.

(2) Reflects the aggregate grant date fair value for stock awards granted in fiscal year 2014 calculated in accordance with FASB ASC Topic 718. The assumptions used by the Company in calculating these amounts are included in Note 4 under the heading Valuation Assumptions of the Notes to the Consolidated Financial Statements in the Company s 2014 Annual Report on Form 10-K.

(3) A supplemental table following these footnotes sets forth: (i) the aggregate number of stock awards and option awards outstanding at fiscal year-end; (ii) the aggregate number of stock awards granted during fiscal year 2014; and (iii) the grant date fair market value of equity awards granted by Agilent during fiscal year 2014 to each of our non-employee directors.

(4) Mr. Cullen has served as the Non-Executive Chairman of the Board since March 1, 2005.

(5) Ms. Fields and Messrs. Clark and Herbold served as members of the Audit and Finance Committee during fiscal year 2014.

(6) Includes $15,000 paid to Ms. Fields for chairing the Audit and Finance Committee during fiscal year 2014.

(7) Mr. Koh served as chair of the Compensation Committee during fiscal year 2014.

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Additional Information With Respect to Director Equity Awards

The following table provides additional information on the outstanding equity awards at fiscal year-end and awards granted during fiscal year 2014 for non-employee directors.

Name	Stock Awards Outstanding at Fiscal Year-End (#) [1]	Option Awards Outstanding at Fiscal Year-End (#)	Stock Awards Granted During Fiscal Year 2014 (#)	Grant Date Fair Value of Stock Awards Granted in Fiscal Year 2014 ($) [1] [2]
Paul N. Clark		27,746	3,158	$ 179,059
James G. Cullen		29,993	3,158	$ 179,059
Heidi Fields		29,993	3,158	$ 179,059
Robert J. Herbold		29,993	3,158	$ 179,059
Koh Boon Hwee		29,993	3,158	$ 179,059
George A. Scangos, Ph.D.			1,569	$ 93,988
A. Barry Rand		29,993	3,158	$ 179,059
Tadataka Yamada, M.D.			3,158	$ 179,059

(1) Stock awards granted to non-employee directors vest immediately upon grant.

(2) Reflects the aggregate grant date fair value of stock awards granted in fiscal year 2014, calculated in accordance with FASB ASC Topic 718.

Non-Employee Director Reimbursement Practice for Fiscal Year 2014

Non-employee directors are reimbursed for travel and other out-of-pocket expenses connected to Board travel.

Non-Employee Director Stock Ownership Guidelines

In 2005, the company adopted a policy that requires each non-employee director to own Agilent shares having a value of at least three times the annual cash retainer. In May 2010, the Compensation Committee, based on the recommendation of the Committee s independent compensation consultant, F.W. Cook, amended the guidelines to increase the alignment of the non-employee directors interest with stockholder interests by requiring each non-employee director to own Agilent shares having a value of at least six times an amount equal to $90,000 (for the 2014 Plan Year). The shares counted toward the ownership guidelines include shares owned outright and the shares of Agilent stock in the non-employee director s deferred compensation account. For recently appointed non-employee directors, these ownership levels must be attained within five years from the date of their initial election or appointment to the board of directors. As of September 2014, all of our incumbent non-employee directors had achieved the recommended ownership level except for Dr. Yamada who was appointed to the Board in January 2011 and has until January 2016 to meet the ownership requirements and Dr. Scangos who was appointed to the Board in September 2014 and has until September 2019 to meet the ownership requirements.

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PROPOSAL 5 NON-BINDING ADVISORY VOTE TO APPROVE THE COMPENSATION OF AGILENT S NAMED EXECUTIVE OFFICERS

The stockholders of Agilent are entitled to cast an advisory vote at the Annual Meeting to approve the compensation of the Company s named executive officers, as disclosed in this proxy statement. The stockholder vote is an advisory vote only and is not binding on Agilent or its Board of Directors. The Company currently intends to submit the compensation of the Company s named executive officers annually, consistent with the advisory vote of the stockholders at the Company s 2011 Annual Meeting.

Although the vote is non-binding, the Compensation Committee and the Board of Directors value your opinions and will consider the outcome of the vote in establishing compensation philosophy and making future compensation decisions.

As described more fully in the Compensation Discussion and Analysis and in Executive Compensation sections of the proxy statement, the Company s named executive officers, as identified on page 38 are compensated in a manner consistent with our business strategy, competitive practice, sound compensation governance principles, and stockholder interests and concerns. Our compensation policies and decisions are focused on pay-for-performance.

