

BALL CORP  
Form PRE 14A  
March 06, 2015

Use these links to rapidly review the document

[TABLE OF CONTENTS](#)

[Table of Contents](#)

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

**SCHEDULE 14A**

Proxy Statement Pursuant to Section 14(a) of  
the Securities Exchange Act of 1934 (Amendment No. )

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material under §240.14a-12

**BALL CORPORATION**

---

(Name of Registrant as Specified In Its Charter)

---

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

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
  - (1) Title of each class of securities to which transaction applies:
  - (2) Aggregate number of securities to which transaction applies:
  - (3)

## Edgar Filing: BALL CORP - Form PRE 14A

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

- (4) Proposed maximum aggregate value of transaction:
  - (5) Total fee paid:
    - o Fee paid previously with preliminary materials.
    - o Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.
      - (1) Amount Previously Paid:
      - (2) Form, Schedule or Registration Statement No.:
      - (3) Filing Party:
      - (4) Date Filed:
-

Table of Contents

## **BALL CORPORATION**

# **Notice of 2015 Annual Meeting of Shareholders and Proxy Statement**

**Wednesday,  
April 29, 2015,  
8:00 A.M. , local time**

**10 Longs Peak Drive,  
Broomfield, Colorado**

---

Table of Contents

**Ball and** are trademarks of Ball Corporation, Reg. U.S. Pat. & Tm. Office

---

Table of Contents

**TABLE OF CONTENTS**

|  |    |
|--|----|
| <u>NOTICE OF ANNUAL MEETING OF SHAREHOLDERS</u>                                    | 1  |
| <u>PROXY STATEMENT</u>   | 2  |
| <u>ABOUT THE ANNUAL MEETING</u>  | 3  |
| <u>VOTING SECURITIES AND PRINCIPAL SHAREHOLDERS</u>                                | 4  |
| <u>BENEFICIAL OWNERSHIP</u>  | 5  |
| <u>VOTING ITEM 1 ELECTION OF DIRECTORS</u>   | 6  |
| <u>DIRECTOR NOMINEES AND CONTINUING DIRECTORS</u>                                  | 7  |
| <u>BOARD LEADERSHIP STRUCTURE AND RISK OVERSIGHT</u>                               | 12 |
| <u>BOARD DIVERSITY</u>   | 12 |
| <u>GOVERNANCE OF THE CORPORATION</u>   | 13 |
| <u>BOARD MEETINGS AND ANNUAL MEETING</u>   | 14 |
| <u>BOARD COMMITTEES</u>  | 14 |
| <u>TRANSACTIONS WITH RELATED PERSONS, PROMOTERS AND CERTAIN CONTROL PERSONS</u>    | 17 |
| <u>EXECUTIVE COMPENSATION DISCUSSION AND ANALYSIS</u>                              | 18 |
| <u>EXECUTIVE SUMMARY</u>   | 18 |
| <u>COMPENSATION OBJECTIVES AND PHILOSOPHY</u>                                      | 24 |
| <u>ROLE OF THE HUMAN RESOURCES COMMITTEE AND EXECUTIVE COMPENSATION CONSULTANT</u> | 24 |
| <u>MARKET REFERENCE POINTS AND PEER GROUPS</u>                                     | 24 |
| <u>PROCESS FOR DETERMINING EXECUTIVE COMPENSATION</u>                              | 26 |
| <u>ELEMENTS OF BALL'S EXECUTIVE COMPENSATION PROGRAM AND 2014 PERFORMANCE</u>      | 27 |
| <u>SPECIFICS RELATED TO THE 2014 EXECUTIVE COMPENSATION ELEMENTS</u>               | 29 |
| <u>OTHER EXECUTIVE COMPENSATION POLICIES AND GUIDELINES</u>                        | 36 |
| <u>TABLES AND NARRATIVES</u>   | 38 |
| <u>SUMMARY COMPENSATION TABLE</u>  | 38 |
| <u>GRANTS OF PLAN-BASED AWARDS TABLE</u>   | 40 |
| <u>OUTSTANDING EQUITY AWARDS AS OF DECEMBER 31, 2014</u>                           | 42 |
| <u>OPTION EXERCISES AND STOCK VESTED IN 2014</u>                                   | 43 |
| <u>NON-QUALIFIED DEFERRED COMPENSATION</u>   | 5  |

|   |           |
|---|-----------|
| <u>PENSION BENEFITS</u>   | <u>44</u> |
| <u>OTHER POTENTIAL POST-TERMINATION EMPLOYMENT BENEFITS</u>   | <u>45</u> |
| <u>DIRECTOR COMPENSATION</u>  | <u>48</u> |
| <u>REPORT OF THE HUMAN RESOURCES COMMITTEE OF THE BOARD OF DIRECTORS</u>  | <u>53</u> |
| <u>REPORT OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS</u>  | <u>55</u> |
| <u>VOTING ITEM 2 RATIFICATION OF THE APPOINTMENT OF INDEPENDENT AUDITOR</u>   | <u>55</u> |
| <u>VOTING ITEM 3 ADVISORY (NON-BINDING) VOTE TO APPROVE EXECUTIVE COMPENSATION</u>  | <u>56</u> |
| <u>VOTING ITEM 4 APPROVAL OF AN AMENDMENT TO THE ARTICLES OF INCORPORATION TO IMPLEMENT A MAJORITY VOTE STANDARD FOR UNCONTESTED ELECTIONS OF DIRECTORS</u> | <u>56</u> |
| <u>SHAREHOLDER PROPOSALS FOR 2016 ANNUAL MEETING</u>  | <u>58</u> |
| <u>SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE</u>  | <u>59</u> |
| <u>HOUSEHOLDING</u>   | <u>59</u> |
| <u>SOLICITATION AND OTHER MATTERS</u>   | <u>59</u> |

Table of Contents

**NOTICE OF ANNUAL MEETING OF SHAREHOLDERS**

**Wednesday, April 29, 2015,  
8:00 A.M. , local time**

**10 Longs Peak Drive, Broomfield, Colorado 80021**

The Annual Meeting of Shareholders of Ball Corporation will be held at the Corporation's offices, 10 Longs Peak Drive, Broomfield, Colorado 80021-2510, on Wednesday, April 29, 2015, at 8:00 A.M. (MDT) for the following purposes:

1. To elect three directors for three-year terms expiring at the Annual Meeting of Shareholders to be held in 2018;
2. To ratify the appointment of PricewaterhouseCoopers LLP as the independent registered public accounting firm for the Corporation for 2015;
3. To approve, by non-binding advisory vote, the compensation of the named executive officers ("NEOs") as disclosed in the following Proxy Statement;
4. To consider and act upon the recommendation of the board to amend the Articles of Incorporation to implement a majority vote standard for uncontested elections of directors; and
5. To consider any other business as may properly come before the meeting, although it is anticipated that no business will be conducted other than the matters listed above.

Only holders of common stock of record at the close of business on March 2, 2015, are entitled to notice of and to vote at the Annual Meeting or any adjournment thereof. A Proxy Statement containing important information about the meeting and the matters being voted upon appears on the following pages.

***Your vote is important.*** You are urged to read the accompanying proxy materials carefully and in their entirety and submit your proxy as soon as possible so that your shares can be voted at the meeting in accordance with your instructions. You have a choice of submitting your proxy by Internet or by telephone, or, if you request a paper copy of the materials, by mail.

By Order of the Board of Directors,

**Charles E. Baker**

*Corporate Secretary*

March 16, 2015  
Broomfield, Colorado

**PLEASE NOTE:** The 2015 Annual Meeting of Shareholders will be held to tabulate the votes cast and to report the results of voting on the items described above. No management presentations or other business matters are planned for the meeting.

Table of Contents

**BALL CORPORATION**  
**10 Longs Peak Drive, Broomfield, Colorado 80021-2510**

---

**PROXY STATEMENT**  
**March 16, 2015**

---

**ANNUAL MEETING OF SHAREHOLDERS**  
**TO BE HELD WEDNESDAY, APRIL 29, 2015**

**Important Notice Regarding the Availability of Proxy Materials**  
**for the Annual Shareholder Meeting**

**The Proxy Statement, Form 10-K and Annual Report are Available**  
**at <http://materials.proxyvote.com>**

---

To Shareholders of Ball Corporation:

This Proxy Statement and the accompanying proxy are furnished to shareholders in connection with the solicitation by the Board of Directors of Ball Corporation (the "Corporation" or "Ball") of proxies to be voted at the Annual Meeting of Shareholders (the "Annual Meeting") to be held April 29, 2015, for the purposes stated in the accompanying notice of the meeting. We are first furnishing and making available to shareholders the proxy materials on March 16, 2015.

Please submit your proxy as soon as possible so that your shares can be voted at the meeting. All properly completed proxies submitted by telephone or Internet, and all properly executed written proxies returned by shareholders who request paper copies of the proxy materials, that are delivered pursuant to this solicitation, will be voted at the meeting in accordance with the directions given in the proxy, unless the proxy is revoked prior to completion of voting at the meeting. Only holders of record of shares of the Corporation's common stock as of the close of business on March 2, 2015, the record date for the Annual Meeting, are entitled to notice of and to vote at the meeting, or at any adjournments or postponements of the meeting.

Any Ball Corporation shareholder of record as of March 2, 2015, the record date, desiring to submit a proxy by telephone or via the Internet will be required to enter the unique voter control number imprinted on the Ball Corporation proxy card, and therefore should have the proxy card for reference when initiating the process.

To submit your proxy by telephone, call 1-800-690-6903 on a touch-tone telephone and follow the menu instructions provided. There is no charge for this call.

To submit your proxy over the Internet, log on to the website [www.proxyvote.com](http://www.proxyvote.com) and follow the instructions provided. Similar instructions are included on the enclosed proxy card.



## Edgar Filing: BALL CORP - Form PRE 14A

A shareholder of record of the Corporation may revoke a proxy in writing at any time prior to the meeting by sending written notice of revocation to the Corporate Secretary; by voting again by telephone; by voting via the Internet; by voting in writing if you requested your materials in paper copy; or by voting in person at the meeting.

2

---

Table of Contents

**ABOUT THE ANNUAL MEETING**

***Why am I receiving the Proxy Statement?*** You are receiving the Proxy Statement because you owned shares of Ball Corporation common stock on March 2, 2015, the record date, and that entitles you to vote at the Annual Meeting. The Corporation's Board of Directors ("Board") is soliciting your proxy to vote at the scheduled 2015 Annual Meeting or at any later meeting should the scheduled Annual Meeting be adjourned or postponed for any reason. Your proxy will authorize specified people (proxies) to vote on your behalf at the Annual Meeting in accordance with your written instructions. By use of a proxy, you can vote, whether or not you attend the meeting.

***What will I be voting on?*** You will be voting on (1) the election of three director nominees named in this Proxy Statement for terms expiring at the 2018 annual meeting of shareholders; (2) the ratification of the appointment of PricewaterhouseCoopers LLP as the independent registered public accounting firm for 2015; (3) an advisory vote to approve named executive officer compensation; and (4) consider and act upon the recommendation of the board to amend the Articles of Incorporation to implement a majority vote standard for uncontested elections of directors.

***What are the Board of Directors' recommendations?*** The Board recommends a vote (1) **FOR** the election of the three director nominees named in this Proxy Statement; (2) **FOR** the ratification of the appointment of PricewaterhouseCoopers LLP as the Corporation's independent registered public accounting firm for 2015; (3) **FOR** the advisory vote on the compensation of the named executive officers; and (4) **FOR** the recommendation to amend the Articles of Incorporation to implement a majority vote standard for uncontested elections of directors.

***Could other matters be decided at the Annual Meeting?*** We do not know of any other matters that will be raised at the Annual Meeting. The Chairman will allow presentation of a proposal or a nomination for the Board from the floor at the Annual Meeting only if the proposal or nomination was properly submitted. The proxies will have discretionary authority, to the extent permitted by law, to vote for or against other matters that may properly come before the Annual Meeting as those persons deem advisable.

***How many votes can be cast by all shareholders?*** Each share of Ball Corporation common stock (other than 688 shares of common stock that have been granted as restricted stock without voting rights) is entitled to one vote on each of the three directors to be elected and one vote on each other matter that is properly presented at the Annual Meeting.

***How do I vote my shares if I am a record holder?*** If you are a record holder of shares; that is, the shares are registered in your name and not the name of your broker or other nominee, you are urged to submit your proxy as soon as possible, so that your shares can be voted at the meeting in accordance with your instructions. You may submit your proxy by telephone or via the Internet as instructed on page 2 of the Proxy Statement and on your proxy card, or you can complete, sign, date and mail your proxy card if you request a paper copy of the proxy materials. You may also vote by attending the Annual Meeting, or sending a personal representative to the Annual Meeting with an appropriate proxy, in order to vote. Unless you or a personal representative plan to be in attendance and vote at the meeting, your vote must be received no later than 11:59 P.M. (EDT) on Tuesday, April 28, 2015.

***How do I vote my shares if I hold my shares under the Employee Stock Purchase Plan ("ESPP") or the 401(k) Plan?*** Participants may vote their shares in the manner set forth above; however, shares held through the Plans must be voted by 11:59 P.M. (EDT) on Sunday, April 26, 2015. The Trustee of the 401(k) Plan will vote the unvoted shares for each voting item in the same proportion as the voted shares for each item. The Administrator of the ESPP will vote the unvoted shares for that Plan in accordance with the Board of Directors' recommendations.

***How do I vote my shares if I hold my shares in "street name" through a bank or broker?*** If you hold your shares as a beneficial owner through a bank, broker or other nominee, you must provide voting instructions to your bank, broker or other nominee by the deadline provided in the materials you receive from your bank, broker or other nominee to ensure your shares are voted in the way you would like at the meeting. Your bank, broker or other nominee will send you specific instructions in this regard to vote your shares. If you do not provide instructions to your bank, broker or other nominee, whether your shares are voted depends on the type of item being considered for a vote. For example, under applicable stock exchange rules, brokers are permitted to vote on "discretionary" items if the voting instructions from the beneficial owners of the shares are not provided in a timely manner. Brokers are not permitted to vote on "nondiscretionary" items. The proposal to approve the appointment of independent auditors is considered a "discretionary" item. This means that brokerage firms may vote in their discretion on this matter on behalf of clients who have not furnished voting instructions at least 10 days before the date of the meeting. In contrast, the other items to be voted on at the Annual Meeting are "nondiscretionary" items. This means brokerage firms that have not received voting instructions from their clients on these items may not vote on them. These so-called "broker nonvotes" will be included in the calculation of the number of votes considered to be present at the meeting for purposes of determining a quorum, but will not be considered in determining the number of votes necessary for approval and will have no effect on the outcome of the votes for such items.

***Can I revoke my proxy or change my vote?*** Shareholders of record may revoke their proxies or change their votes in writing at any time prior to the meeting by sending written notice of revocation to the Corporate Secretary; by voting again by telephone or via the Internet; by voting in

## Edgar Filing: BALL CORP - Form PRE 14A

writing if they requested their materials in paper copy; or by voting in person at the meeting. Attendance in and of itself at the Annual Meeting will not revoke a proxy. For shares you hold beneficially but not of record, you may change your vote by submitting new voting instructions to your broker or nominee or, if you have obtained a valid proxy from your broker or nominee giving you the right to vote your shares, by attending the meeting and voting in person.

Table of Contents**VOTING SECURITIES AND PRINCIPAL SHAREHOLDERS**

At the close of business on March 2, 2015, there were outstanding 137,535,553 shares of common stock (together with the associated preferred stock purchase rights under the Rights Agreement dated as of July 26, 2006, between the Corporation and Computershare Investor Services, LLC, as amended). Other than 688 shares of common stock granted as restricted stock without voting rights, each of the shares of common stock is entitled to one vote. Shareholders do not have cumulative voting rights with respect to the election of directors.

Based on Schedule 13G filings with the Securities and Exchange Commission ("SEC"), the following table indicates the beneficial owners of more than 5% of the Corporation's outstanding common stock as of December 31, 2014:

| <b>Name and Address<br/>of Beneficial Owner</b>   | <b>Shares<br/>Beneficially Owned</b> | <b>Percent<br/>of Class</b> |
|---|--------------------------------------|-----------------------------|
| The Vanguard Group<br>100 Vanguard Boulevard<br>Malvern, Pennsylvania 19355<br>Vanguard Fiduciary Trust Company | 11,567,706 <sup>(1)</sup>            | 8.44                        |
| 500 Admiral Nelson Boulevard<br>Malvern, Pennsylvania 19355<br>BlackRock, Inc.                                  | 8,192,355 <sup>(2)</sup>             | 5.98                        |
| 55 East 52nd Street<br>New York, New York 10022   | 7,621,360 <sup>(3)</sup>             | 5.60                        |

(1)

235,272 shares with sole voting power.  
11,343,463 shares with sole dispositive power.  
224,243 shares with shared dispositive power.

Vanguard Fiduciary Trust Company, a wholly owned subsidiary of The Vanguard Group, Inc., is the beneficial owner of 187,343 shares or 0.13% of the Common Stock outstanding of the Company as a result of its serving as investment manager of collective trust accounts.

Vanguard Investments Australia, Ltd., a wholly owned subsidiary of The Vanguard Group, Inc., is the beneficial owner of 84,829 shares or 0.06% of the Common Stock outstanding of the Company as a result of its serving as investment manager of Australian investment offerings.

(2)

8,192,355 shares with shared voting power and 8,192,355 with shared dispositive power.

(3)

6,493,378 shares with sole voting power and 7,621,360 shares with sole dispositive power.

Table of Contents**BENEFICIAL OWNERSHIP**

The following table lists the beneficial ownership of common stock of the Corporation of our director nominees, continuing directors, all individuals who served as either our Chief Executive Officer ("CEO") or our Chief Financial Officer ("CFO") during the last fiscal year, the three other most highly compensated executive officers of the Corporation and, as a group, all of such persons and our other executive officers as of the close of business on March 2, 2015.

| Title of Class | Name of Beneficial Owner   | Shares Beneficially Owned <sup>(1)</sup> | Percent of Class <sup>(2)</sup> | Included in Shares   | Excluded from Shares                                   |   |
|----------------|--|--|---------------------------------|--|--|---|
|                |  |  |                                 | Beneficially Owned   | Deferred Share or Stock Unit Equivalent <sup>(4)</sup> | Restricted Stock Shares or Units <sup>(5)</sup> |
|                |  |  |                                 | Number of Shares Which Become Available or Subject to Options Exercisable or Which Become Exercisable Within 60 Days of March 2, 2015 <sup>(3)</sup> |  |   |
| Common         | Robert W. Alspaugh   |  | *                               |  | 23,949   | 29,180  |
| Common         | Charles E. Baker   | 260,237 <sup>(6)</sup>                   | *                               | 226,220  | 51,381   | 17,379  |
| Common         | Michael J. Cave  |  | *                               |  |  | 3,000   |
| Common         | Michael W. Feldser   | 134,452                                  | *                               | 92,725   | 45,350   | 18,778  |
| Common         | Hanno C. Fiedler   | 116,730                                  | *                               |  |  | 27,868  |
| Common         | John A. Hayes  | 1,130,797 <sup>(7)</sup>                 | *                               | 958,910  | 212,389  | 126,658   |
| Common         | R. David Hoover  | 1,910,256 <sup>(8)</sup>                 | 1.4                             | 1,503,000  | 119,115  | 10,844  |
| Common         | John F. Lehman   | 187,288                                  | *                               | 28,258   | 61,064   | 27,180  |
| Common         | Scott C. Morrison  | 372,410                                  | *                               | 242,588  | 122,566  | 42,082  |
| Common         | Georgia R. Nelson  | 6,000                                    | *                               |  | 30,950   | 27,180  |
| Common         | Jan Nicholson  | 280,678                                  | *                               | 36,258   | 31,060   | 27,180  |
| Common         | Lisa A. Pauley   | 307,783 <sup>(9)</sup>                   | *                               | 142,350  | 59,263   | 16,599  |
| Common         | George M. Smart  | 34,442                                   | *                               |  | 13,110   | 27,180  |
| Common         | Theodore M. Solso  | 75,526 <sup>(10)</sup>                   | *                               |  | 57,615   | 27,180  |
| Common         | Stuart A. Taylor II  | 80,678                                   | *                               |  | 52,393   | 27,180  |
| Common         | All of the above and present executive officers as a group <sup>(21)</sup> | 5,203,375 <sup>(11)</sup>                | 3.8                             | 3,455,832  | 964,472  | 546,960   |

(1) Full voting and dispositive investment power, unless otherwise noted.

(2) \* Indicates less than 1% ownership.

(3) Includes RSUs that may vest or options that may vest or be acquired upon exercise during the next 60 days.

(4) These deferred shares or stock units are equivalent to an equal number of shares of common stock that have been deferred to the Ball Corporation Deferred Compensation Company Stock Plans, with no voting rights or dispositive investment power with respect to the underlying common stock prior to its issuance.

- (5) These Restricted Stock Shares or RSUs have no voting rights or dispositive investment power.
- (6) Includes 1,040 shares owned by Mr. Baker's children, as to which he disclaims beneficial ownership.
- (7) Includes 58,200 shares held in trust for Mr. Hayes' spouse, as to which he disclaims beneficial ownership.
- (8) Includes 32,605 shares held in trust for Mr. Hoover's spouse, as to which he disclaims beneficial ownership.
- (9) Includes 129,810 shares owned by Ms. Pauley's spouse, as to which she disclaims ownership.
- (10) Includes 28,000 shares held in trust for Mr. Solso's spouse, as to which he disclaims beneficial ownership.
- (11) Includes 249,655 shares to which beneficial ownership is disclaimed. In addition, no shares have been pledged as security.

Table of Contents

**VOTING ITEM 1 ELECTION OF DIRECTORS**

Pursuant to our previously Amended Articles of Incorporation and the Indiana Business Corporation Law, our Board of Directors is divided into three classes, as nearly equal in number as possible, with directors serving staggered three-year terms. Amendments to the Indiana Business Corporation Law in 2009 made this classified Board structure statutorily required for Ball Corporation, effective from and after July 31, 2009. On April 29, 2015, three persons are to be elected to serve as directors until the 2018 Annual Meeting of Shareholders. Unless otherwise instructed on the accompanying proxy, the persons named in the proxy intend to vote for nominees Robert W. Alspaugh, Michael J. Cave and R. David Hoover to hold office as directors of the Corporation until the 2018 Annual Meeting of Shareholders (Class III), or, in each case, until his respective successor is elected and qualified. All nominees have consented to be named as candidates in the Proxy Statement and have agreed to serve if elected. If, for any reason, any of the nominees becomes unavailable for election, the shares represented by proxies will be voted for any substitute nominee or nominees designated by the Board. The Board has no reason to believe that any of the nominees will be unable to serve.

John F. Lehman, who has served as a director since 1987, has reached the retirement age for directors and, therefore, will not stand for reelection at the 2015 Annual Meeting. Jan Nicholson, who has served as a director since 1994, has elected to retire from the Board of Directors effective as of the 2015 Annual Meeting and will not stand for reelection at the 2015 Annual Meeting. The Corporation wishes to express its sincere appreciation to Mr. Lehman and Ms. Nicholson for their significant contributions to the Corporation and its shareholders during their long and distinguished tenure as directors.

In accordance with the Indiana Business Corporation Law, directors are elected by a plurality of the votes cast by the shares entitled to vote in the election at a meeting at which a quorum is present. If more "withhold" than "for" votes are received, our Bylaws require the director to resign and our Nominating/Corporate Governance Committee must make a recommendation to the Board to consider whether to accept the resignation. The relevant Bylaw provisions are set out in Exhibit A to this Proxy Statement. Abstentions and broker nonvotes are considered neither votes "for" nor "against." Proxies may not be voted for a greater number of persons than the three named nominees.

Set forth for each director nominee in Class III and for each continuing director in Classes I and II is the director's principal occupation and employment during the past five years or, if longer, the period during which the director has served as a director, and certain other information, including his or her public company directorships during the past five years.

**The Board of Directors recommends a vote "FOR" the election of each nominee for Director named.**

Table of Contents

**DIRECTOR NOMINEES AND CONTINUING DIRECTORS**

*To Be Elected for a Term of Three Years Until the 2018 Annual Meeting (Class III)*

**Robert W. Alspaugh**

**Director since:** 2008

**Age:** 68

**Board Committees:** Audit and Finance

**Other Public Company Boards:** Director, Autoliv, Inc., Stockholm, Sweden; and VeriFone Systems, Inc., San Jose, California.

Mr. Alspaugh was the Chief Executive Officer for KPMG International from 2002 to 2005.

**Specific qualifications, attributes, skills and experience:** Mr. Alspaugh enjoyed a distinguished 35-year career with KPMG, with increasing responsibility, which culminated in his acting as Deputy Chairman and Chief Operating Officer of KPMG-U.S. from 1998 to 2002 and Chief Executive Officer of KPMG International from 2002 to October 2005. Mr. Alspaugh's extensive experience, qualifications and skills as a leader of one of the "big four" global accounting firms enhance his service as Chair of the Corporation's Audit Committee and he has provided valuable input as a result. He also sits on two other public company boards, one in the U.S. and the other in Europe (where he chairs the audit committees), thus providing good cross-functional background and experience, with an international component. Mr. Alspaugh's extensive professional experience as a leader of a major global accounting firm, advising and supporting large international corporations, as well as his service on other company boards, make him well qualified to serve as a director.



**Michael J. Cave**

**Director since:** 2014

**Age:** 54

**Board Committee:** Audit and Finance

**Other Public Company Boards:** Director, Harley-Davidson, Inc., Milwaukee, Wisconsin, and Aircastle Limited, Stamford, Connecticut.

**Specific qualifications, attributes, skills and experience:** Mr. Cave served 31 years in various managerial capacities for The Boeing Company. Most recently, Mr. Cave served as Senior Vice President and President of Boeing Capital Corp., a subsidiary of The Boeing Company, from 2010 to 2014. Prior to that, he served as Senior Vice President of Business Development and Strategy at The Boeing Company, as well as Vice President of Business Strategy & Marketing of Boeing Commercial Airplanes from 2006 until late 2009. Prior to that, Mr. Cave served as Vice President & General Manager of Boeing's Airplane Programs division and focused on the strategy, product development and business results associated with those products. From 2003 to 2006, Mr. Cave served as the Chief Financial Officer of Boeing's Commercial Airplanes division and held various other senior positions prior to 2003. In addition to his accounting and financial expertise, Mr. Cave has broad experience in marketing and informational systems. He also serves on the Board of Directors of Harley Davidson, Inc. and Aircastle Limited. In 2004, Mr. Cave was honored with the Award for Executive Excellence by the Hispanic Engineer National Achievement Awards Corporation. His experience and qualifications described above make him well qualified to serve as a director.

Table of Contents

**R. David Hoover**

**Director since:** 1996

**Age:** 69

**Board Committee:** Finance

**Other Public Company Boards:** Director, Eli Lilly and Company, Indianapolis, Indiana; Energizer Holdings, Inc., St. Louis, Missouri; and Steelcase, Inc., Grand Rapids, Michigan. In the past five years, Mr. Hoover served on the board of Qwest Communications International, Inc., Denver, Colorado.

Mr. Hoover was Chairman, Ball Corporation, January 2011 to April 2013; Chairman and Chief Executive Officer, January 2010 to January 2011; Chairman, President and Chief Executive Officer, April 2002 to January 2010; President and Chief Executive Officer, January 2001 to April 2002; Vice Chairman, President and Chief Operating Officer, April 2000 to January 2001; Vice Chairman, President and Chief Financial Officer, January 2000 to April 2000; Vice Chairman and Chief Financial Officer, 1998 to 2000; Executive Vice President and Chief Financial Officer, 1997 to 1998; Executive Vice President, Chief Financial Officer and Treasurer, 1996 to 1997.

**Specific qualifications, attributes, skills and experience:** Mr. Hoover has enjoyed a varied and successful 45-year career with Ball as a director, officer and employee serving in multiple corporate and divisional roles, including as Vice President and Treasurer from 1987 through 1992, Chief Financial Officer from 1993 to April 2000, and Chief Operating Officer for the balance of 2000. He was our Chief Executive Officer from January 2001 to January 2011, and led the Corporation through an unprecedented period of growth in revenues, earnings per share and free cash flow. Mr. Hoover's considerable working knowledge and leadership experience with respect to our Corporation make him uniquely qualified to serve as a director. He has been a Ball Board member for 19 years, serving as Chairman from 2002 until 2013, and serves as a director of three other U.S.-based public companies. Mr. Hoover has also served on the Board of Trustees of DePauw University since 2002 and serves on the board of the Children's Hospital Colorado.

Table of Contents

*To Continue in Office Until the 2016 Annual Meeting (Class I)*

**Hanno C. Fiedler**

**Director since:** 2002

**Age:** 69

**Board Committees:** Audit and Nominating/Corporate Governance

**Other Public Company Boards:** Supervisory Board of manroland AG, Offenbach, Germany, until December 31, 2014. In the past five years, Mr. Fiedler has also served on the Supervisory Boards of Pfeleiderer AG, Neumarkt, Germany; Langmatz GmbH (now Langmatz AG), Garmisch-Partenkirchen, Germany; Thyssenkrupp Steel AG, Duisburg, Germany; HowaldtswerkeDeutsche Werft AG, Kiel, Germany; and Pfeleiderer Unternehmensverwaltung GmbH, Neumarkt, Germany.

Mr. Fiedler was Executive Vice President, Ball Corporation, and Chairman and Chief Executive Officer, Ball Packaging Europe, December 2002 to December 2005; Chairman and Chief Executive Officer, Schmalbach-Lubeca AG, 1996 to 2002.

**Specific qualifications, attributes, skills and experience:** After a successful career with TRW, Inc., in 1996 Mr. Fiedler became Chairman and Chief Executive Officer of Schmalbach-Lubeca AG, one of the largest and most successful rigid packaging companies based in Europe. When Ball acquired the beverage can business of Schmalbach-Lubeca in December 2002, Mr. Fiedler became Chairman and Chief Executive Officer of Ball Packaging Europe GmbH and also joined the Board of Ball Corporation. In that capacity, Mr. Fiedler provided excellent leadership to our newly-acquired European business which generated strong earnings performance during his tenure, despite the adverse effects of the German mandatory deposit system for rigid packaging which was initiated in 2003. Mr. Fiedler retired from active management of Ball Packaging Europe at the end of 2005. He has served on the Supervisory Boards of a number of major German companies. His leadership experience within the rigid container industry worldwide, with specific emphasis on Europe, makes him well qualified to serve as a director.

**Georgia R. Nelson**

**Director since:** 2006

**Age:** 65

**Board Committees:** Human Resources and Nominating/Corporate Governance

**Other Public Company Boards:** Ms. Nelson is a director of Cummins Inc., Columbus, Indiana; Transalta Corporation, Calgary, Alberta; and Sims Metal Management Ltd., Botany, Australia. In the past five years, Ms. Nelson has served on the board of Nicor Inc., Naperville, Illinois.

Ms. Nelson has been President and Chief Executive Officer, PTI Resources, LLC, Chicago, Illinois, since June 2005; was President, Midwest Generation EME LLC, Chicago, Illinois, April 1999 to June 2005; and was General Manager, Edison Mission Energy Americas, Irvine, California, January 2002 to June 2005.

**Specific qualifications, attributes, skills and experience:** Ms. Nelson has enjoyed a successful career in the energy industry, serving as a senior executive for several U.S. and international energy companies, including as President of Midwest Generation EME, LLC from April 1999 to June 2005 and General Manager of Edison Mission Energy Americas from January 2002 to June 2005. She has had extensive international experience as well as environmental and policy experience on four continents. Ms. Nelson regularly lectures on business and corporate governance matters including at Northwestern University's Kellogg Graduate School of Management, and serves on the advisory committee of the Center for Executive Women at Northwestern. Ms. Nelson is a National Association of Corporate Directors ("NACD") Board Leadership Fellow. She also serves as a director of Cummins, Inc. and CH2M HILL Inc. Previously, Ms. Nelson served on four other publicly traded company boards. Ms. Nelson's leadership roles in global businesses as well as her service on other company boards, clearly qualify her to serve as a director of our Corporation.

Table of Contents

**To Continue in Office Until the 2017 Annual Meeting (Class II)**

**John A. Hayes**

**Director since:** 2010

**Age:** 49

**Other Public Company Boards:** None

Mr. Hayes has been Chairman, Ball Corporation since April 2013; President and Chief Executive Officer, Ball Corporation, since January 2011. He was President and Chief Operating Officer, January 2010 to January 2011; Executive Vice President and Chief Operating Officer, 2008 to 2010; President, Ball Packaging Europe and Senior Vice President, Ball Corporation, 2007 to 2008; Executive Vice President, Ball Packaging Europe and Vice President, Ball Corporation, 2005 to 2006; Vice President, Corporate Strategy, Marketing and Development, 2003 to 2005; Vice President, Corporate Planning and Development, 2000 to 2003; Senior Director, Corporate Planning and Development, 1999.

**Specific qualifications, attributes, skills and experience:** Prior to joining Ball Corporation in 1999, Mr. Hayes was a Vice President of Lehman Brothers Inc. and part of an investment banking team which focused on merger and acquisition and financing advice to several major companies, including the Corporation. At Ball, Mr. Hayes initially headed our corporate development and planning activities as Senior Director and then Vice President, Corporate Planning and Development, taking on the added responsibilities of marketing and new product development from 2003 to mid-2005. He then served as President of Ball Packaging Europe, which produced excellent financial results and strong revenue growth under his leadership. During 2008 and 2009, Mr. Hayes served as Ball's Executive Vice President and Chief Operating Officer, successfully leading our key operating divisions through the economic and financial crisis. In January 2010, he was named our President and Chief Operating Officer and joined the Ball Board. In January 2011, he became our President and Chief Executive Officer, and in April 2013 he also became our Chairman. Mr. Hayes' extensive investment banking and leadership experience within Ball make him well qualified to serve as a director.

**George M. Smart**

**Director since:** 2005

**Age:** 69

**Board Committees:** Human Resources and Nominating/Corporate Governance

**Other Public Company Boards:** Director, FirstEnergy Corp., Akron, Ohio

Mr. Smart was President, Sonoco-Phoenix, Inc., North Canton, Ohio, a subsidiary of Sonoco Products Company, from 2001 to 2004.

**Specific qualifications, attributes, skills and experience:** Mr. Smart's long career and success in the U.S. can manufacturing industry make him well qualified to serve as a director. He steadily assumed increasing responsibility at Central States Can Co., a division of Van Dorn Company, culminating in his acting as its President and Chief Executive Officer from 1978 to 1993. When Central States was acquired in 1993, Mr. Smart and his management team established a start-up company, Phoenix Packaging Corporation, to manufacture and sell full-panel easy-open ends for food containers, including to Ball's food can division. Serving as Chairman and Chief Executive Officer for Phoenix, Mr. Smart led its growth to a profitable company with revenues in excess of \$80 million, when it was sold to Sonoco Products Company and became Sonoco-Phoenix, Inc. in 2001. Mr. Smart served as President of Sonoco-Phoenix until 2004 and was Chairman of the Board of FirstEnergy Corp. from 2004 to December 31, 2014, when he became its Lead Independent Director. Mr. Smart also previously served on the boards of Belden & Blake Corporation, Commercial Intertech Corporation, Unizan Financial, Van Dorn Company and as Chairman of the Can Manufacturers Institute.

Table of Contents

**Theodore M. Solso**

**Lead Independent Director since:** 2013

**Director since:** 2003

**Age:** 68

**Board Committees:** Human Resources and Nominating/Corporate Governance

**Other Public Company Boards:** Director, General Motors Co. In the past five years, Mr. Solso has served on the boards of Ashland Inc., Covington, Kentucky, and Cummins Inc., Columbus, Indiana.

**Specific qualifications, attributes, skills and experience:** Mr. Solso had a successful 40-year career at Cummins Inc., a Fortune 500 manufacturing company with operations around the world. This culminated with Mr. Solso becoming Chairman and Chief Executive Officer of Cummins in January 2000, a position he held through 2011, for a total of 12 years. Under his leadership, Cummins increased revenues from \$6.6 billion in 2000 to over \$18 billion in 2011. During the same period, its earnings per share and operating cash flow increased from \$0.35 and \$550 million, to \$9.55 and \$2.1 billion, respectively. Mr. Solso has been on the Ball Board since 2003 and is a trustee of Earth University in Costa Rica. He also serves on the board of Ad Astra Rocket Company, Houston, Texas; and General Motors Co., Detroit, Michigan, and was elected its nonexecutive Chairman in December 2013. Mr. Solso's long experience in leadership positions with a major global manufacturing company and his service on other public company boards make him well qualified to serve as a director.

**Stuart A. Taylor II**

**Director since:** 1999

**Board Committees:** Audit and Human Resources

**Age:** 54

**Other Public Company Boards:** Director, Hillenbrand, Inc., Batesville, Indiana; and United Stationers, Inc., Deerfield, Illinois.

Mr. Taylor has been the Chief Executive Officer, The Taylor Group LLC, Chicago, Illinois, since June 2001; he was Senior Managing Director, Bear, Stearns & Co. Inc., Chicago, Illinois, 1999 to 2001.