2014 Highlights

Successful completion of the strategy to separate the Company to enhance shareholder value

Strong fiscal year 2014 financial performance

CEO pay increase aligned with strategic and financial performance

Fiscal year 2014 NEO annual compensation targeted at market median

Commencement of CEO succession plan

Compensation governance and risk safeguards including waiver of the CEOs grandfathered change of control excise tax gross-up benefit

Agilent also has several compensation governance programs in place to manage compensation risk and align Agilent s executive compensation with long-term stockholder interests. These programs include:

a compensation recoupment policy;

an independent compensation committee and compensation consultant;

a hedging and insider trading policy;

stock ownership guidelines; and

an annual risk assessment.

We are requesting your non-binding vote to approve the compensation of the Company s named executive officers as described in the Compensation Discussion and Analysis and Executive Compensation sections of the proxy statement.

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ADVISORY VOTE TO APPROVE NAMED EXECUTIVE OFFICER COMPENSATION

Vote Required

The affirmative vote of a majority of the shares of Agilent common stock present or represented by proxy and voting at the annual meeting, together with the affirmative vote of a majority of the required quorum, is required for approval of this proposal. If you own shares through a bank, broker or other holder of record, you must instruct your bank, broker or other holder of record how to vote in order for them to vote your shares so that your vote can be counted on this proposal.

Agilent s Board recommends a vote FOR the approval of the compensation of Agilent s named executive officers for fiscal 2014.

COMPENSATION DISCUSSION AND ANALYSIS

Introduction

This section of the Proxy Statement describes the compensation arrangements for our NEOs for fiscal year 2014, which were exclusively determined by our independent Compensation Committee. For the fiscal year ended October 31, 2014, our NEOs and their titles were as follows:

William P. Sullivan, Chief Executive Officer (CEO)

Michael R. McMullen, President and Chief Operating Officer (COO[(1)])

Didier Hirsch, Senior Vice President, Chief Financial Officer (CFO)

Marie Oh Huber, Senior Vice President, General Counsel and Secretary

Ronald S. Nersesian, Executive Vice President, Agilent, President and Chief Executive Officer, Keysight Technologies, Inc. (Keysight[(2)])

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(1) Mr. McMullen was appointed President and COO on September 17, 2014 and named to succeed Mr. Sullivan as CEO as of March 18, 2015.

(2) Mr. Nersesian was appointed as Executive Vice President, Agilent, and President and Chief Executive Officer, Keysight, effective September 18, 2013. Keysight became an independent company on November 1, 2014.

In this Compensation Discussion and Analysis, we first provide an executive summary. We next discuss the Compensation Committee s philosophy and process for determining the compensation of our NEOs. We then summarize and analyze the Compensation Committee s specific decisions regarding fiscal year 2014 compensation for the NEOs.

Executive Summary

2014 Highlights

Successful completion of the strategy to separate the Company to enhance shareholder value

Strong fiscal year 2014 financial performance

CEO pay increase aligned with strategic and financial performance

Fiscal year 2014 NEO annual total compensation targeted at market median

Commencement of CEO succession plan

Compensation governance and risk safeguards including waiver of the CEOs grandfathered change of control excise tax gross-up benefit

Pay for Performance-Agilent s Fiscal Year 2014 Financial Performance and Executive Compensation

The year over year increase in our CEO s annual total direct compensation is consistent with our strong financial results, our year over year increase in stock price and reflects our strong commitment to pay for performance. The core of Agilent s executive compensation philosophy continues to be pay for performance, as discussed in greater detail below.

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The chart below demonstrates how the historical compensation of our CEO compares to our absolute TSR during the same period.

Fiscal Year 2014, a Year of Transition and the Effect of the Spin-Off of Keysight Technologies

Fiscal year 2014 was a year of transition and continued building of shareholder value for Agilent. On September 19, 2013, Agilent announced its plans to spin-off its electronic measurement business into an independent publicly traded company, Keysight Technologies, Inc. Shortly after this announcement, two of our former named executive officers, Nicolas Roelofs, former Senior Vice President and President of our Life Sciences Group and Lars Holmkvist, former Senior Vice President of Agilent and President of our Life Sciences Group, left the company. To provide the stability and leadership required to assemble Agilent s and Keysight s respective executive teams and make the spin-off a success, as well in recognition of the value of his almost ten years experience as a seasoned CEO and the extraordinary demand being made on his time as the company embarked on its year-long separation work, Mr. Sullivan was granted a one-time grant of 40,000 restricted stock units. On November 1, 2014, we successfully completed the spin-off of Keysight into a separate publicly-traded company, and Agilent is now focused solely on the life sciences, diagnostics and applied markets.