**Specific qualifications, attributes, skills and experience:** Prior to starting his own private equity firm, Mr. Taylor spent 19 years in investment banking. The majority of that time was spent at Morgan Stanley in its Corporate Finance Department. In that capacity he executed a number of mergers and acquisitions and financings, including working with Ball in 1993 on the acquisition of Heekin Can Company. He also spent time at several other firms including Bear Stearns where he was a Senior Managing Director and Head of the Chicago office. In 2001, Mr. Taylor established The Taylor Group LLC, of which he is Chief Executive Officer, a successful investment company that primarily invests in small to mid-market businesses. Mr. Taylor has been a director of Ball since 1999, acted as our Presiding Director from 2004 to 2008 and chairs our Human Resources Committee. He is also a director of two other U.S.-based public companies. Mr. Taylor's extensive experience as an investment banker, entrepreneurial investor and Ball Board member make him well qualified to serve as a director.



Table of Contents

**BOARD LEADERSHIP STRUCTURE AND RISK OVERSIGHT**

In April 2013, John A. Hayes was named Chairman of the Board, having been elected a director in 2010. In 2011, prior to his election as Chairman, Mr. Hayes was named President and Chief Executive Officer ("CEO"), while R. David Hoover, our predecessor CEO, continued to serve as Chairman of the Board. The decision to split the position of Chairman and CEO at that time was part of an orderly succession plan by which Mr. Hayes transitioned into his current role. Mr. Hayes assumed the position of Chairman after more than 14 years with Ball, most recently serving as President and CEO and a member of the Board.

Our Board of Directors is composed of Mr. Hayes, Mr. Hoover and nine other directors, all of whom are independent directors. The Board has four standing committees—Audit, Nominating/Corporate Governance, Human Resources and Finance. Each of the committees, except for Finance, is composed solely of independent directors (the Finance Committee is primarily composed of independent directors), with each of the four committees having an independent director serving as chairman. Mr. Solso has served as Lead Independent Director since April 2013.

Although the Corporation's Bylaws do not require that the roles of Chairman and CEO be combined, we believe our Corporation and its shareholders are well served by this traditional board leadership model. Having a single person lead the Corporation and the Board provides clear leadership, helps to maintain uniform management vision for the Corporation and the Board and provides efficiency. The Board believes that the CEO is the person best suited to serve as Chairman, because he is the person most familiar with the Corporation's businesses and the most capable of effectively identifying strategic priorities and opportunities and leading the Board in the discussion of the execution of the Corporation's strategy. Pursuant to SEC and New York Stock Exchange ("NYSE") rules, regularly scheduled executive sessions of nonmanagement directors are held. Executive sessions of independent directors are also held at least annually. Such meetings promote open discussion by nonmanagement and independent directors, enabling them to serve as a check on management, if necessary. The meetings of the independent directors are chaired by the Lead Independent Director, who is appointed by the Board.

In accordance with NYSE requirements, our Audit Committee is responsible for overseeing the risk management function of the Corporation. While the Audit Committee has primary responsibility for overseeing risk management, the entire Board is involved in overseeing risk management for the Corporation. Additionally, each Board committee considers the specific risks within its area of responsibility. Our Internal Audit Department has, for many years, analyzed various areas of risk to the Corporation and has provided risk assessment and analysis to our Audit Committee. In 2007, the Corporation established a comprehensive Enterprise Risk Management process which is now supervised by our Senior Vice President and Chief Financial Officer, whereby key corporate and divisional risks are systematically identified and assessed on a quarterly basis. The results of this ongoing risk assessment are reported to our Audit Committee and to our Board at least annually.

One of the responsibilities of our Board of Directors is to evaluate the effectiveness of the Board and make recommendations involving its organization and operation. We recognize that different board leadership structures may be appropriate for different companies and at different times. We believe our current leadership structure, with Mr. Hayes serving as Chairman, President and CEO, a Board with a majority of independent directors, an independent chairman for each of our standing Board committees and separate meetings of nonmanagement and independent directors, the latter led by the Lead Independent Director, provides the most effective form of leadership for our Corporation at this time. We believe that our directors provide effective oversight of risk management through the Board's regular dialogue with Ball management, the Enterprise Risk Management process, annual Board and Committee self-evaluation and assessment of specific risks within each Board committee's areas of responsibility.

**BOARD DIVERSITY**

Ball's Nominating/Corporate Governance Committee consistently applies the principles of diversity in its consideration of candidates for Board positions. In addition to considering characteristics such as race, gender and national origin, the Committee considers a variety of other characteristics such as business and professional experience, education and skill, all leading to differences of viewpoint and other individual qualities that contribute to Board heterogeneity. This has resulted in a diverse group of talented and capable Board members, as described in more detail under "Director Nominees and Continuing Directors."

Table of Contents

**GOVERNANCE OF THE CORPORATION**

*Corporate Governance Guidelines*

The Board has established Corporate Governance Guidelines to comply with the relevant provisions of Section 303A of the NYSE Listed Company Manual (the "NYSE Listing Standards"). The Corporate Governance Guidelines are set forth on the Corporation's website at [www.ball.com/investors](http://www.ball.com/investors) under, "Corporate Governance." A copy may also be obtained upon request from the Corporation's Corporate Secretary.

*Policies on Business Ethics and Conduct*

Ball established a Corporate Compliance Committee in 1993, which now consists of a focal point in each operating division and which is chaired by a designated Compliance Officer. The Committee provides quarterly reports to management and to the Audit Committee. The Committee also publishes a code of business ethics, which is in the form of the Business Ethics booklet. The Board has adopted a separate additional business ethics statement referred to as the Ball Corporation Executive Officers and Directors Business Ethics Statement ("Executive Officers and Directors Ethics Statement") designed to establish principles requiring the highest level of ethical behavior toward achieving business success within the requirements of the law and the Corporation's policies and ethical standards. The Business Ethics booklet and the Executive Officers and Directors Ethics Statement are set forth on the Corporation's website at [www.ball.com/investors](http://www.ball.com/investors) under, "Corporate Governance." Copies may also be obtained upon request from the Corporation's Corporate Secretary.

*Director Training*

All new directors receive orientation training soon after being elected to the Board. Continuing education programs are made available to directors including internal presentations, third-party presentations and externally offered programs. Four directors attended externally offered director training programs in 2014.

*Communications With Directors*

The Corporation has established means for shareholders or others to send communications to the Board. Persons interested in communicating with the Board, its individual directors or its committees may send communications in writing to the Corporate Secretary or the Chairman of the Board. The communication should be sent in care of the Corporate Secretary, Ball Corporation, by mail to P.O. Box 5000, Broomfield, Colorado 80038-5000 or facsimile transmission to 303-460-2691.

In accordance with the NYSE and SEC requirements, the Corporation has established additional means for interested parties to send communications to the Board and selected committees, which are described on the Corporation's website at [www.ball.com/investors](http://www.ball.com/investors) under, "Corporate Governance."

Shareholder proposals for inclusion in the Corporation's proxy materials will continue to be handled and must be communicated as disclosed in this Proxy Statement under "Shareholder Proposals for 2016 Annual Meeting."

*Meetings of Nonmanagement and Independent Directors*

The Board meets regularly and not less than four times per year. Nonmanagement directors meet regularly, usually in conjunction with a regular Board meeting. Independent directors meet at least annually. Theodore M. Solso serves as Lead Independent Director.

*Director Independence Standards*

Pursuant to the NYSE Listing Standards, the Board has adopted a policy adhering to the director independence requirements of the NYSE in determining the independence of directors. These standards are described on the Corporation's website at [www.ball.com/investors](http://www.ball.com/investors) under, "Corporate Governance."

The Board has determined that a majority of the Board is independent. Based upon the NYSE independence standards, during 2014 each of the members of the Board was and currently is independent with the exception of Messrs. Hayes and Hoover.

Table of Contents

**BOARD MEETINGS AND ANNUAL MEETING**

The members of the Board are expected to attend all meetings of the Board, relevant committee meetings and the Annual Meeting of Shareholders. The Board held five meetings during 2014. Every director attended 75% or more of the aggregate of the total number of meetings of the Board and the total number of meetings held by all committees of the Board on which the director served. All directors attended the 2014 Annual Meeting.

**BOARD COMMITTEES**

The Board has an Audit Committee, Nominating/Corporate Governance Committee, Human Resources Committee and Finance Committee.

*Audit Committee*

The primary purpose of the Audit Committee is to assist the Board in fulfilling its responsibilities to oversee management's conduct and the integrity of the Corporation's public financial reporting process including the oversight of (1) accounting policies; (2) the system of internal accounting controls over financial reporting; (3) disclosure controls and procedures; (4) the performance of PricewaterhouseCoopers LLP as the independent registered public accounting firm of the Corporation (the "independent auditor"); (5) the Internal Audit Department; and (6) oversight of our risk management. The Audit Committee is responsible for engaging and evaluating the Corporation's independent auditor, including the independent auditor's qualifications and independence; resolving any differences between management and the independent auditor regarding financial reporting; preapproving all audit and non-audit services provided by the independent auditor; and establishing procedures for the receipt, retention and treatment of complaints regarding accounting, internal accounting controls or auditing matters.

Members of the Audit Committee are Ms. Nicholson and Messrs. Alspaugh, Cave, Fiedler and Taylor. The Board has determined that each member of the Audit Committee is independent and financially literate, has accounting or financial management expertise and is an Audit Committee financial expert under the NYSE Listing Standards and the SEC regulations. The Audit Committee met five times during 2014.

The Report of the Audit Committee is set forth later in this Proxy Statement. The Committee has considered the non-audit services provided during 2014 and 2013 by the independent auditor as disclosed below and determined the services were compatible with maintaining the auditor's independence. The Committee believes the fees paid to the independent auditor in respect of the services were appropriate, necessary and cost-efficient in the management of the business of the Corporation and are compatible with maintaining the auditor's independence.

**Audit Fees and Services**

The following table represents fees for professional services rendered by PricewaterhouseCoopers LLP for the audit of the Corporation's annual Consolidated Financial Statements and quarterly reports and the auditor's report under the Sarbanes-Oxley Act of 2002 for fiscal 2014 and fiscal 2013, together with fees for audit-related services and tax services rendered by PricewaterhouseCoopers LLP during fiscal 2014 and fiscal 2013. Audit-related services for 2014 consisted of consultations related to potential acquisitions of the Corporation and audits of employee benefit plans. Audit-related services for 2013 consisted primarily of acquisitions, joint venture accounting and derivative transactions. Tax fees for

## Edgar Filing: BALL CORP - Form PRE 14A

### Table of Contents

2014 and 2013 consisted principally of tax compliance matters related to tax audits, return preparation fees and fees for tax consultations.

|  | <b>Fiscal 2014</b> | <b>Fiscal 2013</b> |
|--|--------------------|--------------------|
| Audit Fees                                 |                    |                    |
| Audit Reports and Accounting Consultations | \$ 6,299,000       | \$ 5,790,000       |
| Audit-Related Fees                         |                    |                    |
| Benefit Plans                              | \$ 24,000          | \$ 29,000          |
| Consultations                              | 357,000            | 403,000            |
| Tax Fees                                   |                    |                    |
| Tax Compliance Matters                     | \$ 873,000         | \$ 889,000         |
| Tax Consultations                          | 1,786,000          | 3,332,000          |
| All Other Fees                             | \$ 60,000          | \$ 5,000           |

The Audit Committee's Charter requires management to submit for preapproval all audit, audit-related and non-audit-related services to be performed by the independent auditor. Management and the independent auditor submit a report of fees for review and preapproval by the Committee on a quarterly basis. The Audit Committee requires management and the independent auditor to submit a report at least annually regarding audit, audit-related, tax and all other fees paid by the Corporation to the independent auditor for services rendered in the immediately preceding two fiscal years. The Committee considers whether the fees for non-audit and audit-related services are compatible with maintaining the auditor's independence and requires management and the independent auditor to confirm this as well. The Audit Committee preapproved 100% of all of the above-referenced fees paid in 2014 and 2013 for services that were provided by PricewaterhouseCoopers LLP.

There were no hours expended by persons other than the independent auditor's full-time, regular employees on the independent auditor's engagement to audit the Corporation's financial statements.

A copy of the Audit Committee Charter is set forth on the Corporation's website at [www.ball.com/investors](http://www.ball.com/investors) under, "Corporate Governance."

### *Nominating/Corporate Governance Committee*

The Nominating/Corporate Governance Committee is responsible for assisting the Board in fulfilling its responsibility to identify qualified individuals to become Board members; recommending to the Board the selection of Board nominees for the next Annual Meeting of Shareholders; addressing the independence and effectiveness of the Board by advising and making recommendations on matters involving the organization and operation of the Board, Corporate Governance Guidelines and directorship practices; overseeing the evaluation of the Board and its committees; and reviewing and assessing the Corporation's sustainability activities and performance. The Nominating/Corporate Governance Committee utilizes the standards set forth below for considering director nominees.

Members of the Nominating/Corporate Governance Committee are Messrs. Fiedler, Lehman, Smart, Solso and Ms. Nelson. The Board has determined that the members of the Committee are independent under the NYSE Listing Standards. The Nominating/Corporate Governance Committee met four times during 2014.

The Board has established a process whereby nominees for the Board may be submitted by members of the Board, the CEO, shareholders and any other persons. The Committee considers these recommended candidates in light of criteria set forth below.

The Committee will seek candidates who meet at a minimum the following criteria: (1) have sufficient time to attend or otherwise be present at Board, relevant Board committee and Shareholders' meetings; (2) will subscribe to Ball Corporation's Corporate Governance Guidelines and the Executive Officers and Directors Ethics Statement; (3) demonstrate credentials and experience in a broad range of corporate matters; (4) have experience, qualifications, attributes and skills that would qualify them to serve as a director; (5) will subscribe to the finalized strategic and operating plans of the Corporation as approved by the Board from time to time; (6) are not affiliated with special interest

Table of Contents

groups that represent major causes or constituents; and (7) meet the criteria, if any, for being a director of the Corporation as set forth in the Indiana Business Corporation Law, the Articles of Incorporation and the Bylaws of the Corporation.

The Committee will apply the principles of diversity in consideration of candidates. The Committee may utilize and pay third-party consultants to identify and screen candidates on a confidential basis for service on the Board. The Committee will also determine candidates' qualifications in light of the standards set by the Committee and by evaluating the qualifications of all candidates in an attempt to select the most qualified nominees suited to serve as a director while attempting to ensure that a majority of the Board is independent and, where needed, to meet the NYSE and SEC requirements for financial literacy, accounting or financial management expertise or audit committee financial expert status.

The Nominating/Corporate Governance Committee will consider candidates recommended by shareholders in accordance with the Corporation's Bylaws. Any such recommendation should be in writing and addressed to the Chair, Nominating/Corporate Governance Committee, in care of the Corporate Secretary, Ball Corporation, by mail to P.O. Box 5000, Broomfield, Colorado 80038-5000.

The Nominating/Corporate Governance Committee received no recommendations for candidates as nominees for the Board from a security holder or group of security holders that beneficially owned more than 5% of the Corporation's voting common stock for at least one year as of the date of the recommendation.

A copy of the Nominating/Corporate Governance Committee Charter is set forth on the Corporation's website at [www.ball.com/investors](http://www.ball.com/investors) under, "Corporate Governance."

*Human Resources Committee*

The primary purpose of the Human Resources Committee is to assist the Board in fulfilling its responsibilities related to the evaluation and compensation of the CEO and overseeing the compensation of the other executive officers of the Corporation; reviewing and approving the schedule of salary ranges and grades for the salaried employees of the Corporation; approving the Corporation's stock and cash incentive compensation programs including awards to executive officers and the number of shares to be optioned and/or granted from time to time to employees of the Corporation; approving and receiving reports on major benefit plans, plan changes and determinations and discontinuations of benefit plans; discussing the performance evaluation system and succession planning system of the Corporation, including discussions with the Chairman of the Board and the CEO about the succession plan for the Chairman of the Board and the CEO; hiring experts, including executive compensation consultants, as deemed appropriate to advise the Committee; assessment of compensation-related risks; and authorizing the filing of required reports with federal, state and local governmental agencies.

Members of the Human Resources Committee are Messrs. Smart, Solso, Taylor and Ms. Nelson. The Board has determined that the members of the Committee are independent under the NYSE Listing Standards. The Human Resources Committee met five times during 2014. A copy of the Human Resources Committee Charter is set forth on the Corporation's website at [www.ball.com/investors](http://www.ball.com/investors) under, "Corporate Governance."

*Finance Committee*

The Finance Committee assists the Board in fulfilling its responsibility to oversee management in the financing and related risk management of the Corporation, the status of the Corporation's retirement plans and insurance policies and the Corporation's policies relating to interest rates, commodity hedging and currency hedging. The Committee may hire experts as deemed appropriate to advise the Committee in the performance of its duties. The Committee reports to the Board concerning the financing of the Corporation and the performance of the Committee.

The members of the Finance Committee are Messrs. Alspaugh, Cave, Hoover, Lehman and Ms. Nicholson. The Committee met four times during 2014. A copy of the Finance Committee Charter is set forth on the Corporation's website at [www.ball.com/investors](http://www.ball.com/investors) under, "Corporate Governance."

Table of Contents

**TRANSACTIONS WITH RELATED PERSONS, PROMOTERS  
AND CERTAIN CONTROL PERSONS**

Ball Corporation has adopted a policy with respect to transactions with related persons requiring its executive officers and directors to comply with all SEC and NYSE requirements concerning transactions between the Corporation and "related persons," as defined in the applicable SEC and NYSE rules. To facilitate compliance with the related persons policy, the Board adopted procedures for the review, approval or ratification of any transaction required to be reported under the applicable rules. The policy provides that each executive officer and director will promptly report to the Chairman of the Board any transaction with the Corporation undertaken or contemplated by such officer or director, by any beneficial owner of 5% or more of the Corporation's voting securities or by any immediate family member. The Chairman of the Board will refer any transaction to the General Counsel for review and recommendation. Upon receipt of such review and recommendation, the matter will be brought before the Nominating/Corporate Governance Committee to consider whether the transaction in question should be approved, ratified, suspended, revoked or terminated. This policy for transactions with related persons is stated in writing and is part of the Ball Corporation Executive Officers and Directors Ethics Statement. The written form of the policy can be found on the Corporation's website as indicated in the section "Policies on Business Ethics and Conduct" on page 13.

Table of Contents**EXECUTIVE COMPENSATION DISCUSSION AND ANALYSIS**

The Compensation Discussion and Analysis ("CD&A") portion of our proxy materials describes Ball Corporation's 2014 executive compensation program and its strong alignment with our pay-for-performance philosophy.