In September 2014 following the operational separation of Keysight from Agilent and as part of the Board s CEO succession plan, the Board accepted Mr. Sullivan s notice of his retirement from the position as CEO effective March 18, 2015. Another part of this plan was the Board s appointment of Michael R. McMullen as President and COO and the announcement of the intention to appoint him as CEO upon Mr. Sullivan s retirement in March 2015. Mr. Sullivan also agreed to remain employed as a senior advisor to the Board and Mr. McMullen for the remainder of fiscal year 2015. Concurrently with his appointment as President and COO, Mr. McMullen was granted 18,444 performance stock units for his promotion and he received a salary increase from $600,000 to $700,000.

Mr. McMullen s Fiscal Year 2015 Compensation Approach

On November 19, 2014, the Compensation Committee met to determine NEO annual compensation and Mr. McMullen s compensation for fiscal year 2015. No increase was made to either Mr. McMullen s base salary of $700,000 or his target award of 100% under the Performance Based Compensation Plan. However, the Compensation Committee granted to Mr. McMullen long-term incentive equity awards with a target value of approximately $3,600,000, with approximately half of the target value in a stock option award and half of the target value in performance stock units. The stock option award vests 25% per year over four years, and the performance stock unit award vests 100% at the conclusion of the three-year performance period.

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The Compensation Committee anticipates that effective upon Mr. McMullen s promotion to CEO on March 18, 2015, it will consider increasing Mr. McMullen s total compensation to around the 25th percentile of Agilent s peer group.

Mr. McMullen has entered into the Company s Tier II Change of Control Agreement and will enter into the Company s CEO Change of Agreement, neither of which includes excise tax gross-up or single trigger provisions.

Mr. Sullivan s Fiscal Year 2015 Compensation Approach

On November 19, 2014, the Compensation Committee also met to determine Mr. Sullivan s compensation for fiscal year 2015. For fiscal year 2015, Mr. Sullivan will receive a base salary of $630,000, a forty percent decrease from Mr. Sullivan s base salary of $1,050,000 in fiscal year 2014. Mr. Sullivan s target award of 150% of fiscal year 2015 base salary under the Performance Based Compensation Plan was not changed from the previous year. Mr. Sullivan was granted long-term incentive equity awards with a target value of approximately $5,100,000, with approximately 60% of the target value in performance stock units and 40% of the target value in a stock option award. This represented a decrease of fifty-one percent from Mr. Sullivan s long-term incentive equity awards having a target value of $10,500,000 in fiscal year 2014, which had approximately 40% of its target value in a stock option award and 40% of the target value in performance stock units and 20% of the target value in restricted stock units. Mr. Sullivan has also entered into the Company s current CEO Change of Control Agreement, which provides benefits if Mr. Sullivan s termination as an employee occurs in fiscal year 2015 in connection with a change in control. Mr. Sullivan s agreement no longer contains the grandfathered excise tax gross-up provision and his severance benefits are based on his fiscal year 2015 base salary and target bonus.

Listening to Our Shareholders and Say On Pay

Our programs are well aligned with the interests of our shareholders and are instrumental to achieving our business strategy. In determining executive compensation for fiscal year 2014, the Compensation Committee considered the overwhelming stockholder support (97% approval of votes cast) that the Say-on-Pay proposal received at our March 20, 2013 annual meeting of stockholders. The Compensation Committee believes that the shareholder vote confirms the philosophy and objective of linking our executive compensation to our operating and strategic objectives and the enhancement of shareholder value. We view this level of shareholder support as an affirmation of our current pay practices for fiscal year 2014. The Compensation Committee will continue to consider the outcome of the Company s say-on-pay votes when making future compensation decisions for the named executive officers.

Compensation Governance

As set forth above, the primary focus of our compensation philosophy is to pay for performance. This philosophy is executed with the following compensation governance provisions:

Stock ownership guidelines for officers and directors;

An independent Compensation Committee;

An independent Compensation Committee compensation consultant, Frederic W. Cook & Co., Inc. (F.W. Cook);

Prohibitions on executive officers and directors engaging in hedging transactions or pledging our securities as collateral for loans;

A compensation recoupment or clawback policy that applies to executive officers as described further below;

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An annual review and assessment of potential compensation-related risks, conducted independently for the Committee by F.W. Cook, which for fiscal year 2014 concluded that our compensation program (including all incentive and commission arrangements at all levels) does not encourage behaviors that would create material risk for Agilent;

No single-trigger Change of Control benefits;

Prohibition on repricing; and

No dividends/dividend equivalents on unearned performance awards.