**EXECUTIVE SUMMARY**

Ball Corporation experienced another strong year in 2014 including sales of \$8.6 billion, comparable net earnings of \$553 million and free cash flow of \$622 million, all of which were accomplishments given the challenging economic and industry environment, as more specifically described under the heading "Management's Discussion and Analysis" in Ball's Form 10-K. The chart below summarizes certain key financial results for fiscal year 2014 compared to fiscal year 2013:

|  | <b>2014</b>   | <b>2013</b>   | <b>% Growth</b> |
|--|---------------|---------------|-----------------|
| Revenue (net sales)                            | \$8.6 billion | \$8.5 billion | 1.2%            |
| Net Earnings (comparable basis)*               | \$553 million | \$490 million | 12.9%           |
| Free Cash Flow*                                | \$622 million | \$461 million | 35.0%           |
| Closing Stock Price on December 31             | \$68.17       | \$51.66       | 32.0%           |
| Diluted Earnings Per Share (comparable basis)* | \$3.88        | \$3.28        | 18.3%           |

\*

These financial measures are on a non-U.S. GAAP basis and should be considered in connection with the Consolidated Financial Statements contained within Item 8 of the 2014 Annual Report on Form 10-K (the "annual report"). Non-U.S. GAAP measures should not be considered in isolation and should not be considered superior to, or a substitute for financial measures calculated in accordance with U.S. GAAP. A reconciliation of non-GAAP measures to U.S. GAAP is available in Items 6 and 7 of the annual report.

Ball's stock price closed 2014 at \$68.17, an increase of 32.0% over the prior year. Including reinvested dividends, Ball generated a total return of 33.1% for the same period. The year-over-year increase was above the 7.5% for the Dow Jones Industrial Average and the 11.4% increase for the S&P 500. Since the end of 2011, Ball's stock price increased 90.9% as compared to 45.9% for the Dow Jones Industrial Average and 74.6% for the S&P 500. Also during 2014, Ball continued to pay a quarterly cash dividend of 13 cents per share and repurchased \$360 million (net) of the company's common stock.

The solid business results in 2014 is a continuation of the performance we have delivered over the last decade. The graph below compares the cumulative 10-year total return to holders of Ball Corporation's common stock with the cumulative total returns of the S&P 500 Index and the Dow Jones U.S. Containers & Packaging Index. The graph tracks the performance of a \$100 investment in our common stock (with the reinvestment of all dividends) and in each of the indexes from December 31, 2004, to December 31, 2014.

Source: Bloomberg

*The stock price performance included in this graph is not necessarily indicative of future stock price performance.*



Table of Contents

Much of our financial success is attributable to the fact that we continue to focus on the key components of our financial strategy, which include:

Generating free cash flow;

Disciplined and balanced capital allocation;

Growing earnings before interest and taxes ("EBIT") by maximizing value in existing businesses, expansion into new markets and products through internal capital investments, and merger and acquisition activities; and

Generating incremental Economic Value Added ("EVA®") over our 9% after-tax hurdle rate, which is above our weighted average cost of capital ("WACC"), and over time leads to a higher share price and shareholder returns.

In 2014, we had many operational successes that were driven by our nearly 14,500 global employees and our focused execution of Ball's Drive for 10 vision for continued, long-term value creation, including:

*Maximizing value in our existing businesses*, leveraging plant floor systems in our metal beverage facilities to improve efficiencies and reduce costs, and implementing cost-out and value-in initiatives across all our businesses;

*Expanding into new products and capabilities*, with the installation of a new extruded aluminum aerosol line in our Deforest, Wisconsin, facility, and successfully commercializing extruded aluminum aerosol packaging that utilizes a significant amount of recycled material;

*Aligning ourselves with the right customers and markets*, by investing capital to meet double-digit volume growth for specialty beverage containers throughout our global network, which now represent over 27% of our global beverage packaging mix, and the introduction of next generation aluminum bottle-shaping technology in North America for a customer under a long-term arrangement scheduled to start up at the end of the first quarter 2015;

*Broadening our geographic reach*, with new investments in a metal beverage manufacturing facility in Myanmar, as well as an extruded aluminum aerosol manufacturing facility in India, and the award of a South Korean environmental instrument in our aerospace business; and

*Leveraging our technological expertise in packaging innovation*, including the introduction of next-generation aluminum bottle-shaping technologies and the introduction of a new steel aerosol manufacturing technology starting up in mid-2015, and a joint effort between our aerospace business, NASA and the Japan Aerospace Exploration Agency to collect science data on the Earth's rain and snowfall via the Global Precipitation Measurement (GPM) Microwave Imager (GMI), as well as other technologies to maintain our competitive advantage today and in the future.

These ongoing business developments help us stay close to our customers while expanding and/or sustaining our industry positions with major beverage, food, personal care, household products and aerospace customers. The actions we took in 2014 are linked directly to our Drive for 10 vision, and position Ball well for continued success in 2015. We see opportunities for disciplined growth in selected markets and products, and

our strong balance sheet provides a solid foundation to support all of our activities.

**Pay-for-Performance Continues to Serve as the Foundation of our Executive Compensation Program** The design, governance and administration of our executive compensation program is centered on the principle of aligning pay to performance, achieved by linking the majority of executive compensation opportunities to long-term shareholder returns and the value-added financial performance of Ball. We believe this principle has directly contributed to the successful performance of the business through:

A management-as-owners culture that builds a management team with meaningful ownership in Ball. Executives are closely aligned to shareholder interests through established ownership expectations, equity-settled long-term incentives and specialized opportunities that encourage individuals to make meaningful, personal investments in Ball Corporation common stock.

Table of Contents

Incentive pay programs that utilize value-added financial performance metrics specifically, EVA®, ROAIC, TSR and absolute stock price growth that allow for close alignment with shareholder value generation by creating accountability for both the efficient deployment of capital and strong earnings generation.

The major compensation elements of Ball's pay-for-performance philosophy are shown in the table below, with the page number in the CD&A that details the specifics of each of these components:

| Compensation Element   | Basis for Performance Measurement   | Alignment with Principle of Pay-for-Performance  | Page |
|--|---|--|------|
| <b>Short-Term Annual Cash Compensation</b>                     |   |  |      |
| Base Salary  | Individual performance and contribution based on primary duties and responsibilities  | Competitive compensation element required to recruit and retain top executive talent; pay for primary duties and responsibilities  | 30   |
| Economic Value Added (EVA®) Annual Incentive Plan              | EVA® Growth<br><i>(net operating profit after-tax, less a cost of capital charge)</i> | Measures the increase in actual economic value generated by the business   | 30   |
| <b>Long-Term Incentives (Cash)</b>                             |   |  |      |
| Long-Term Cash Incentive Plan ("LTCIP")                        | ROAIC   | Rewards ROAIC performance above a target rate set above Ball's WACC and shareholder returns that outperform the market   | 32   |
|  | Relative TSR vs. S&P 500 subset   |  |      |
| <b>Long-Term Incentives (Equity)</b>                           |   |  |      |
| Stock Options/Stock-Settled Stock Appreciation Rights ("SARs") | Stock Price Appreciation  | Rewards absolute stock price growth over time  | 34   |
| Performance-Contingent Restricted Stock Units ("PC-RSUs")      | For the 2012-2014 PC-RSU performance cycle: ROAIC                                     | Builds executive ownership with stock unit awards that vest contingent upon the achievement of ROAIC in excess of Ball's WACC (for 2012-2014 performance cycle) or that vest contingent upon growing absolute EVA® dollars in excess of the 9% after-tax hurdle rate by set compound growth rates over a 3-year period (for 2014-2016 performance cycle) | 34   |
|  | For the 2014-2016 PC-RSU performance cycle: Absolute EVA® Dollars Growth              |  |      |
|  | Stock Price   |  |      |

|                               |             |   |    |
|-------------------------------|-------------|---|----|
| Restricted Stock/RSUs         | Stock Price | Granted from time-to-time, generally in connection with the promotion or recruitment of individuals to facilitate ownership and retention   | 35 |
| Deposit Share Program ("DSP") | Stock Price | Promotes an executives-as-owners culture by making deposit share opportunities from time-to-time at the discretion of the Committee, in exchange for the recipient voluntarily investing in and holding shares of Ball Corporation common stock | 35 |

**Our Heavy Weighting of Compensation to Performance Creates Pay-for-Performance Linkage** Consistent with our management-as-owners, pay-for-performance philosophy described previously, the majority of the target total compensation for our executives is variable based on performance, which constitutes pay at risk. The CEO is eligible to participate in the same executive programs as the CFO and the other NEOs; however, a larger portion of the CEO's target total compensation is at risk. The following charts represent the mix of target total compensation awarded to Ball's CEO and other NEOs in 2014. As illustrated, 84% of the target total compensation awarded to the CEO and 68% awarded to other NEOs in 2014 was based on elements that are at risk and may vary from year to year depending on business performance. This is generally consistent with competitive market data, which shows that CEOs have 86% and all other NEOs have 70% of their target total compensation based on elements that are at risk. Furthermore, 65% of the CEOs' and 46% of the other NEOs' target total compensation was based on long-term performance. Again, this is consistent with

Table of Contents

competitive market data, which shows that CEOs have 67% and all other NEOs have 48% of their target total compensation based on long-term performance. This emphasis on longer term compensation, through performance based long-term cash and stock awards, ensures a strong continued alignment between Ball's executive ownership and shareholder value creation objectives.

**Our Compensation Plans are Closely Linked to Business Performance** Ball's fiscal 2014 financial results and the resulting EVA® improvement were directly linked to the pay outcome of our annual short-term incentive plan, since the payout factor is based on the amount of profits generated, in excess of both operating and capital costs, resulting in EVA® in excess of targets, as shown below:

| Compensation Element                         | 2014 Performance Achievement  | 2014 Pay Outcome  |
|--|---|---|
| <b>Annual Cash Compensation</b>              |   |   |
| Economic Value Added (EVA®) Annual Incentive | For Ball's Consolidated Plan, the actual EVA® generated in excess of Ball's internal 9% after-tax hurdle rate for fiscal year 2014 of \$190.7 million exceeded our \$144.2 million EVA® incentive plan target by \$46.5 million. The actual EVA® generated in both the Global Beverage and Food and Household Products businesses | Payout was at 189% of target for all NEOs except Mr. Feldser whose payout was 138% of target. |

Edgar Filing: BALL CORP - Form PRE 14A

exceeded their respective EVA® incentive  
plan targets.

Likewise, our fiscal year 2014 results reflect a continuation of the successful execution of our business strategy and strong performance in prior years; therefore, pay realized by our NEOs from long-term incentive performance cycles

## Edgar Filing: BALL CORP - Form PRE 14A

### Table of Contents

completed at 2014 year-end reflects our commitment to improved financial performance and stock price growth, as shown below:

| <b>Compensation Element</b>                                    | <b>2014 Performance Achievement</b>  | <b>2014 Pay Outcome</b>  |
|--|--|--|
| <b>Long-Term Incentives (Equity)</b>                           |  |  |
| Performance-Contingent RSUs ("PC-RSUs") <i>2012-2014 Cycle</i> | Actual 3-year average ROAIC of 12.8% exceeded the WACC target of 6.3%.   | All PC-RSUs granted in 2012 fully vested for all NEOs on February 4, 2015. |
| <b>Long-Term Incentives (Cash)</b>                             |  |  |
| Long-Term Cash Incentive Plan ("LTCIP") <i>2012-2014 Cycle</i> | Relative TSR versus the S&P 500 subset was at the 62nd percentile, which exceeded the target of 50th percentile (for 50% of payout). Actual 3-year average ROAIC of 12.8% exceeded the target of 9.0% after-tax (for 50% of payout). | All of our NEOs received LTCIP payout equal to 173.6% of target.           |

**We Are Committed to Shareholder Oriented Corporate Governance** Our governance process ensures that the executive compensation program is appropriately maintained and updated to always meet a standard of excellence in pay-for-performance alignment. Specifically, a number of practices and policies are in place to promote the continuous improvement and accountability of our executive compensation program:

A Human Resources Committee of the Board of Directors (the "Committee") composed entirely of directors who meet the NYSE independence standards;

An executive compensation consultant, engaged by and reporting directly to the Committee;

A review of total compensation via tally sheets;

External benchmarking of compensation levels and incentive design practices;

Dividend equivalents for performance-based awards which only vest when performance measures are achieved;

Nominal perquisites that are not grossed-up for taxes;

Ongoing assessment of the relationship between risk and compensation programs;

Executive stock ownership guidelines for executives and directors, which have been attained by all, with the exception of Mr. Cave, who joined the Board in October 2014 and is in process of attaining shares within the required period;

## Edgar Filing: BALL CORP - Form PRE 14A

An anti-hedging policy for our executives and directors;

A shareholder-approved recoupment or "clawback" provision for cash incentive and stock compensation, which in the case of fraud or intentional misconduct by any executive at a level of vice president or above, may result in full reimbursement to Ball of any incentive compensation or cancellation of any outstanding awards to the executive; and

Change-in-control agreements with multiples that do not exceed two times pay and that require a termination of employment following a change in control ("double trigger") before severance benefits are triggered. Excise tax gross-ups have been eliminated for any new change-in-control agreements entered into after January 1, 2010.



Table of Contents

**Composition of our NEOs in 2014** This year's NEOs are shown in the table below:

| <b>Officers</b>    | <b>Title</b>   |
|--------------------|--|
| John A. Hayes      | President and CEO since 2011, elected Chairman in 2013                     |
| Scott C. Morrison  | SVP and CFO since 2010   |
| Michael W. Feldser | SVP and COO, Global Metal Food and Household Products Packaging since 2013 |
| Charles E. Baker   | VP and General Counsel since 2004, elected Corporate Secretary in 2011     |
| Lisa A. Pauley     | SVP, Human Resources and Administration since 2011                         |

**NEO Target Compensation Awarded in 2014** After review of competitive market data based on both General Industry and Peer Group, Ball's financial and operational performance, executive compensation consultant and CEO recommendations, tally sheet analysis, executive individual performance, and internal pay comparisons, the Committee authorized the following target total compensation elements for the CEO and other NEOs:

Base salary increases to all NEOs based on analysis of external market data;

Continued utilization of the short-term annual incentive EVA® plan. Target incentive opportunity percentages changed for all NEOs except Mr. Hayes, which increased to bring their total pay and total direct compensation more in line with market;

Continued utilization of the long-term cash incentive plan for all NEOs. LTCIP targets for the 2014-2016 cycle were defined as a fixed dollar amount and the mix of the target value of long-term incentive vehicles was targeted 20% for LTCIP, 40% for SARS and 40% for PC-RSUs for all NEOs; and

Continued utilization of PC-RSUs and SARs awards. As outlined above, the performance measure and degree of vesting for the 2014-2016 PC-RSU awards is based on a future target value of absolute EVA® dollars generated in excess of Ball's 9% after-tax hurdle rate as the capital charge, relative to compound growth rate targets achieved over a three-year period. PC-RSU awards for 2014-2016 have a potential outcome to executives of 0% to 200%.

The Committee is confident that our executive compensation program, along with our management-as-owners culture and our pay-for-performance philosophy, have directly contributed to the successful performance of the business and resulted in an executive team closely aligned with shareholders.

Table of Contents

**COMPENSATION OBJECTIVES AND PHILOSOPHY**

The primary objective of the Corporation's executive compensation program is to attract and retain exceptional leaders and enable them to behave like an owner one of our key business values. When setting executive compensation, the Corporation applies a consistent approach for all executive officers and intends that the combination of compensation elements closely aligns the executives' financial interests with those of the shareholders. The program is mainly designed to:

Attract, motivate and retain a highly capable and performance-focused executive team;

Promote a culture of management owners whose financial interests are aligned with those of the Corporation's shareholders;

Pay for performance such that total compensation reflects the individual performance of executives and the absolute and relative performance of the Corporation; and

Efficiently manage the potential stock dilution, cash flow, tax and reported earnings implications of executive compensation, consistent with the other objectives of the program.

Target total compensation is composed of base salary, annual EVA® incentive compensation and long-term incentive compensation in the form of both cash and equity. In support of the Corporation's emphasis on significant ownership by key executives, the Corporation delivers long-term incentive opportunities that encourage ownership. Generally, the amount of compensation realized or potentially realizable does not directly impact the level at which future pay opportunities are set. However, when granting equity awards, the Committee reviews and considers both individual performance and the number of outstanding and previously granted equity awards.

In addition to promoting share ownership, the Corporation's executive compensation objectives and philosophy focus on rewarding performance. This means that shareholder returns along with corporate performance, both short-term and long-term, comprise the largest portion of executive pay.

**ROLE OF THE HUMAN RESOURCES COMMITTEE AND EXECUTIVE  
COMPENSATION CONSULTANT**

The Committee oversees the administration of the executive compensation program and determines the compensation of the executive officers of the Corporation. The Committee is solely composed of nonmanagement directors, all of whom meet the independence requirements of the NYSE. Furthermore, the Committee has retained an independent consultant (the "Consultant") to assist in fulfilling its responsibilities. The Consultant is employed by Pay Governance, LLC and is engaged by and reports directly to the Committee. Specifically, the Consultant's role is to develop recommendations for the Committee related to all aspects of the executive compensation program and the Consultant works with management to obtain information necessary to develop the recommendations. Pay Governance, LLC, an independent company that is not affiliated with the Corporation, provides no other services to the Corporation, and we do not believe any conflict of interest exists that may limit its ability to provide independent advice to the Committee.

**MARKET REFERENCE POINTS AND PEER GROUPS**

When benchmarking compensation to the competitive market, we use two market reference points for our executive officers. This two-pronged approach provides a spectrum of relevant information on executive compensation levels, practices and trends in the marketplace.

The primary market reference point ("General Industry") reflects the broad talent market in which we compete. The critical skills required by the Corporation's management team have historically been found both inside and outside of the containers and packaging industry, and as such, the Committee believes it is appropriate to focus on General Industry market levels as the primary market reference point for evaluating the competitiveness of our executive compensation program. These data are size-adjusted to reflect the relative size of the Corporation or the relevant business unit for the executive. Size-adjusting the data ensures that market levels are being developed for like roles within businesses of similar size and scope. Data for the General Industry are collected from multiple proprietary survey sources published by leading market data

providers.

24

---

## Edgar Filing: BALL CORP - Form PRE 14A

### Table of Contents

The secondary market reference point ("Peer Group") is composed of companies within the containers and packaging, distiller and brewer, food, household durable and nondurable goods, aerospace and general manufacturing industries. We use the secondary reference point to identify any differences in compensation practices between related industry peers and the broader General Industry. Our Peer Group consisted of 17 companies with fiscal-annual revenues ranging from 0.4x to 2.5x Ball's revenues. Data for the Peer Group are collected from both proprietary survey sources where custom analyses for selected peer groups are available and publicly disclosed data from SEC filings.