Compensation Philosophy

The main objectives of our executive compensation program are to pay for performance while aligning executives interests with shareholder interests. Our pay levels are reasonable and competitive to attract and retain the best talent and structure pay to support our business objectives with appropriate rewards for short-term operating results and long-term shareholder value creation. Accordingly, we structure our executive compensation program with three basic direct elements:

Base Salary. Base salaries have historically accounted for 20% or less of total compensation for our NEOs. This element is intended to establish the minimum or base-line competitive compensation level that sits beneath the variable compensation components. The remaining 80% or more of our total compensation is performance-based as described below.

Short-Term Cash Incentives. We use financial metrics such as revenue growth and operating profit percentage, as well as strategic objectives, to determine our short-term cash performance incentives. The short-term incentives are used to provide a competitive element of total direct compensation and to focus the efforts of our executives on critical operating and strategic goals that are best measured within annual periods, where there is downside risk for underperforming and upside reward for success.

Long-Term Incentives. Our long-term incentives consist of a combination of (1) stock options that vest over four years and have a 10-year term and (2) performance shares that vest at the end of a three-year period based on continued employment and our relative Total Shareholder Return (TSR) versus peer companies. The purpose of the long-term incentives is to provide a competitive element of total direct compensation, enable employment retention, facilitate executive stock ownership, and reward for multi-year shareholder value creation through the performance of our stock as measured against (1) historical prices and (2) the shareholder return of our peers.

Our total compensation for each NEO varies based on (i) company performance measured against external metrics that correlate to long-term stockholder value, (ii) performance of the business organizations against specific targets, and (iii) individual performance. These three factors are considered in positioning salaries, determining earned short-term incentives and determining long-term incentive grant values. We also have the following policies and compensation risk controls.

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Compensation Risk Controls

Recoupment Policy

In July 2009, the Compensation Committee adopted an Executive Compensation Recoupment Policy that applies to all of our executive officers covered by Section 16 of the Securities Exchange Act. Under this Policy, in the event of (A) a material restatement of financial results (wherein results were incorrect at the time published due to mistake, fraud or other misconduct), or (B) fraud or misconduct by an executive officer, the Compensation Committee will, in the case of a restatement, review all short and long-term incentive compensation awards that were paid or awarded to executive officers for performance periods beginning after July 14, 2009 that occurred, in whole or in part, during the restatement period. In the case of fraud or misconduct, the Committee will consider actions to remedy the misconduct, prevent its recurrence, and impose discipline on the wrongdoers, in each case, as the Committee deems appropriate.

These actions may include without limitation, to the extent permitted by governing law, requiring reimbursement of compensation, causing the cancellation of outstanding restricted stock or deferred stock awards, stock options, and other equity incentive awards, limiting future awards or compensation, and requiring the disgorgement of profits realized from the sale of Agilent stock to the extent such profit was, in part or in whole, resulting from fraud or misconduct. The Compensation Committee will amend the policy, as necessary, to comply with the final SEC rules regarding the recoupment policies of the Dodd-Frank Wall Street Reform and Consumer Protection Act.

Hedging and Insider Trading Policy

In 2010, our insider trading policy was updated to expressly bar ownership of financial instruments or participation in investment strategies that hedge the economic risk of owning Agilent stock. We also prohibit officers and directors from pledging Agilent securities as collateral for loans. In addition, we prohibit our officers, directors and employees from purchasing or selling Agilent securities while in possession of material, non-public information, or otherwise using such information for their personal benefit. Our executives and directors are permitted to enter into trading plans that are intended to comply with the requirements of Rule 10b5-1 of the Securities Exchange Act of 1934 so that they can prudently diversify their asset portfolios and exercise their stock options before their scheduled expiration dates.

A Culture of Ownership

Our stock ownership guidelines are designed to encourage our NEOs and other executive officers to achieve and maintain a significant equity stake in Agilent and more closely align their interests with those of our stockholders. The guidelines provide that the CEO should accumulate and hold, within five years from election to his or her position, an investment level in our stock equal to a multiple of six times his or her annual base salary. The guidelines further provide that the COO, CFO and other executive officers should accumulate and hold, within five years from appointment to their executive officer positions, an investment level in our stock equal to the lesser of either (1) a multiple of three times their annual base salary or (2) direct ownership of a certain level of shares of Agilent stock.