In developing the Peer Group, the Consultant used objective, quantitative financial and industry criteria, as well as qualitative criteria regarding the nature of our business operations. Specifically, the Consultant used the following principles and criteria in identifying the Peer Group companies:

| <b>Design Principle</b>   | <b>Criteria</b>   |
|---|---|
| Quantitative financial criteria to ensure organizations are comparable in terms of size and structure | Revenue between an approximate range of 0.4x to 2.5x Ball's revenues  |
|   | Market capitalization between 0.25x to 5.0x Ball's market capitalization (used as a secondary reference)  |
|   | Ratio of market capitalization to revenue between 0.5x and 2.0x   |
|   | Positive operating margins ranging from 5% to 20%   |
| Qualitative criteria regarding appropriate industry, business types and organizational complexity     | Ball's direct peers in the containers and packaging industry  |
|   | Nondurable consumer product companies with some or all of the following characteristics: containers and packaging are a critical element of the final product, there is a substantial business focus on meeting annual performance expectations, and the individual consumer represents the ultimate purchaser of the product |
|   | Broader manufacturing companies within the aerospace, office services supplies, capital goods, chemical manufacturing, paper products and steel industries  |

For 2014, our Peer Group included the following companies:

|  |   |   |
|--|---|---|
| Avery Dennison Corporation<br>Bemis Company, Inc.<br>Campbell Soup Company<br>ConAgra Foods, Inc.<br>Crown Holdings Inc. | Exelis<br>Greif, Inc.<br>H.J. Heinz Company<br>MeadWestvaco Corporation<br>Molson Coors Brewing Company | PPG Industries, Inc.<br>Sealed Air Corporation<br>Silgan Holdings, Inc.<br>Sonoco Products Company<br>United States Steel Corp. |
|--|---|---|

Edgar Filing: BALL CORP - Form PRE 14A

Eastman Chemical Company

Owens-Illinois, Inc.

In the third quarter of 2014, H.J. Heinz Company was removed from our Peer Group as it was acquired by Berkshire Hathaway and 3G, making it no longer a viable comparator. Additionally, Rock-Tenn was added to the Peer Group as they meet all of the relevant criteria stipulated for the Peer Group. This amended Peer Group will be used for all 2015 pay decisions.

Table of Contents

The chart below illustrates the Corporation's relative positioning compared to the 2014 Peer Group on relevant financial metrics.

**Ball Market Capitalization, Revenue and Net Income as  
Compared to the Peer Group**

Note: Financial statistics shown above in \$M, are on a U.S.-GAAP, as-reported basis and were provided by the Consultant and obtained from the S&P's Capital IQ database.

\* Market Cap is as of December 31, 2013.

\*\* Revenue and Net Income are as reported for FY 2013.

**PROCESS FOR DETERMINING EXECUTIVE COMPENSATION**

The Committee reviews and adjusts executive target total compensation levels, including long-term incentive levels in January of each year.

The Corporation begins the annual process by reviewing each executive officer's target total compensation in relation to the 50th percentile of both the primary and secondary market reference points, e.g., General Industry and Peer Group. The data is gathered by the Consultant and presented to the Corporation and the Committee in detailed reports providing a comparative analysis of our executive officer compensation to the market data. The Consultant collaborates with the Corporation's Executive Compensation Department when preparing such reports.

Additionally, the Consultant creates tally sheets for each executive outlining each executive's annual target and actual pay in relation to competitive market information as well as total accumulated pay under various corporate performance scenarios, both recent and projected. The tally sheets are used to analyze and determine executive officer pay recommendations and understand the potential realizable compensation under various performance scenarios. The Consultant also prepares for the Committee an independent review and recommendation of the CEO's

## Edgar Filing: BALL CORP - Form PRE 14A

compensation. In its deliberations, the Committee meets with the CEO and other members of senior management, as appropriate, to discuss the application of the competitive benchmarking (pay and performance) relative to the unique structure and needs of the Corporation.

The CEO's target total compensation package is set by the Committee during an executive session based on the Committee's review of the competitive information and recommendation prepared by the Consultant, assessment of the CEO's individual performance in conjunction with the financial and operating performance of the Corporation and appropriate business judgment.

26

---

Table of Contents

A recommendation for the target total compensation of the Corporation's other executive officers, including the CFO and other NEOs, is made by the CEO after reviewing the executive's and the Corporation's business performance in conjunction with the executive's responsibility and experience when compared to the competitive market information prepared by the Consultant. The compensation package for the other executive officers is established by the Committee taking into consideration the recommendation of the CEO, the executive officer's individual job responsibilities, experience and overall performance, along with appropriate business judgment.

The Committee may also adjust an executive's compensation level during the year as a result of a promotion. Such adjustments take into consideration competitive market data and a recommendation provided by the Consultant, as well as the recommendation of the CEO, which takes into account the additional responsibilities assigned and overall experience and performance of the executive.

### ELEMENTS OF BALL'S EXECUTIVE COMPENSATION PROGRAM AND 2014 PERFORMANCE

The primary elements of the Corporation's executive compensation program are designed to be consistent with the compensation objectives described previously. The elements are outlined in the following table. The purpose of each element is also provided to demonstrate how each fits with the overall compensation objectives, specifically, stock ownership and pay-for-performance.

| Component   | Element                                       | Purpose  | Performance Measures   | 2014 Performance Outcome  |
|---|---|--|--|---|
| <b>Base Compensation<br/>Current Year</b>                 | Annual Base Salary                            | Fixed element of pay based on an individual's primary duties and responsibilities.   | Individual performance and contribution based on primary duties and responsibilities.  | All NEOs received base pay increases, which included increases for certain NEOs to move total compensation closer towards market median as applicable.                    |
| <b>Annual Incentive<br/>Performance Based<br/>Cash</b>    | Annual EVA®<br>Incentive<br>Compensation Plan | Designed to reward achievement of specified annual corporate and/or operating unit financial goals pursuant to EVA® principles.  | Actual 2014 EVA® based on the amount of corporate net operating profit after-tax, less a charge for capital employed in the business based on the Corporation's 9% after-tax internal hurdle rate, as compared to the 2014 EVA® incentive plan target. | Resulted in an award of 189% of target for all NEOs except Mr. Feldser, who received an award of 138% of target.  |
| <b>Long-Term Incentive<br/>Performance Based<br/>Cash</b> | Long-Term Cash<br>Incentive Plan              | Designed to promote long-term creation of shareholder value in relative terms (TSR performance versus a subset of companies in the S&P 500) and absolute terms (ROAIC) and provide an executive retention incentive. | 50% based on TSR over 3 years relative to a subset of S&P 500 companies and 50% based on ROAIC over 3 years, as compared to targets.   | The 2012-2014 cycle resulted in an award payment of 173.6% of target for all NEOs based on above target performance for relative TSR (62nd percentile) and ROAIC (12.8%). |





Table of Contents

| Component   | Element                              | Purpose   | Performance Measures  | 2014 Performance Outcome  |
|---|--------------------------------------|---|---|---|
| <b>Long-Term Incentive Performance Based Equity</b> | Stock Options and Stock-Settled SARs | Designed to promote share ownership and long-term performance resulting in the creation of shareholder value.   | Stock price appreciation relative to the grant date stock price (exercise price) of the stock options/SAR grants.                 | Stock price performance ending  |
|   | Restricted Stock/RSUs                | Designed to promote share ownership, provide a retention incentive and provide long-term incentive for the creation of shareholder value.   | Stock price appreciation.   | December 31, 2014, excluding reinvestment of dividends:<br><br>Ball vs. S&P 500 1-year: 32.0% vs. 11.4%.  |
|   | Deposit Shares/RSUs                  | Designed to promote executive financial investment in the Corporation, promote share ownership and provide long-term incentive for performance resulting in the creation of shareholder value.  | Attainment of required holding period and stock price appreciation.   | Ball vs. S&P 500 3-year: 90.9% vs. 74.6%.   |
|   | Performance-Contingent RSUs          | Designed to promote share ownership through the achievement of financial returns in excess of the Corporation's WACC over a 3-year period (2012-2014 award), or achievement of absolute EVA® dollar growth relative to compound growth rate targets over a 3-year period (2013-2015 award and 2014-2016 award). | For awards beginning in 2013, actual absolute EVA® dollars, equal to or exceeding a future estimated absolute EVA® dollar target. | For all NEOs, resulted in 100% vesting of the 2012-2014 PC-RSU award on February 4, 2015, based on actual ROAIC of 12.8% exceeding the WACC target of 6.3%. |

Table of Contents

| Component       | Element   | Purpose  | Performance Measures | 2014 Performance Outcome |
|-----------------|---|--|----------------------|--------------------------|
| <b>Benefits</b> | Life Insurance and Pension Benefits             | Supports basic life insurance and retirement income security needs.  | N/A                  | N/A                      |
|                 | Supplemental Executive Retirement Plan ("SERP") | Replicates benefits provided under the U.S. qualified pension plan, not otherwise payable due to IRS qualified plan limits.  |                      |                          |
|                 | Non-Qualified Deferred Compensation             | Provides eligible participants the ability to defer certain pretax compensation into a savings plan to support retirement income or other needs.   |                      |                          |
|                 | Perquisites and Other Personal Benefits         | Noncash compensation generally nominal in value, which may consist of financial planning, executive physicals, aircraft usage and insurance premiums. The percent of total compensation may exceed the nominal range for an executive on foreign assignment. |                      |                          |

**SPECIFICS RELATED TO THE 2014 EXECUTIVE COMPENSATION ELEMENTS**

When determining our executive target total compensation decisions in January 2014, the Committee took into account the Corporation's operating and financial performance in 2013, which resulted in a total return to shareholders of 16.8%, based on stock price appreciation plus reinvested dividends, compared to a 32.4% return of the S&P 500 and the 29.7% return of the Dow Jones Industrial Average. The Corporation also generated significant free cash flow of \$461 million, achieved EVA® dollars greater than 2012 levels and an after-tax return on average invested capital of 12.3%. The Committee also recognized that all NEOs contributed to many other 2013 successes of the Corporation, including further growing our specialty packaging business to more than one-quarter of our global beverage packaging sales units, successfully implementing plant floor systems in our metal packaging facilities, and the addition of a second can line in our Alagoinhas, Brazil, joint venture metal beverage can plant; expanding into new products and capabilities including new specialty can formats to support craft beer growth in North America, the debut of Matte & Gloss and Dynamark™ printing technologies as well as the commercialization of lightweight, extruded aluminum packaging for aerosols with increased recycled aluminum content; successfully completing the acquisition and integration of an acquired extruded aluminum aerosol packaging plant in San Luis Potosi, Mexico; securing a contract with the Korea Aerospace Research Institute ("KARI") to build the Geostationary Environment Monitoring Spectrometer ("GEMS") for the National Institute of Environmental Research in the Ministry of Environment of South Korea; and being recognized by the Dow Jones Sustainability Index as the leading packaging company on the North America and World indexes. These results are due in large part to our focus on disciplined profitable growth, operational excellence and talent management.



Table of Contents**Base Salary**

Base salary levels are set on the basis of factors such as job responsibilities, the CEO's subjective judgment of individual performance and contributions to overall business performance, experience level, internal merit increase budgets, external market base salary movement and market competitiveness as compared to 50th percentile data. With respect to promotions, we may initially position an individual below the 50th percentile and then adjust their base pay closer to the market median over time, in order to ensure that the individual is successfully performing and growing into their new role. The Committee reviewed base salary levels during the executive compensation review as outlined under the section entitled "Process for Determining Executive Compensation," which included an analysis of external market data, prepared by the Consultant and approved salary increases for all NEOs in late January 2014, with changes effective retroactively to January 1, 2014.

| NEO                | 2014<br>Base Salary | Rationale  |
|--------------------|---------------------|--|
| John A. Hayes      | \$ 1,150,000        | 2014 base salary was based on the executive compensation review, including an analysis of external market data, and reflected a merit increase consistent with the Corporation's merit increase budget.  |
| Scott C. Morrison  | \$ 596,700          | 2014 base salary was based on the executive compensation review, including an analysis of external market data, and reflected a merit increase consistent with the Corporation's merit increase budget.  |
| Michael W. Feldser | \$ 414,000          | 2014 base salary was based on the executive compensation review, including an analysis of external market data. Mr. Feldser's 2014 base salary reflected a merit increase consistent with the Corporation's merit increase budget and an increase to better align his compensation package with market median practices. |
| Charles E. Baker   | \$ 460,575          | 2014 base salary was based on the executive compensation review, including an analysis of external market data. Mr. Baker's 2014 base salary reflected a merit increase consistent with the Corporation's merit increase budget and an increase to better align his compensation package with market median practices.   |
| Lisa A. Pauley     | \$ 439,875          | 2014 base salary was based on the executive compensation review, including an analysis of external market data. Ms. Pauley's 2014 base salary reflected a merit increase consistent with the Corporation's merit increase budget and an increase to better align her compensation package with market median practices.  |

**Annual Incentive**

This short-term annual pay-for-performance incentive is used to encourage and reward the CEO and other NEOs for making decisions that improve performance as measured by EVA®. It is designed to produce sustained shareholder value by establishing a direct link between EVA® improvement and incentive compensation. EVA® was selected as the measure for Ball's Annual Incentive Compensation Plan because it has been demonstrated to correlate management's incentive with share price growth and shareholder returns. EVA® is calculated by subtracting a charge for the use of invested capital from net operating profit after-tax as illustrated below:

$$\text{EVA}^{\circledR} = \text{Net Operating Profit After Tax ("NOPAT")} \text{ minus } \text{Capital Charge (the Amount of Capital Invested by Ball multiplied by Ball's After-Tax Hurdle Rate)}$$

Generating profits in excess of both operating and capital costs (debt and equity) creates EVA®. If EVA® improves, value has been created.

**Performance Measures** Targets are established annually for each operating unit and for the Corporation as a whole based on prior performance. The Plan design motivates continuous improvement in order to achieve payouts at or above target over time.

## Edgar Filing: BALL CORP - Form PRE 14A

### Table of Contents

The Corporation's and/or operating unit's EVA® financial performance determines the amount, if any, of awards earned under the Annual Incentive Compensation Plan. Such awards are based on actual EVA® performance relative to the established EVA® target. For any one year, the EVA® target is equal to the sum of the prior year's target EVA® plus one-half the amount of the prior year's EVA® gain or shortfall relative to the prior year's EVA® target and is calculated as follows:

$$\text{Current Year's EVA® Target} = \text{Prior Year's EVA® Target} + \frac{1}{2} (\text{Prior Year's Actual EVA®} - \text{Prior Year's EVA® Target})$$

Improvement in EVA® occurs when the amount of NOPAT less a charge for capital employed in the business increases over time. It establishes a direct link between annual incentive compensation and continuous improvement of return on invested capital relative to a 9% after-tax "hurdle rate." The Corporation has established a minimum 9% after-tax as the hurdle rate when evaluating capital expenditures and strategic initiatives in most regions in which we do business. This hurdle rate is above the Corporation's actual cost of capital.

For a given year, a payout at 100% of target annual incentive compensation is achieved when actual EVA® is equal to the EVA® target. Actual annual incentive payments each year can range from 0% to 200% of the targeted incentive opportunity based on corporate performance and/or the performance of the operating unit over which the executive has responsibility. For the Corporation's consolidated plan, a payout of 0% is realized when actual EVA® is \$104 million less than targeted EVA®. A payout of 200% or greater may be achieved if actual EVA® is \$52 million or higher than target EVA®. However any amounts over 200% of target are banked and remain at risk until paid over time in one-third increments whenever actual performance under the Annual Incentive Plan results in a payout of less than 200% of target. When the bank balance falls below \$7,500 it is paid in full. All payments from the bank balance are made at the same time annual incentive payments are made. In 2014, the Corporation's consolidated actual EVA® performance exceeded our EVA® target by \$46.5 million and resulted in a payout of 189% of target, as shown below:

| <i>Performance Measure</i> | <i>Minimum</i>  | <i>Target</i>    | <i>Maximum</i>   | <i>Actual</i>    |
|----------------------------|-----------------|------------------|------------------|------------------|
| EVA®                       | \$ 40.2 million | \$ 144.2 million | \$ 196.2 million | \$ 190.7 million |

Mr. Feldser's EVA® target is based on a combination of his respective operating unit's financial and EVA® goals and the Corporation's consolidated plan; however, due to the competitively sensitive nature of such financial metrics, these values have been excluded.

**Target Incentive Percentages and 2014 Incentive Paid** A target incentive opportunity is established each year as a percentage of an executive's annual base salary and is targeted at approximately the 50th percentile of the competitive market with the opportunity to earn more for above-target performance or less for below-target performance. The 2014 target incentive opportunity for Messrs. Hayes, Morrison and Baker and Ms. Pauley was dependent upon the Corporation's consolidated EVA® performance; whereas for Mr. Feldser, 60% was dependent upon the EVA® performance of the Corporation's Metal Food & Household Products Packaging operating unit, with 20% dependent upon the performance of the Corporation's Aerocan operating unit and 20% dependent upon the Corporation's consolidated EVA® performance. The table below summarizes for each NEO the 2014 target incentive opportunity as compared to the actual incentive paid as a result of the year's strong EVA® performance. The value paid may include a one-third increment of a prior bank balance.

| NEO                | Target Annual Incentive |              | Actual Annual Incentive |               |
|--------------------|-------------------------|--------------|-------------------------|---------------|
|                    | % of Base               | \$ Value     | % of Base               | \$ Value Paid |
| John A. Hayes      | 120%                    | \$ 1,379,192 | 228%                    | \$ 2,615,011  |
| Scott C. Morrison  | 75%                     | \$ 447,288   | 142%                    | \$ 845,374    |
| Michael W. Feldser | 70%                     | \$ 289,800   | 102%                    | \$ 421,091    |
| Charles E. Baker   | 60%                     | \$ 276,093   | 113%                    | \$ 521,816    |
| Lisa A. Pauley     | 65%                     | \$ 285,658   | 123%                    | \$ 539,894    |

Certain executives including the CEO and the other NEOs may elect to defer the payment of all or a portion of their annual incentive compensation into the 2005 Deferred Compensation Plan and/or the 2005 Deferred Compensation Company Stock Plan, as described in the "Non-Qualified Deferred Compensation" section.



Table of Contents**Long-Term Incentives**

This element of compensation is designed to provide ownership and cash opportunities to promote the achievement of longer term financial performance goals and enhanced TSR. The Corporation's long-term incentive opportunity is generally provided through a combination of equity and cash awards, which the Committee believes best matches the compensation principles for the program.

For 2014, the target award mix of long-term incentive vehicles was 20% LTCIP, 40% SARs and 40% PC-RSUs as described previously. The total target amount of long-term incentives, based on the grant date expected value, is generally established in relation to the 50th percentile of the competitive market, individual roles and responsibilities, individual performance (as outlined in the preceding "Base Salary" section) and the Corporation's financial and operating performance. The final mix ratio of long-term incentives varied slightly from the above target mix, as a result of the final grant date stock price and associated Black-Scholes value versus those assumed when formulating the value, as shown in the table below.