The investment level as a multiple of annual base salary or direct ownership guidelines is set forth below:

Level	**Investment Level = Multiple of Annual Base Salary**	**Direct Ownership of Agilent Stock (# of Shares)**
CEO	6X	N/A
CFO/COO	3X	80,000
All other executive officers	3X	40,000

An annual review is conducted to assess compliance with the guidelines. By the end of fiscal year 2014, all of our NEOs had either met or were on track to reach their stock ownership guideline requirements within the applicable timeframe.

Risk Assessment

F.W. Cook conducts an annual review of Agilent s compensation related risks. The risk assessment conducted during fiscal year 2014 confirmed that Agilent s executive compensation program is well designed to encourage behaviors aligned with the long-term interests of shareholders. F.W. Cook also found an appropriate balance in fixed versus variable pay, cash and equity, corporate, business unit, and individual goals, financial and non-financial performance measures, and formulas and discretion. Finally, it was determined that there are appropriate policies in place to mitigate compensation-related risk, including stock ownership guidelines, insider-trading prohibitions, the Executive Compensation Recoupment Policy, and independent Compensation Committee oversight.

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Process for Determining Compensation

For fiscal year 2014, the Compensation Committee retained F.W. Cook as its compensation consultant. F.W. Cook performs no other work for Agilent, does not trade Agilent stock; has an Independence Policy that is reviewed annually by F.W. Cook s Board of Directors; and proactively notifies the Compensation Committee chair of any potential or perceived conflicts of interest. The Compensation Committee found no conflict of interest with F.W. Cook during fiscal year 2014.

To determine total compensation for the upcoming fiscal year, the Compensation Committee considers 1) the performance of each individual executive for the last fiscal year, 2) the most recent peer group data from F.W. Cook, and 3) our business and strategic goals for the coming fiscal year. F.W. Cook presents and analyzes market data, for benchmarking each individual position, and provides insight to market practices for the Compensation Committee s actions, but it does not make any specific compensation recommendations on the individual NEOs. The Compensation Committee determines the form and amount of compensation for all executive officers after considering the market data and company, business unit and individual performance. For fiscal year 2014, F.W. Cook advised the Compensation Committee on a number of compensation matters, including but not limited to:

Criteria used to identify peer companies for executive compensation and performance metrics;

Evaluation of our total direct compensation levels and mix for the NEOs and four other senior officers;

Mix of long-term incentives, grant types and allocation of stock options and full value shares;

Reviewing various other proposals presented to the Compensation Committee by management; and

Guidance on CEO transition planning.

The Compensation Committee also reviews detailed tally sheets for the CEO and other NEOs. Tally sheets used for 2014 included all elements of executive compensation listed in the section under Fiscal Year 2014 Compensation , including potential compensation to our NEOs in the event of a change of control.

The Compensation Committee, which is composed solely of independent members of the Board, operates under a Board-approved charter that spells out the Committee s major duties and responsibilities. This charter is available on Agilent s website at http://www.investor.agilent.com/phoenix.zhtml?c=103274&p=irol-govhighlights.

Role of Management

The CEO and the Senior Vice President, Human Resources consider the responsibilities, performance and capabilities of each of the Company s executive officers, including the NEOs, other than the CEO, and what compensation package they believe will attract, retain and motivate. The Senior Vice President, Human Resources does not provide input on setting his own compensation. A comprehensive analysis is conducted using a combination of the market data based on our peer group and survey data, performance against targets, and overall performance assessment. This data and analysis is used as the primary consideration to determine if an increase in compensation is warranted and the amount and type of any increase for each of the total compensation components for the then-current fiscal year. After consulting with the Senior Vice President, Human Resources, the CEO makes compensation recommendations, other than for his own compensation, to the Compensation Committee at the first Compensation Committee meeting of the fiscal year.

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Benchmarking

NEO Compensation Peer Group

At the beginning of each fiscal year, the Compensation Committee meets with F.W. Cook to review and approve the peer group companies that satisfy our selection criteria. F.W. Cook has been the Compensation Committee s consultant for a number of years. The peer group used for setting fiscal year 2013 NEO target compensation consisted of 29 product, capital market and labor market competitors with revenues between $1.8 billion and $18 billion or between 0.25x and 2.5x times Agilent s revenue of approximately $7 billion for fiscal year 2013. Using the same criteria as noted above, the peer group used for setting fiscal year 2014 NEO target compensation, as noted below, consists of 28 companies. The range of annual revenues for peer group members was determined so that Agilent s size measured in annual revenue would be at the median of the peer group. The 28 companies are all in the S&P 500 Information Technology, Health Care and Industrials Sector. A comparison between the old and new comparator groups showed an insignificant statistical impact on compensation levels between the two groups. F.W. Cook used the compensation information reported in the public filings of our peer group companies and survey data to make our comparisons and adjusted the data to reflect the age of the reported information. We used this peer group data, targeting the market median, to set each NEO s compensation for FY14.

FISCAL YEAR 2014 NEO COMPENSATION PEER GROUP [(1)]

Bard (C.R.)	Harris Corporation	PerkinElmer	Stryker
Baxter International Inc.	JDS Uniphase	Precision Castparts	Textron
Becton Dickinson	Juniper Networks, Inc.	Qualcomm, Inc.	Thermo Fischer Scientific, Inc.
Boston Scientific Corporation	L-3 Communications	Rockwell Automation	Tyco International
Carefusion	Life Technologies Corporation	Rockwell Collins Inc.	Varian Medical Systems
Covidien PLC	Medtronic	Roper Industries	Waters
Danaher	Motorola Solutions	St Jude Medical Inc.	Zimmer Holdings, Inc.

(1) Cooper Industries no longer existed as a standalone company and was removed from the peer group in fiscal year 2014.

In anticipation of the company separation on November 1, 2014, the Compensation Committee and F.W. Cook reviewed and approved the future peer group selection criteria for Agilent and Keysight. For Agilent, the peer group to be used for setting fiscal year 2015 NEO compensation will consist of product, capital market and labor market competitors in the S&P 500 Health Care Sector with revenues between $1.8 billion and $10 billion or between 0.25x and 2.5x times Agilent s projected revenue. Keysight s new peer group will consist of product, capital market and labor market competitors in the following Russell 3000 GICS sub-industries; Communications Equipment, Computer Storage & Peripherals, Electrical Components & Equipment, Electronic Components, Electronic Equipment & Instruments, Electronic Manufacturing Services and Semiconductor Equipment; with revenues between $1 billion and $9 billion or between 0.33x and 3x Keysight s projected revenue.

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The new peer groups identified by each company s new selection criteria will take effect for fiscal year 2015 when Agilent and Keysight are separate companies. However, the Compensation Committee considered these future peer groups when making NEO compensation decisions for fiscal year 2014. The Committee found that the new peer groups for Agilent and Keysight had similar executive compensation philosophies and programs, and that compensation for Agilent s NEOs was in line with the peer groups identified for each company following the separation on November 1, 2014. For Agilent, this new peer group consisted of 30 companies in the S&P 500 Health Care sector listed in the table below.

Actavis	Celgene	Intuitive Surgical	St. Jude Medical
Alexion Pharma	Cerner	Lab Corp of America	Stryker
Allergan	DaVita HealthCare	Life Technologies	Varian Medical Systems
Bard (C.R.)	DENTSPLY Intl	Mylan	Waters
Becton, Dickinson	Edwards Lifesciences	PerkinElmer	Zimmer Holdings
Biogen Idec	Forest Labs	Perrigo	Zoetis
Boston Scientific	Gilead Sciences	Quest Diagnostics	
CareFusion	Hospira	Regeneron Pharma	

For Keysight, the new peer group consisted of 27 companies in the Russell 3000 Information Technology sector listed below. This peer group was considered when determining pay for Mr. Nersesian.

AMETEK	F5 Networks	Lam Research	Rockwell Automation
Amphenol	Harris	Molex	Roper Industries
Applied Materials	Hubbell	Motorola Solutions	SanDisk
Benchmark Electronics	Itron	National Instruments	Sanmina
Brocade Comms Sys	JDS Uniphase	NetApp	Teradyne
Ciena	Juniper Networks	Plexus	Vishay Intertechnology
Echostar	KLA-Tencor	Regal-Beloit	

Peer Group for the Long-Term Performance Program

The Compensation Committee believes that an expanded peer group is more appropriate for determining relative TSR under the Company s Long-Term Performance (LTP) Program, as an expanded peer group provides a broader index for comparison and better alignment with shareholder investment choices. Therefore, the Compensation Committee uses the companies in the S&P 500, Health Care, Materials and Industrials Sectors Indexes (approximately 150 companies) for determining TSR under the LTP Program. Awards issued in FY12 and FY13 were measured against the S&P 500 Health Care, Industrials and Information Technologies Sectors. The S&P 500 constituent list is maintained by the S&P Index Committee, which is available at www.standardandpoors.com/ indices/main/en/us. Any change in the expanded peer group is due to Standard & Poor s criteria for inclusion in the index.