**Mix of Long-Term Vehicles**

| NEO                | Total Target Long-Term Value | % LTCIP (2014-2016 Cycle) | % Options/SARs | % Performance-Contingent RSUs (2014-2016 Cycle) | % DSP |
|--------------------|------------------------------|---------------------------|----------------|---|-------|
| John A. Hayes      | \$ 4,674,538                 | 21%                       | 38%            | 41%   | 0%    |
| Scott C. Morrison  | \$ 1,108,787                 | 21%                       | 38%            | 41%   | 0%    |
| Michael W. Feldser | \$ 540,355                   | 21%                       | 38%            | 41%   | 0%    |
| Charles E. Baker   | \$ 587,641                   | 21%                       | 38%            | 41%   | 0%    |
| Lisa A. Pauley     | \$ 540,355                   | 21%                       | 38%            | 41%   | 0%    |

The long-term incentive awards provide value only if the Corporation achieves positive stock price and financial performance. This emphasis on long-term compensation, through performance-based long-term cash and equity awards, ensures a strong continued alignment with the Corporation's executive ownership and shareholder value creation objectives.

**Performance-Based Cash Awards** The Corporation's performance-based long-term cash incentive award, LTCIP, is intended to focus executives on the achievement of multiyear performance goals that will enhance shareholder value. The Corporation's TSR and ROAIC are considered in determining the amount, if any, of awards earned under the Corporation's LTCIP. Performance is measured on a cumulative basis over a three-year performance cycle. Awards pursuant to the LTCIP are generally made on an annual basis such that three performance cycles overlap. Any actual award earned is paid at the end of the three-year performance cycle. During 2014, there were three overlapping cycles:

2012-2014 Awarded in 2012, completed at the end of 2014, vesting took place in early 2015.

2013-2015 Awarded in 2013, in process, will complete at the end of 2015, payment in early 2016 if performance measures are attained.

2014-2016 Awarded in 2014, in process, will complete at the end of 2016, payment in early 2017 if performance measures are attained; included in the "Grants of Plan-Based Awards Table."

The LTCIP provides executives the opportunity to earn awards based on a combination of two performance measures. One-half of the award is based on the Corporation's three-year TSR as measured against the TSRs of a subset of companies in the S&P 500 excluding companies in the S&P 500 Index that are classified as being part of the Financial or Utilities industry sectors or the Transportation industry group. Companies added to the S&P 500 during the performance cycle are also excluded. TSR is measured by comparing the average daily closing price and dividends of the Corporation in the third year of the performance cycle with the average daily closing price and dividends prior to the start of the performance cycle relative to the distribution of the equivalent TSRs during the performance cycle of the group of companies as described above. The target performance requirement for the TSR measure is the 50th percentile of the S&P 500 subset described above. The other one-half of the award is based on ROAIC performance over the three-year period. ROAIC is calculated by dividing the average of the Corporation's net operating profit after-tax over the relevant performance cycle by its average invested capital over such period. The target



performance requirement for the ROAIC

32

---

Table of Contents

measure is 9% after-tax, which is above the Corporation's estimated WACC. The target, minimum and maximum performance requirements are as follows:

| <i>Performance Measure</i> | <i>Minimum</i>    | <i>Target</i>   | <i>Maximum</i>  |
|----------------------------|-------------------|-----------------|-----------------|
| TSR                        | 37.5th percentile | 50th percentile | 75th percentile |
| ROAIC (after-tax)          | 7%                | 9%              | 11%             |

For each measure, minimum performance results in a zero payout factor, target performance results in a 100% payout factor and maximum performance results in a 200% payout factor for the respective one-half of the award. Performance between minimum, target and maximum is extrapolated to determine the payout factor.

Each NEO's incentive opportunity is established by considering external long-term incentive market data and the Corporation's internal pay equity and previously was set as a percentage of the executive's average base salary plus target annual incentive over the three-year performance cycle (i.e., average target annual cash compensation during the performance cycle). Effective January 1, 2013, each NEO's incentive opportunity was set as a fixed target dollar amount based on the 20% target award mix of long-term incentive vehicles, which ensures that the value of Ball's long-term incentives remain consistent with competitive market practices.

The executive's award for the 2012-2014 performance cycle is calculated as follows:

$$\text{LTCIP Payment} = \text{Executive's Avg. Base Salary Plus Target Annual Incentive for 3-Year Cycle} \times \text{Executive's Incentive Percentage} \times \text{50\% x TSR Payout Factor} + \text{50\% x ROAIC Payout Factor}$$

The executive's award for the 2013-2015 and 2014-2016 performance cycle is calculated as follows:

$$\text{LTCIP Payment} = \text{Fixed Target Dollar Amount} \times \text{50\% x TSR Payout Factor} + \text{50\% x ROAIC Payout Factor}$$

Actual payments at the end of the performance cycle for each factor (TSR and ROAIC) can range from 0% to 100% of the target opportunity based on actual performance relative to the established performance measures described above.

For the 2014-2016 performance cycle, the fixed target dollar incentive opportunities awarded in early 2014 to the CEO and other NEOs, and reported in the "Grants of Plan-Based Awards Table," are as follows:

| <b>NEO</b>         | <b>Target LTCIP Dollar Value for the 2014-2016 Performance Cycle</b> |         |
|--------------------|--|---------|
| John A. Hayes      | \$   | 995,000 |
| Scott C. Morrison  | \$   | 236,000 |
| Michael W. Feldser | \$   | 115,000 |
| Charles E. Baker   | \$   | 125,000 |
| Lisa A. Pauley     | \$   | 115,000 |

Table of Contents

For the 2012-2014 performance cycle, the incentive opportunities for the CEO and other NEOs were as follows:

| NEO                | <b>Target LTCIP Incentive Percentage<br/>for the 2012-2014 Performance Cycle</b> |
|--------------------|--|
| John A. Hayes      | 40%  |
| Scott C. Morrison  | 25%  |
| Michael W. Feldser | 25%  |
| Charles E. Baker   | 20%  |
| Lisa A. Pauley     | 25%  |

As a result of the Corporation's actual performance for the 2012-2014 performance cycle of 62nd percentile TSR and 12.8% ROAIC, cash payouts (made in early 2015) to the CEO and other NEOs are 173.6% of the target opportunities and reported in the "Summary Compensation Table."

**Equity-Based Awards** The Corporation's equity awards may be provided through various forms (SARs, Incentive Stock Options ("ISOs"), Non-Qualified Stock Options ("NQSOs"), PC-RSUs, restricted stock and RSUs), all of which are tied to the price of Ball Corporation common stock. Annual equity awards associated with target total compensation are typically granted in January on the date of the quarterly meeting of the Board; however, equity awards may be granted during the year as part of an executive's promotion or for retention purposes. In the case of newly hired executives, equity awards may be granted upon the executive joining the Corporation. Equity-based awards are determined for each NEO in order to bring target total compensation to the level deemed appropriate by the Committee in relation to the external market 50th percentile and each executive's roles, responsibilities and performance.

In January 2014, the Committee approved the award of SARs and PC-RSUs to the CEO and other NEOs and executive officers. Each form of equity is described below. The target values of these awards were based on the total target award mix of long-term incentive vehicles as previously described (40% SRS and 40% PC-RSUs). The number and/or value of the equity awarded in 2014 to the CEO and other NEOs is reported in the "Summary Compensation Table" and the "Grants of Plan-Based Awards Table." All equity awards are pursuant to the provisions of the 2013 Stock and Cash Incentive Plan.

**Stock-Settled SARs and Stock Options:** SARs, ISOs and NQSOs are granted in order to reward executives for the creation of shareholder value, and will only provide value to executives if the price of the Corporation's stock increases. Such awards generally vest at 25% per year for four years and expire in 10 years. The grant value of each SAR, ISO or NQSO is based on the closing price of the Corporation's common stock on the date of grant.

**Performance-Contingent RSUs:** PC-RSUs are granted in order to promote share ownership through the achievement of defined multiyear performance goals that enhance shareholder value and align with the Corporation's Drive for 10 vision. Performance is measured on a cumulative basis over a three-year performance cycle. Awards are generally made on an annual basis such that three performance cycles overlap. Any actual award earned is paid at the end of the three-year performance cycle. During 2014, there were three overlapping cycles:

**2012-2014** PC-RSUs were granted in 2012 in order to encourage executives to ensure long-term return on the Corporation's invested capital in excess of its current estimated WACC. This provided participants with the opportunity to receive the Corporation's common stock if the Corporation's ROAIC during a three-year cycle was equal to or exceeded the Corporation's estimated WACC as established at the beginning of the performance cycle. For this cycle, which was completed at the end of 2014, the actual ROAIC of 12.8% exceeded the WACC target of 6.3% and all granted units for that three-year cycle vested for NEOs. The PC-RSUs vested in January 2015 and the value realized on vesting will be reported in the "Option Exercises and Stock Vested Table" in 2016.

Table of Contents

**2013-2015** For PC-RSUs granted in 2013, the performance measure was changed to a future target value of absolute EVA® dollars generated in excess of Ball's 9% after-tax hurdle rate as the capital charge. The future dollar absolute EVA® target value is calculated by increasing the prior year actual EVA® dollars generated in excess of the 9% after-tax hurdle rate by a compound annual growth rate of 4% over the three years of the cycle. Given the challenging nature of this new measure, a minimum and maximum performance range was also established and may result in an actual payout of between 0% and 200%. The minimum performance measure, which would result in a 0% payout, is the base figure of prior year-end absolute EVA® dollars. In this case, even though we have continued to generate positive EVA®, the lack of growth in that figure results in a zero payout. The maximum performance measure is only achieved if we grow absolute EVA® dollars at an aggressive compound annual growth rate of 8% over the three years of the cycle. Performance between minimum, target and maximum is extrapolated to determine the payout factor. This is in process and will complete at the end of 2015 and vesting will occur in early 2016 if the performance measure is attained. The target, minimum and maximum performance requirements for the 2013-2015 award are as follows:

| <i>Performance Measure</i>   | <i>Minimum</i>  | <i>Target</i>   | <i>Maximum</i>  |
|------------------------------|-----------------|-----------------|-----------------|
| Target Absolute EVA® Dollars | \$161.4 million | \$181.5 million | \$203.3 million |

**2014-2016** PC-RSUs were granted in 2014 using the same performance measure as above. This is in process and will complete at the end of 2016 and vesting will occur in early 2017, if the performance measure is attained. The target, minimum and maximum performance requirements for the 2014-2016 award are as follows:

| <i>Performance Measure</i>   | <i>Minimum</i>  | <i>Target</i>   | <i>Maximum</i>  |
|------------------------------|-----------------|-----------------|-----------------|
| Target Absolute EVA® Dollars | \$149.3 million | \$167.9 million | \$188.1 million |

**Deposit Share Program/RSUs:** The Corporation may grant restricted stock or RSUs pursuant to the DSP, which was introduced in 2001. The DSP is intended to increase share ownership among certain executives who must make additional investments in the Corporation's stock in order to participate. Under this program, an executive receives one share of restricted stock or one RSU for every newly acquired share by the participant (either in the market, through the exercise and holding of stock options or settlement of SARs, or deferral, if eligible, of annual incentive compensation to the Deferred Compensation Company Stock Plan) during a specified acquisition period, up to a maximum number of shares preestablished by the Committee. As long as the executive continues to hold the newly acquired shares, the restricted stock or units granted cliff vest four years from the date of grant; or, if stock ownership guidelines are met, 30% of the shares or units vest at the end of the second year and again at the end of the third year and 40% will vest at the end of the fourth year. Restricted stock or units granted pursuant to the DSP are made on the 15th day of each month following the executive's submission of adequate documentation to the Corporation detailing the acquisition of the newly acquired shares. No new DSP RSUs were granted in 2014.

**Restricted Stock or RSUs:** The Committee or CEO may also grant restricted stock or RSUs generally in connection with the promotion or recruitment of individuals to facilitate ownership and retention. Pursuant to the provisions of the 2013 Stock and Cash Incentive Plan, the Committee delegated to the CEO the authority to grant up to a maximum of 10,000 restricted shares or RSUs to any one individual in a calendar year, except the CEO may not make such grants to officers of the Corporation. Any such grant is ratified by the Committee at the first Committee meeting following such grant. Grants made are generally effective at the closing stock price on the day of the grant or may be effective at the closing stock price on a specific day in the future as defined by the Committee or the CEO. As an example, the future grant of a restricted stock award may be approved pending the effective date of a promotion, employment or a specific date. These awards generally vest in either 20% or 25% increments on each anniversary of the grant date. These grants serve as a long-term incentive element, promote share ownership and may provide an executive retention incentive.

**Retirement Benefits**

## Edgar Filing: BALL CORP - Form PRE 14A

The Corporation strives for overall benefits to be competitive with the market. The CEO and other U.S.-based NEOs participate in the same benefit plans and on the same terms as provided to all U.S. salaried employees, with the exception of the differences noted below.

Table of Contents

Included in these benefits for the U.S. salaried employees are the annual pension accruals under the qualified pension plan ("Salaried Pension Plan") and contributions to the qualified 401(k) savings plan. The Corporation sponsors two qualified salaried defined benefit pension plans in the U.S., one covering its Aerospace subsidiary's employees and the other covering all other U.S. salaried employees. Prior to January 1, 2007, the benefits were determined by final average salary, covered compensation and years of service. Beginning in 2007, the benefit in both plans is an accumulated annual credit based on base salary, the Social Security Wage Base ("SSWB") and a multiplier that is based on service.

The 401(k) savings plan is a tax-qualified defined contribution plan that allows U.S. salaried employees, including the U.S.-based NEOs, to contribute to the plan 1% to 55% of their base salary up to IRS-determined limits on a before-tax basis. Prior to January 1, 2007, the Corporation matched 50% of the first 6% of base salary contributed to the plan. Beginning in 2007, the Corporation matches 100% of the first 3% of base salary contributed, and 50% of the next 2% of base salary contributed, up to a maximum match of 4% of base salary contributed.

Certain executives, including the U.S.-based NEOs, also receive benefits under the non-qualified SERP which replaces benefits otherwise available in the qualified pension plan except for limits on covered compensation in the qualified plan set by the Internal Revenue Code of 1986, as amended (the "Code"). The SERP is designed to provide retirement benefits that are calculated on base salary that exceeds the maximum amount of pay that can be included in the pension calculation under a pension plan that is tax qualified under the Code. Further information regarding the Salaried Pension Plan and the SERP are provided in the "Pension Benefits" section.

The Corporation's U.S. pension plans and SERP provide pension benefits based on base salary only and do not include incentive compensation as part of the pension calculation.

Additionally, the Corporation provides a deferred compensation benefit to certain U.S. employees. Under the terms of the deferred compensation program, participants are eligible to defer current annual incentive compensation to be paid and/or RSUs to be issued in the future. When amounts are deferred, the participant becomes a general unsecured creditor of the Corporation and deferred amounts become subject to claims on the same basis as other general unsecured creditors to the Corporation. The deferred compensation plans provide a means for participants to accumulate funds for retirement or other purposes.

## OTHER EXECUTIVE COMPENSATION POLICIES AND GUIDELINES

### Plan Terms and Procedures

In 2014, the annual and long-term incentives awarded were established and paid pursuant to the terms of the Ball Corporation 2013 Stock and Cash Incentive Plan and the Ball Corporation Annual EVA® Incentive Compensation Plan, which are administered by the Committee. The 2013 Stock and Cash Incentive Plan permits grants of cash awards, stock options, SARs or stock awards (e.g., shares, restricted stock and RSUs).

### Risk Assessment

The Committee continually reviews the relationship between risk and reward in our compensation programs; both through recurring in-depth reviews and ongoing review of any program changes as they occur. At this time, the Committee does not believe that these compensation programs encourage excessive or inappropriate risk. The Corporation's internal assessment of risk confirms that our compensation arrangements do not foster undue risk taking. They are performance driven and have strong governance and control mechanisms.

The Committee's executive compensation Consultant conducted a thorough risk assessment of our executive compensation programs in 2013, and reported on this to the Committee. The Consultant reviews a number of criteria regarding compensation design and governance and whether financial risks, operational risks or reputational risks may be generated through any of our programs, policies or practices. The Consultant concluded that they did not identify any elements within Ball's compensation programs and processes that pose material risk to the Corporation. The basis for the Consultant's conclusion is that the Corporation's incentive plans and processes are well designed, diversified and appropriately structured to mitigate risk without diluting incentives for high performance. During 2014, the Consultant assessed the programs and determined that since no changes had occurred since 2013, the programs continue to pose no material risk.

Table of Contents

**Stock Ownership Guidelines**

Consistent with its stock ownership philosophy, the Corporation has established guidelines for senior management. The 2014 stock ownership guidelines (minimum requirements) are as follows:

| <b>Executive</b>   | <b>Ownership Multiple<br/>(of Base Salary)</b> |
|--------------------|--|
| CEO                | 5 times  |
| CFO, EVPs and SVPs | 3 times  |
| Other Executives   | 1 to 2 times                                   |

As of December 31, 2014, all executive officers including the CEO and the other NEOs have met their ownership guidelines. Furthermore, the Corporation has established a 10,000 share stock ownership guideline for each nonmanagement director and all have met their ownership guidelines with the exception of Mr. Cave, who joined the Board in October 2014 and is in process of attaining shares within the required period.

**Anti-Hedging Policy**

When the Corporation's share price appreciates, an executive or director may desire to lock in a portion of that appreciation, thereby managing a portion of the economic risk associated with concentrated holdings of Ball Corporation common stock. The Corporation has evaluated the potential approaches that executives and directors can use. As a result of this review, executives are permitted to use prepaid variable forward contracts or contracts to purchase or sell Ball Corporation common stock pursuant to SEC Rule 10b5-1. Put and call options and other hedging transactions involving Corporation stock (including selling the stock "short"), are not permitted.

**Severance and Change in Control Benefits**

The CEO and other NEOs are covered by arrangements that specify payments in the event the executive's employment is terminated. The type and amount of payments vary by executive level and whether the termination is following a change in control of the Corporation. These severance benefits, which are competitive with General Industry practices, are payable only if the executive's employment is terminated as specified in each of the agreements. Further discussion is provided in the "Other Potential Post-Termination Employment Benefits" section.

**Accounting and Tax Considerations**

When establishing pay elements or associated programs, the Committee reviews projections of the estimated pro forma expense and tax impact of all material elements of the executive compensation program. Generally, an accounting expense is accrued over the requisite service period of the particular pay element, which in many cases is equal to the performance cycle, and the Corporation realizes a tax deduction upon payment to and/or realization by the executive.