CEO Compensation

The Compensation Committee establishes the CEO s compensation based on a thorough review of the CEO s performance that includes: (i) an objective assessment against agreed-to metrics set by the Compensation Committee; (ii) tally sheets, (iii) market data from F.W. Cook, (iv) a self-evaluation by the CEO that the Compensation Committee discusses with the independent directors; and (v) a qualitative evaluation of the CEO s performance that is developed by the independent directors, including each member of the Compensation Committee, in executive session. The CEO s total direct compensation package is reviewed annually by the Compensation Committee, which then presents its recommendation to the other independent directors for review and comment. The Compensation Committee then makes the final determinations on compensation for the CEO.

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Fiscal Year 2014 Compensation

For fiscal year 2014, we targeted our NEO compensation in aggregate at the median of the peer group. Compensation was set for each NEO based upon individual performance, experience and time in position. The Compensation Committee believes the targeted compensation is appropriate to attract, retain and motivate our executives as well as to provide competitive rewards for job performance, skill set, prior experience, time in the position and/or with Agilent, and superior achievement in current business conditions.

Our executives total compensation packages reflect Agilent s philosophy of aligning pay with performance and rewarding top talent. Accordingly, long-term incentive awards, which for fiscal year 2014 consisted primarily of stock options that vest 25% per year for four years and performance-based stock awards that vest 100% at the conclusion of a three-year performance period, represent the largest element of pay for senior executives in order to encourage creation of lasting value for our stockholders by directly tying executive compensation to our success and our stockholders interests.

For fiscal year 2014, approximately 81% of our CEO s and 53% of our NEOs total direct compensation consisted of long-term incentives and is at-risk which means that this component varies year to year depending on Agilent s stock price and TSR versus our peers.

CEO **Average of other NEOs**

Base Salary

Our salaries reflect the responsibilities of each NEO, the competitive market for comparable professionals in our industry, and are set to create an incentive for executives to remain with Agilent. Base salaries and benefits packages are the fixed components of our NEOs compensation and do not vary with company performance. NEOs base salaries are set by considering benchmark market data as well as the performance of each NEO.

Our NEOs base salaries for fiscal year 2014 were on average below the 50th percentile of our peer group. In November 2013, the Compensation Committee increased the base salary for Mr. McMullen from $575,000 to $600,000 to compensate him appropriately against his respective peers. Mr. McMullen received another salary increase in September 2014 from $600,000 to $700,000 to reflect his promotion to President and Chief Operating Officer. Mr. Nersesian s salary increased from $750,000 to $800,000 to reflect his role as CEO Designate for Keysight Technologies.

Short-Term Cash Incentives

The Performance-Based Compensation Plan applies to our NEOs and provides the opportunity for cash awards every six months linked to specific six-month financial goals and annual strategic goals for the overall company and the three major lines of business for fiscal year 2014, EMG, CAG and LDG. Annual cash incentives are paid to reward achievement of critical shorter-term operating, financial and strategic measures and goals that are expected to contribute to shareholder value creation over time. Financial goals for each six-month period are pre-established by the Compensation Committee at the

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beginning of the period, based on recommendations from management. The financial goals are based on Agilent s fiscal year 2014 financial plan established by the Board of Directors. After the Compensation Committee certifies the calculations of performance against the goals for each period, payouts, if any, are made in cash. Metrics and goals cannot be changed after they have been approved by the Compensation Committee. The Performance-Based Compensation Plan reflects our pay-for-performance philosophy and directly ties short-term incentives to short-term business performance. Our NEOs target bonus amounts were on average slightly above the 50th percentile. For fiscal year 2014, the awards under the Performance-Based Compensation Plan were calculated by multiplying the individual s base salary for the performance period by the individual s target award percentage and the performance, determined as follows:

H1 Financial Financial H2	Annual Salary / 2	X	Individual Target Bonus (varies by individual)	X	Financial Portion of Target Bonus (50% to 100%)	X	Attainment % (based on actual performance)
FY Strategic	Annual Salary	X	Individual Target Bonus (varies by individual)	X	Strategic Portion of Target Bonus (0% to 50%)	X	Attainment % (based on actual performance)

The payouts under the Performance-Based Compensation Plan for fiscal year 2014 are provided in the table below and in the Non-Equity Incentive Plan Compensation column in the Summary Compensation Table .