The Plans are intended to meet the deductibility requirements of Code Section 162(m) as performance-based pay, resulting in amounts paid being tax deductible to the Corporation. Code Section 162(m) generally provides that publicly-held corporations may not deduct in any one taxable year certain compensation in excess of \$1 million paid to the CEO or any other executive officer (other than the CFO as such) whose total compensation is required to be disclosed in the "Summary Compensation Table" by reason of being the next three most highly-compensated executive officers. To the extent that any cash compensation for any NEO, otherwise deductible for a particular tax year, would not be deductible in that year because of the limitations of Code Section 162(m), the Committee has mandated that such compensation will be deferred until retirement; however, the Committee, in its sole discretion, may approve payment of nondeductible compensation from time to time if it deems circumstances warrant it.

Beginning January 1, 2006, the Corporation began accounting for stock-based awards including current and prior year stock options, SARs, restricted stock and RSUs in accordance with the requirements of FASB ASC Topic 718 ("Topic 718"), which addresses accounting for stock compensation.

In December 2005, the Committee approved three new deferred compensation plans that incorporate rules applicable to non-qualified deferred compensation as provided by Code Section 409A regulations. In 2008, the Corporation reviewed and updated all plans and agreements to conform to Code Section 409A final regulations.





Table of Contents

Code Section 280G considerations related to tax reimbursements made to executives for taxes on amounts paid in the event of termination following a change in control are discussed in the narrative to the "Other Potential Post-Termination Employment Benefits" section.

**TABLES AND NARRATIVES**

Set forth on the following pages are tables showing, for the CEO, CFO and the three other highest paid executive officers of the Corporation, the following: (1) fiscal year 2014 elements of compensation in summary form; (2) equity and non-equity incentives awarded in 2014; (3) outstanding stock options and stock awards held as of December 31, 2014; (4) the value realized on stock options exercised and stock awards that vested during 2014; (5) information regarding non-qualified deferred compensation; (6) projected pension benefit values; and (7) projections for other potential post-termination benefits. The "Director Compensation Table" summarizes the fiscal year 2014 elements of compensation for the Corporation's nonmanagement directors. Accompanying each table are narratives and/or footnotes intended to further the understanding of the information disclosed in the tables. The tables should be read in conjunction with the CD&A beginning on page 18, which explains the Corporation's compensation objectives and philosophy, its process for determining executive compensation and a description of the elements of compensation.

**SUMMARY COMPENSATION TABLE**

The "Summary Compensation Table" represents all fiscal year 2014 elements of compensation for the Corporation's NEOs including:

Base salary earned,

Awards earned under the Annual EVA® Incentive Compensation Plan for 2014 performance,

Awards earned under the LTCIP for the three-year performance cycle ended in 2014,

Fair value of PC-RSU awards granted in 2014, calculated in accordance with Topic 718, and

Fair value of SAR awards granted in 2014, calculated in accordance with Topic 718.

The 2014 payout factors used to determine the amounts earned for the Annual EVA® Incentive Compensation Plan and LTCIP for the CEO, CFO and the other NEOs are provided in the "2014 Performance Outcome" column.

In addition to these elements of compensation, the table also presents the change in 2014 in the value of pensions payable at age 65 for the NEOs as well as above-market earnings associated with non-qualified deferred compensation. Certain of the Corporation's predecessor deferred compensation plans provide for an interest rate that is equal to the Moody's Seasoned Corporate Bond Index ("Moody's") and in some plans, an interest rate that is 5 percentage points higher than Moody's, and in others, a fixed interest rate equal to 9%. No additional deferrals are permitted into these plans. Any earnings credited to accounts within plans that provide the Moody's rate plus 5 percentage points and/or the 9% fixed interest that is in excess of above-market earnings that would have been credited at a rate that is 120% of the applicable federal long-term rate have been classified as above-market earnings on deferred compensation.

The "All Other Compensation" column represents the sum of the values of:

Perquisites and other personal benefits,

Corporation contributions to defined contribution plans or deferred compensation plans,

## Edgar Filing: BALL CORP - Form PRE 14A

Corporation-paid insurance premiums, and

Company match of securities purchases pursuant to the Corporation's broad-based Employee Stock Purchase Plan ("ESPP").

The individual values are disclosed in the "All Other Compensation Table" that follows the "Summary Compensation Table."

Details regarding post-termination compensation are discussed in the section entitled "Other Potential Post-Termination Employment Benefits."

38

---

Table of Contents*Summary Compensation Table*

| <b>Name &amp;<br/>Principal<br/>Position</b>  | <b>Year</b> | <b>Salary<br/>(\$)</b> | <b>Stock<br/>Awards<br/>(\$ (1))</b> | <b>Option<br/>Awards<br/>(\$ (2))</b> | <b>Non-Equity<br/>Incentive<br/>Plan<br/>Compensation<br/>(\$ (3))</b> | <b>Change in<br/>Pension<br/>Value and<br/>Non-Qualified<br/>Deferred<br/>Compensation<br/>Earnings (\$)<br/>(4)</b> | <b>All Other<br/>Compensation<br/>(\$ (5))</b> | <b>Total</b> |
|---|-------------|------------------------|--------------------------------------|---------------------------------------|--|--|--|--------------|
| John A. Hayes<br>Chairman,<br>President and<br>CEO  | 2014        | \$ 1,149,327           | \$ 1,933,358                         | \$ 1,746,180                          | \$ 4,255,890   | \$ 243,109   | \$ 84,686                                      | \$ 9,412,340 |
|   | 2013        | \$ 1,121,538           | \$ 1,929,060                         | \$ 1,585,056                          | \$ 2,870,096   | \$ 40,567  | \$ 190,280                                     | \$ 7,736,537 |
|   | 2012        | \$ 973,558             | \$ 2,103,660                         | \$ 1,991,840                          | \$ 3,325,575   | \$ 160,588   | \$ 692,373                                     | \$ 9,247,514 |
| Brett C.<br>Morrison<br>VP, CFO   | 2014        | \$ 596,384             | \$ 458,805                           | \$ 413,982                            | \$ 1,259,021   | \$ 135,697   | \$ 47,684                                      | \$ 2,911,873 |
|   | 2013        | \$ 582,715             | \$ 445,521                           | \$ 366,718                            | \$ 832,241   | \$ 28,003  | \$ 44,349                                      | \$ 2,299,546 |
|   | 2012        | \$ 485,308             | \$ 467,480                           | \$ 432,352                            | \$ 1,056,060   | \$ 86,239  | \$ 44,149                                      | \$ 2,571,488 |
| Michael W.<br>Lindser<br>VP Ball Corp;<br>CEO Global<br>Retail Food &<br>Household<br>Products<br>Packaging | 2014        | \$ 414,000             | \$ 223,269                           | \$ 202,086                            | \$ 684,946   | \$ 91,002  | \$ 44,468                                      | \$ 1,659,761 |
|   | 2013        | \$ 397,905             | \$ 192,906                           | \$ 158,158                            | \$ 799,531   | \$ 68,913  | \$ 39,657                                      | \$ 1,657,110 |
|   | 2012        | \$                     | \$                                   | \$                                    | \$   | \$   | \$   | \$           |
| Charles E.<br>Walker<br>VP, General<br>Counsel and<br>Corporate<br>Secretary                                | 2014        | \$ 460,156             | \$ 242,897                           | \$ 219,744                            | \$ 750,604   | \$ 197,300   | \$ 35,430                                      | \$ 1,906,131 |
|   | 2013        | \$ 443,585             | \$ 250,319                           | \$ 205,953                            | \$ 457,521   | \$ 38,347  | \$ 34,730                                      | \$ 1,430,155 |
|   | 2012        | \$ 383,485             | \$ 275,210                           | \$ 254,880                            | \$ 626,596   | \$ 133,930   | \$ 34,530                                      | \$ 1,708,631 |
| Lisa A. Pauley<br>VP, Human<br>Resources<br>Administration  | 2014        | \$ 439,475             | \$ 223,269                           | \$ 202,086                            | \$ 820,656   | \$ 169,316   | \$ 41,762                                      | \$ 1,896,544 |
|   | 2013        | \$                     | \$                                   | \$                                    | \$   | \$   | \$   | \$           |
|   | 2012        | \$                     | \$                                   | \$                                    | \$   | \$   | \$   | \$           |

(1)

Reflects the fair value of performance-contingent equity awards granted for each reported year, calculated in accordance with Topic 718 assuming the probable outcome. The assumptions used in the calculation of these

amounts are included in the Corporation's Annual Report on Form 10-K in Notes 1 and 16 to the Consolidated Financial Statements for fiscal year ended December 31, 2014. At the maximum number, the values for 2014 PC-RSUs are: Mr. Hayes \$3,866,716; Mr. Morrison \$917,609; Mr. Feldser \$446,537; Mr. Baker \$485,793, and Ms. Pauley \$446,537; and values for 2013 PC-RSUs are: Mr. Hayes \$3,858,120; Mr. Morrison \$891,042; Mr. Feldser \$385,812; Mr. Baker \$500,637, and Ms. Pauley \$431,742.

(2)

Reflects the fair value of ISO or SAR equity awards granted for each reported year, calculated in accordance with Topic 718. The assumptions used in the calculation of these amounts are included in the Corporation's Annual Report on Form 10-K in Notes 1 and 16 to the Consolidated Financial Statements for fiscal year ended December 31, 2014.

(3)

Includes payouts from the Annual Incentive Compensation Plan and LTCIP, which were earned in 2014 and paid or deferred in 2015. The detail for each NEO is as follows:

*Mr. Hayes* Annual Incentive Compensation Plan = \$2,615,011; LTCIP = \$1,640,879; no portion of the annual incentive was deferred in February 2015.

*Mr. Morrison* Annual Incentive Compensation Plan = \$845,374; LTCIP = \$413,647; and \$169,075 of the annual incentive was deferred in February 2015.

*Mr. Feldser* Annual Incentive Compensation Plan = \$421,091; LTCIP = \$263,855; and \$210,546 of the annual incentive was deferred in February 2015.

*Mr. Baker* Annual Incentive Compensation Plan = \$521,816; LTCIP = \$228,788; and \$150,000 of the annual incentive was deferred in February 2015.

*Ms. Pauley* Annual Incentive Compensation Plan = \$539,894; LTCIP = \$280,762; and \$269,947 of the annual incentive was deferred in February 2015.

(4)

The aggregate change in pension value and above-market earnings, on deferred compensation for each NEO, is as follows:

*Mr. Hayes* \$238,135 aggregate change in pension value and \$4,974 above-market earnings on deferred compensation.

*Mr. Morrison* \$135,697 aggregate change in pension value.

*Mr. Feldser* \$91,002 aggregate change in pension value.

*Mr. Baker* \$172,022 aggregate change in pension value and \$25,278 above-market earnings on deferred compensation.

*Ms. Pauley* \$168,555 aggregate change in pension value and \$761 above-market earnings on deferred compensation.

The change in pension value includes benefit accruals during 2014 and the impact of changes in assumptions from 12/31/2013 to 12/31/2014. The discount rate for this time period decreased from 5.00% to 4.15%, which increases the present value of the pension benefits. The mortality table was also changed significantly which further increased the present value of any annuity payments.

(5)

May include the value of financial planning services, the incremental cost for the personal use of the corporate aircraft, the value of executive physical examinations, employer contributions to 401(k), employer contributions to the 2005 Deferred Compensation Company Stock Plan, employer paid disability insurance premiums and the value of the Corporation's match for the ESPP. Additional information for all is included in the "All Other Compensation Table" below.



Table of Contents*All Other Compensation Table*

| NEO                | Perquisites<br>and Other<br>Personal<br>Benefits<br>(1)(2) | Registrant<br>Contributions<br>to Defined<br>Contribution<br>Plans | Insurance<br>Premiums | Discounted<br>Securities<br>Purchases | Registrant<br>Contributions<br>to Deferred<br>Compensation<br>Plans |
|--------------------|--|--|-----------------------|---------------------------------------|---|
| John A. Hayes      | \$ 51,398  | \$ 10,400  | \$ 1,688              | \$ 1,200                              | \$ 20,000   |
| Scott C. Morrison  | \$ 14,285  | \$ 10,400  | \$ 1,799              | \$ 1,200                              | \$ 20,000   |
| Michael W. Feldser | \$ 10,159  | \$ 10,400  | \$ 2,709              | \$ 1,200                              | \$ 20,000   |
| Charles E. Baker   | \$ 1,650   | \$ 10,400  | \$ 2,180              | \$ 1,200                              | \$ 20,000   |
| Lisa A. Pauley     | \$ 9,564   | \$ 10,400  | \$ 1,798              | \$                                    | \$ 20,000   |

(1)

Represents the value of \$10,000 for financial planning services for Messrs. Hayes and Morrison, and \$7,500 for Ms. Pauley; the incremental costs for the personal use of the corporate aircraft for Messrs. Hayes, Morrison and Feldser, \$40,548, \$2,635 and \$10,159 respectively; the costs of executive physicals for Mr. Hayes of \$850, Messrs. Morrison and Baker of \$1,650 and Ms. Pauley of \$2,064.

(2)

The incremental cost of the personal use of the corporate aircraft was calculated based on the 2014 average direct operating cost apportioned among business versus nonbusiness related passengers.

**GRANTS OF PLAN-BASED AWARDS TABLE**

The "Grants of Plan-Based Awards Table" summarizes the plan-based awards granted by the Corporation to the NEOs during 2014, which includes the following:

Annual cash incentives pursuant to the Annual Incentive Compensation Plan for the 2014 performance cycle,

Cash-based long-term incentives under the LTCIP for the 2014-2016 three-year performance cycle,

Fair value of PC-RSUs for the 2014-2016 three-year performance cycle, calculated in accordance with Topic 718, and

Fair value of stock-settled SARs and/or ISOs, calculated in accordance with Topic 718.

Awards made under the Annual EVA® Incentive Compensation Plan are determined based on EVA® performance. For the NEOs, awards can range from 0% to 200% of target. Amounts earned in excess of 200% are banked and may be paid over time in one-third increments based on corporate and/or operating unit performance.

Awards under the LTCIP are granted on an annual basis and are determined based on the Corporation's TSR relative to the subset of S&P 500 companies described in the CD&A as well as the Corporation's ROAIC. Effective January 1, 2013, each NEO's incentive opportunity was set as a fixed target dollar amount. The award made in 2014 is for the three-year performance cycle beginning January 1, 2014, and ending December 31, 2016.

PC-RSUs were granted to the NEOs in 2014. The awards will cliff vest after the performance cycle if the Corporation's performance measure and degree of vesting of the units, which is based on a future target value of absolute EVA® dollars generated in excess of Ball's 9% after-tax hurdle rate as the capital charge, relative to compound growth rate targets achieved over a three-year period. PC-RSUs awarded in 2014 have a

## Edgar Filing: BALL CORP - Form PRE 14A

potential outcome to the executive from 0% to 200%. SARs were granted to the NEOs in 2014. The awards vest annually in 25% increments starting on the first anniversary of the date of grant. If the price of the Corporation's stock increases during the vesting period, each NEO would receive, upon exercise, a number of shares of Corporation stock that reflects the value of the appreciation over the original grant price.

Dividends or dividend equivalents are paid quarterly on the number of unvested restricted shares or RSUs accounted for on the record date used for determining dividends payable to shareholders and at the same dividend rate as paid to shareholders. Dividend equivalents related to PC-RSUs granted pursuant to the 2013 Stock and Cash Incentive Plan will be accrued and paid only if the performance condition is achieved and the restrictions on the units lapse.

The vesting of plan-based awards may be accelerated as described in the narrative to the "Other Potential Post-Termination Employment Benefits Table."

40

---

Table of Contents*Grants of Plan-Based Awards Table*

| Grant Date | Estimated Future Payouts Under Non-Equity Incentive Plan Awards |             |              | Estimated Future Payouts Under Equity Incentive Plan Awards |            |             | All Other Stock Awards: Number of Shares of | Grant Date per Share Fair Value | All Other Option Awards: Number of Securities | Executive Based of Incentive Plan Awards (\$ per |
|------------|---|-------------|--------------|---|------------|-------------|---|---------------------------------|---|--|
|            | Threshold (\$)  | Target (\$) | Maximum (\$) | Threshold (#)   | Target (#) | Maximum (#) | Stock or Units (#)                          | of All Other Stock Awards       | Underlying Options (#)                        | O (\$ pe   |
| /1/14(2)   | \$0   | \$995,000   | \$1,990,000  |   |            |             |   |                                 |   |  |
| /1/14(3)   | \$0   | \$1,379,192 | \$2,758,385  |   |            |             |   |                                 |   |  |
| 29/14(4)   |   |             |              | 0   | 39,400     | 78,800      |   |                                 |   |  |
| 29/14      |   |             |              |   |            |             |   |                                 | 178,000                                       |  |
| /1/14(2)   | \$0   | \$236,000   | \$472,000    |   |            |             |   |                                 |   |  |
| /1/14(3)   | \$0   | \$447,288   | \$894,576    |   |            |             |   |                                 |   |  |
| 29/14(4)   |   |             |              | 0   | 9,350      | 18,700      |   |                                 |   |  |
| 29/14      |   |             |              |   |            |             |   |                                 | 42,200  |  |
| /1/14(2)   | \$0   | \$115,000   | \$230,000    |   |            |             |   |                                 |   |  |
| /1/14(3)   | \$0   | \$289,800   | \$579,600    |   |            |             |   |                                 |   |  |
| 29/14(4)   |   |             |              | 0   | 4,550      | 9,100       |   |                                 |   |  |
| 29/14      |   |             |              |   |            |             |   |                                 | 20,600  |  |
| /1/14(2)   | \$0   | \$125,000   | \$250,000    |   |            |             |   |                                 |   |  |
| /1/14(3)   | \$0   | \$276,093   | \$552,187    |   |            |             |   |                                 |   |  |
| 29/14(4)   |   |             |              | 0   | 4,950      | 9,900       |   |                                 |   |  |
| 29/14      |   |             |              |   |            |             |   |                                 | 22,400  |  |
| /1/14(2)   | \$0   | \$115,000   | \$230,000    |   |            |             |   |                                 |   |  |
| /1/14(3)   | \$0   | \$285,658   | \$571,317    |   |            |             |   |                                 |   |  |
| 29/14(4)   |   |             |              | 0   | 4,550      | 9,100       |   |                                 |   |  |
| 29/14      |   |             |              |   |            |             |   |                                 | 20,600  |  |

- (1) The grant date fair value of equity incentive plan awards, based on the probable outcome of the performance condition, and stock and option awards all calculated in accordance with Topic 718, and as referenced in the Corporation's Annual Report on Form 10-K in Notes 1 and 16 to the Consolidated Financial Statements for the fiscal year ended December 31, 2014.
- (2) Represents grants made under the LTCIP. Effective January 1, 2014, each NEO's incentive opportunity was set as a fixed target dollar amount.
- (3) Represents grants made under the Annual EVA® Incentive Compensation Plan.