	First Half FY14		Second Half FY14		Annual FY14 Strategic Objectives		Actual Short-Term Incentives Paid for the Fiscal Year
Name	**Target Incentive ($)**	**Actual Award ($)**	**Target Incentive ($)**	**Actual Award ($)**	**Target Incentive ($)**	**Actual Award ($)**	**($)**
William P. Sullivan	$590,625	$484,194	$590,625	$359,395	$393,750	$787,500	$1,631,089
Didier Hirsch	$120,000	$98,376	$120,000	$73,020	$240,000	$462,000	$633,396
Marie Oh Huber	$98,438	$80,699	$98,438	$59,899	$196,875	$354,375	$494,973
Michael R. McMullen	$240,000	$217,534	$291,830	$249,643	$0	$0	$467,177
Ronald S. Nersesian	$375,000	$260,888	$375,000	$156,263	$250,000	$500,000	$917,151

Target Award Percentages

Our Compensation Committee set the monetary value of the fiscal year 2014 short-term incentive targets based on a percent of base salary pre-established for each NEO. The Compensation Committee also considered the relative responsibility of each NEO. Each NEO s short-term incentive target for fiscal year 2014 was set between 75% and 150% of base salary (depending on his/her position), as follows:

Fiscal Year 2014 Short-Term Incentive Payout Table*

	Expressed as a % of base salary							
	First Half FY14		**Second Half FY14**		**Annual FY14 Strategic Objectives**		**Total Target Short-Term Incentives for FY14**	
Name	**Target Award**	**Actual Award**	**Target Award**	**Actual Award**	**Target Award**	**Actual Award**	**Target Award**	**Actual Award**
William P. Sullivan	56%	46%	56%	34%	38%	75%	150%	155%
Didier Hirsch	20%	16%	20%	12%	40%	77%	80%	106%
Marie Oh Huber	19%	15%	19%	11%	38%	68%	75%	94%
Michael R. McMullen	40%	36%	48%	41%	0%	0%	88%	77%
Ronald S. Nersesian	47%	33%	47%	20%	31%	63%	125%	115%

* Financial performance is measured and paid out each fiscal half; performance against strategic objectives is measured and paid out annually.

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Mr. Sullivan s fiscal year 2014 bonus of $1,631,089 reflects our below target fiscal year 2014 financial results and the successful spin-off of Keysight resulting in above target performance for Mr. Sullivan s strategic objective for the fiscal year.

Financial Target Metrics and Fiscal Year 2014 Operational Results

The Performance-Based Compensation Plan financial target metrics were based on (1) Agilent s Operating Profit Percentage and Agilent s revenue goals for Mr. Sullivan, Mr. Hirsch and Ms. Huber and (2) the respective business unit s Operating Profit Percentage and revenue goals for Mr. McMullen and Mr. Nersesian. In addition, 30% of Mr. McMullen s target bonus for each of the first half and second half of fiscal year 2014 was also subject to financial metrics and targets of the combined Chemical Analysis and Life Sciences groups (CAG/LDG) so as to facilitate co-operation between CAG and LDG.

The Compensation Committee chose those metrics because:

Revenue places focus on our continued growth; and

Operating Profit emphasizes innovation, profitability and efficiency in our core business operations.

Operating Profit (segment level) is a non-GAAP measure defined as revenue less the sum of cost of products and services, research and development expense and selling, general and administrative expenses.

To determine earned awards, we use payout matrices that link the metrics and reflect threshold-to-maximum opportunities based on various achievement levels of the metrics. No awards are paid unless the Operating Profit Percentage threshold is achieved. The maximum award under the plan is capped at 200% of the target award. The target metrics set for our short-term incentives and their corresponding results were as follows:

First Half FY14

	Operating Profit %					Revenue			
	Threshold	**Target**	**Max**	**Results**	**Achievement**	**Target (Mil)**	**Max (Mil)**	**Results (Mil)**	**Achievement**
Agilent	14%	19%	23%	18%	Below Target	$3,511	$3,863	$3,410	Below Target
EMG	15%	19%	23%	18%	Below Target	$1,485	$1,633	$1,414	Below Target
LDA	14%	19%	22%	18%	Below Target	$2,027	$2,229	$1,996	Below Target
CAG*	18%	22%	26%	22%	At Target	$1,173	$1,290	$1,170	Below Target
LDG	11%	16%	20%	15%	Below Target	$1,194	$1,313	$1,168	Below Target

Second Half FY14

	Operating Profit %					Revenue			
	Threshold	**Target**	**Max**	**Results**	**Achievement**	**Target (Mil)**	**Max (Mil)**	**Results (Mil)**	**Achievement**
Agilent	18%	22%							