(4)

Represents PC-RSUs granted January 29, 2014, at a value of \$49.07 per unit, with an assumption of probable outcome at target if the performance measurements are met.

Table of Contents**OUTSTANDING EQUITY AWARDS AS OF DECEMBER 31, 2014**

The following table outlines the outstanding option awards and stock awards held by the NEOs as of December 31, 2014. The outstanding option awards and stock awards represented in the table were granted to the NEOs over a period of several years, including 2014.

| <b>Option Awards</b>                               |  |  |  |   | <b>Stock Awards</b>                   |  |   |  |
|--|--|--|--|---|---------------------------------------|--|---|--|
| <b>Number of<br/>Options (#)<br/>Unexercisable</b> | <b>Number of<br/>Securities<br/>Underlying<br/>Unexercised<br/>Options (#)<br/>Unexercisable (1)</b> | <b>Equity<br/>Incentive<br/>Plan Awards:<br/>Number of<br/>Securities<br/>Underlying<br/>Unexercised<br/>Options (#)</b> |  | <b>Option<br/>Exercise<br/>Price (\$)</b> | <b>Option<br/>Expiration<br/>Date</b> | <b>Number of<br/>Shares or<br/>Units of<br/>Stock That<br/>Have Not<br/>Vested (#) (2)</b> | <b>Market<br/>Value of<br/>Shares or<br/>Units of<br/>Stock That<br/>Have Not<br/>Vested (\$) (3)</b> | <b>Equity<br/>Incentive<br/>Plan Awards:<br/>Number of<br/>Unearned<br/>Shares,<br/>Units or<br/>Other Rights<br/>That Have Not<br/>Vested (#) (4)</b> |
|  |  |  |  |   |                                       |  |   |  |
| 33,000 (5)   |  |  |  | \$ 25.0550                                | 4/23/2018                             | 12,000   | \$ 818,040  | 137,200  |
| 1,000  |  |  |  | \$ 20.0400                                | 1/28/2019                             |  |   |  |
| 33,000 (5)   |  | (5)  |  | \$ 20.0400                                | 1/28/2019                             |  |   |  |
| 6,800  |  |  |  | \$ 25.2250                                | 1/27/2020                             |  |   |  |
| 7,200 (5)  |  | (5)  |  | \$ 25.2250                                | 1/27/2020                             |  |   |  |
| 28,970   | 42,990 (5)   |  |  | \$ 35.8350                                | 1/26/2021                             |  |   |  |
| 900  | 900  |  |  | \$ 37.7000                                | 1/25/2022                             |  |   |  |
| 104,600 (5)  | 104,600 (5)  |  |  | \$ 37.7000                                | 1/25/2022                             |  |   |  |
| 136,800 (5)  | 136,800 (5)  |  |  | \$ 45.9300                                | 1/30/2023                             |  |   |  |
| 178,000 (5)  | 178,000 (5)  |  |  | \$ 49.0700                                | 1/29/2024                             |  |   |  |
| 7,828  |  |  |  | \$ 21.8450                                | 4/26/2016                             | 8,800  | \$ 599,896  | 31,450   |
| 6,000 (5)  |  |  |  | \$ 21.8450                                | 4/26/2016                             |  |   |  |
| 6,328  |  |  |  | \$ 24.6600                                | 4/25/2017                             |  |   |  |
| 17,672 (5)   |  |  |  | \$ 24.6600                                | 4/25/2017                             |  |   |  |
| 18,000 (5)   |  |  |  | \$ 25.0550                                | 4/23/2018                             |  |   |  |
| 3,400  |  |  |  | \$ 20.0400                                | 1/28/2019                             |  |   |  |
| 31,600 (5)   |  |  |  | \$ 20.0400                                | 1/28/2019                             |  |   |  |
| 6,800  |  |  |  | \$ 25.2250                                | 1/27/2020                             |  |   |  |
| 32,200 (5)   |  |  |  | \$ 25.2250                                | 1/27/2020                             |  |   |  |
| 30,450 (5)   | 10,150 (5)   |  |  | \$ 35.8350                                | 1/26/2021                             |  |   |  |
| 200  | 200  |  |  | \$ 37.7000                                | 1/25/2022                             |  |   |  |
| 22,700 (5)   | 22,700 (5)   |  |  | \$ 37.7000                                | 1/25/2022                             |  |   |  |
| 10,550 (5)   | 31,650 (5)   |  |  | \$ 45.9300                                | 1/30/2023                             |  |   |  |
|  | 42,200 (5)   |  |  | \$ 49.0700                                | 1/29/2024                             |  |   |  |
| 19,000 (5)   |  |  |  | \$ 20.0400                                | 1/28/2019                             | 6,400  | \$ 436,288  | 14,150   |

Edgar Filing: BALL CORP - Form PRE 14A

|            |            |            |           |          |         |           |
|------------|------------|------------|-----------|----------|---------|-----------|
| 6,800      |            | \$ 25.2250 | 1/27/2020 |          |         |           |
| 18,200 (5) |            | \$ 25.2250 | 1/27/2020 |          |         |           |
| 14,775 (5) | 4,925 (5)  | \$ 35.8350 | 1/26/2021 |          |         |           |
| 1,350      | 1,350      | \$ 37.7000 | 1/25/2022 |          |         |           |
| 8,500 (5)  | 8,500 (5)  | \$ 37.7000 | 1/25/2022 |          |         |           |
| 4,550 (5)  | 13,650 (5) | \$ 45.9300 | 1/30/2023 |          |         |           |
|            | 20,600 (5) | \$ 49.0700 | 1/29/2024 |          |         |           |
| 14,000     |            | \$ 19.8700 | 4/27/2015 | 3,200 \$ | 218,144 | 17,700 \$ |
| 24,000 (5) |            | \$ 21.8450 | 4/26/2016 |          |         |           |
| 29,320 (5) |            | \$ 24.6600 | 4/25/2017 |          |         |           |
| 26,000 (5) |            | \$ 25.0550 | 4/23/2018 |          |         |           |
| 48,200 (5) |            | \$ 20.0400 | 1/28/2019 |          |         |           |
| 2,000      |            | \$ 25.2250 | 1/27/2020 |          |         |           |
| 32,000 (5) |            | \$ 25.2250 | 1/27/2020 |          |         |           |
| 20,250 (5) | 6,750 (5)  | \$ 35.8350 | 1/26/2021 |          |         |           |
| 13,500 (5) | 13,500 (5) | \$ 37.7000 | 1/25/2022 |          |         |           |
| 5,925 (5)  | 17,775 (5) | \$ 45.9300 | 1/30/2023 |          |         |           |
|            | 22,400 (5) | \$ 49.0700 | 1/29/2024 |          |         |           |
| 8,500      |            | \$ 19.8700 | 4/27/2015 | 3,600 \$ | 245,412 | 14,750 \$ |
| 5,500      |            | \$ 21.8450 | 4/26/2016 |          |         |           |
| 5,500 (5)  |            | \$ 21.8450 | 4/26/2016 |          |         |           |
| 5,152      |            | \$ 24.6600 | 4/25/2017 |          |         |           |
| 12,848 (5) |            | \$ 24.6600 | 4/25/2017 |          |         |           |
| 2,700      |            | \$ 25.0550 | 4/23/2018 |          |         |           |
| 11,280 (5) |            | \$ 25.0550 | 4/23/2018 |          |         |           |
| 4,200      |            | \$ 20.0400 | 1/28/2019 |          |         |           |
| 23,800 (5) |            | \$ 20.0400 | 1/28/2019 |          |         |           |
| 4,600      |            | \$ 25.2250 | 1/27/2020 |          |         |           |
| 14,000 (5) |            | \$ 25.2250 | 1/27/2020 |          |         |           |
| 10,275 (5) | 3,425 (5)  | \$ 35.8350 | 1/26/2021 |          |         |           |
| 10,100 (5) | 10,100 (5) | \$ 37.7000 | 1/25/2022 |          |         |           |
| 5,125      | 15,375 (5) | \$ 45.9300 | 1/30/2023 |          |         |           |
|            | 20,600 (5) | \$ 49.0700 | 1/29/2024 |          |         |           |

- (1) The vesting schedule for the unexercisable stock options and SARs become exercisable in 25% annual increments on the anniversary of the grant date, beginning on the first anniversary.

Table of Contents

(2)

The vesting schedule for units not yet vested for each NEO is as follows:

*Mr. Hayes* 12,000 on March 15, 2015.

*Mr. Morrison* 8,800 on March 15, 2015.

*Mr. Feldser* 4,800 on March 15, 2015; and 1,600 on September 15, 2015.

*Mr. Baker* 3,200 on March 15, 2015.

*Ms. Pauley* 3,600 on March 15, 2015.

(3)

The market value of shares is based on \$68.17, the closing price of Ball Corporation common stock on December 31, 2014.

(4)

The vesting dates for the units not yet vested for each NEO for years 2015, 2016 and 2017, contingent on meeting the performance goal of the period ending December 31 in years 2014, 2015 and 2016, respectively, and upon certification of the performance measures by Board, is as follows:

|                     | <i>~January 31,<br/>2015</i> | <i>~January 31,<br/>2016</i> | <i>~January 31,<br/>2017</i> |
|---------------------|------------------------------|------------------------------|------------------------------|
| <i>Mr. Hayes</i>    | 55,800                       | 42,000                       | 39,400                       |
| <i>Mr. Morrison</i> | 12,400                       | 9,700                        | 9,350                        |
| <i>Mr. Feldser</i>  | 7,300                        | 5,450                        | 4,550                        |
| <i>Mr. Baker</i>    | 5,450                        | 4,950                        | 4,950                        |
| <i>Ms. Pauley</i>   | 5,500                        | 4,700                        | 4,550                        |

(5)

Represents a grant of stock-settled SARs.

**OPTION EXERCISES AND STOCK VESTED IN 2014**

The following table summarizes for each NEO the options exercised and the stock awards vested during 2014. The options that were exercised by each NEO were granted in prior years and became exercisable pursuant to a prescribed vesting schedule. The value realized on exercise reflects the appreciation in the stock price from the option base price on grant date to the exercise date and is reported on a before-tax basis. The shares acquired upon vesting for each NEO were for RSUs granted in prior years that vested pursuant to a prescribed vesting schedule. The value realized reflects the closing stock price on the vesting date and is also reported on a before-tax basis. NEOs can defer the receipt of units of certain awards into the Ball Corporation 2005 Deferred Compensation Company Stock Plan, pursuant to which distributions may take place no earlier than the participant's separation from service. Information regarding the 2005 Deferred Compensation Company Stock Plan is provided in the "Non-Qualified Deferred Compensation" section that follows. Footnotes are provided to detail circumstances when amounts realized upon vesting were deferred. The value realized on vesting also includes the vested value of dividend equivalents paid during 2014 on outstanding RSUs or payment on accrued dividend equivalent earned for the 2011-2013 PC-RSU cycle.

| NEO               | Option Awards                         |                                 | Stock Awards  |   |
|-------------------|---------------------------------------|---------------------------------|---|---|
|                   | Number of Shares Acquired on Exercise | Value Realized on Exercise (\$) | Number of Shares Acquired on Vesting <sup>(2)</sup> | Value Realized on Vesting (\$) <sup>(1)(2)(3)</sup> |
| John A. Hayes     | 20,887                                | \$ 2,110,800                    | 55,430  | \$ 2,926,148  |
| Scott C. Morrison |                                       |                                 |   |   |

Edgar Filing: BALL CORP - Form PRE 14A

|                    |       |    |         |        |    |           |
|--------------------|-------|----|---------|--------|----|-----------|
|                    | 2,741 | \$ | 312,600 | 20,000 | \$ | 1,085,034 |
| Michael W. Feldser |       | \$ |         | 11,000 | \$ | 613,310   |
| Charles E. Baker   |       | \$ |         | 9,700  | \$ | 514,095   |
| Lisa A. Pauley     | 6,800 | \$ | 255,362 | 6,400  | \$ | 341,947   |

(1) Value realized on vesting is based on the closing stock price on the day the RSUs vested.

(2) Amounts deferred to the 2005 Deferred Compensation Company Stock Plan upon vesting of stock awards for each NEO is as follows:

- Mr. Hayes* Deferred 23,215 vested RSUs valued at \$1,188,376
- Mr. Morrison* Deferred 6,480 vested RSUs valued at \$348,950
- Mr. Feldser* Deferred 3,600 vested RSUs valued at \$194,508
- Mr. Baker* Deferred 8,400 vested RSUs valued at \$436,812
- Ms. Pauley* Deferred 6,400 vested RSUs valued at \$335,284

(3) Value realized on vesting also includes the value of dividend equivalents vested and paid during 2014 on outstanding RSU balances eligible for dividend equivalents on the record date at a dividend rate equal to that paid to the Corporation's common shareholders. Dividend equivalents related to PC-RSUs granted pursuant to the 2013 Stock and Cash Incentive Plan are accrued and paid only if the performance condition is achieved and the restrictions on the units vest. Dividend equivalents paid during 2014 for each NEO is as follows:

- Mr. Hayes* \$63,126
- Mr. Morrison* \$19,258
- Mr. Feldser* \$11,056
- Mr. Baker* \$10,736
- Ms. Pauley* \$6,663

Table of Contents

**NON-QUALIFIED DEFERRED COMPENSATION**

The Corporation has three active deferred compensation plans to which eligible participants may make contributions: the 2005 Ball Corporation Deferred Compensation Plan, the 2005 Ball Corporation Deferred Compensation Company Stock Plan, and the 2005 Ball Corporation Deferred Compensation Plan for Directors.

**2005 Deferred Compensation Plan and 2005 Deferred Compensation Plan for Directors** Eligible employee participants may defer payment of a portion or all of their annual incentive compensation, and nonmanagement members of the Corporation's Board may defer a portion or all of their annual director fees; and may also include the deferral of payments of other forms of a NEO's cash compensation, as mandated by the Committee, to the extent that such compensation would not be deductible in a given year as a result of the limitations of Code Section 162(m). Amounts deferred or credited are notionally invested among various investment funds where the return on the participant's balance is determined as if the amounts were invested in those funds. The menu of investment funds consists of 20 mutual fund-like investments. The one-year annual rate of return of the funds ranged from 0% to 31.75%, and the three-year average annual rate of return of the funds ranged from a 0.02% to 21.84%. Distributions are based on the payment schedule elected by the participant, and may occur in service or commence at a defined point no sooner than six months following separation of service, in the form of either a lump sum and/or annual installments ranging between two and fifteen years.

**2005 Deferred Compensation Company Stock Plan** Eligible employee participants may defer payment of a portion or all of their annual incentive compensation, and nonmanagement members of the Corporation's Board as participants may defer payment of a portion or all of their annual director fees. Elections to defer annual incentive compensation or director fees are made annually. Participants may also elect to defer the issuance of RSUs. Amounts are deferred or credited to a participant account as stock units with each unit having the value equivalent to one share of Ball Corporation common stock, and also receive a 20% Corporation match with a maximum match of \$20,000 per year. Pursuant to specified timing rules, participants may reallocate a prescribed percentage of units to other mutual fund-like investments; however, at least 50% of the balance will remain in stock units until retirement. Dividend equivalents, applicable to any balance denominated in units, are credited to each participant's accounts as of each dividend payment date for the Corporation's common stock. Distributions follow the payment schedule elected by the participant and may commence at a defined point no sooner than six months following separation of service, in the form of a lump sum and/or annual installments ranging between two and fifteen years.

The basis for investment earnings on prior plans varies as follows:

**2001 Deferred Compensation Plan and 2002 Deferred Compensation Plan for Directors** Balance is notionally invested in mutual fund-like investments.

**2000 Deferred Compensation Company Stock Plan** Balance is represented in the form of stock units, with each unit having a value equivalent to one share of Ball Corporation common stock. Dividend equivalents are credited to the account as of each dividend payment date for the Corporation's common stock.

**1989 Deferred Compensation Plan** Provides for an annual return equal to the average composite yield on Moody's for the 12 months ending October 31.

**1986 Deferred Compensation Plan and 1986 Deferred Compensation Plan for Directors and 1988 Deferred Compensation Plan** Provides for an annual return equal to the average composite yield on Moody's for the 12 months ending October 31 plus 5 percentage points. Additionally, the 1988 Deferred Compensation Plan includes a fixed rate set by the Corporation at 9% for company directed deferrals.

**Ball-InCon Deferred Compensation Plan** Depending on the time of the initial deferral, the plan provides for an annual return equal to the average composite yield on Moody's for the 12 months ending October 31 or the Moody's rate plus 5 percentage points.



Table of Contents

The following table provides information related to the Corporation's deferred compensation plans. The "Aggregate Balance at Last FYE" column represents compensation earned, deferred and accumulated by the NEOs over many years and does not represent current year compensation.

*Non-Qualified Deferred Compensation Table*

| NEO                | Executive Contributions in Last FY (\$) | Registrant Contributions in Last FY (\$) | Aggregate Earnings in Last FY (\$) | Aggregate Withdrawals/Distributions (\$) | Aggregate Balance at Last FYE (\$) |
|--------------------|---|--|------------------------------------|--|------------------------------------|
| John A. Hayes      | \$ 1,188,376                            | \$ 20,000                                | \$ 3,898,941                       | \$                                       | \$ 20,610,249                      |
| Scott C. Morrison  | \$ 446,031                              | \$ 20,000                                | \$ 2,087,167                       | \$                                       | \$ 9,711,084                       |
| Michael W. Feldser | \$ 341,141                              | \$ 20,000                                | \$ 764,071                         | \$                                       | \$ 3,480,185                       |
| Charles E. Baker   | \$ 586,812                              | \$ 20,000                                | \$ 910,855                         | \$                                       | \$ 5,925,301                       |
| Lisa A. Pauley     | \$ 500,211                              | \$ 20,000                                | \$ 962,931                         | \$                                       | \$ 4,741,826                       |

*Mr. Hayes* \$20,000 of the Registrant Contributions and \$4,974 of the Aggregate Earnings are reported as compensation in the "Summary Compensation Table" for fiscal year 2014 and \$4,347,534 of the Aggregate Balance was reported as compensation in the "Summary Compensation Table" since 2006. The Aggregate Earnings reflects \$167,572 from cash accounts composed of \$7,856 based on Moody's rate plus 5 percentage points and \$159,715 based on notional investments in investment funds, plus \$3,731,369 based on an increase in value and dividend equivalents on equity accounts.

*Mr. Morrison* \$20,000 of the Registrant Contributions is reported as compensation in the "Summary Compensation Table" for fiscal year 2014 and \$1,352,569 of the Aggregate Balance was reported as compensation in the "Summary Compensation Table" since 2010. The Aggregate Earnings reflects \$72,652 from cash accounts composed of notional investments in investment funds, plus \$2,014,515 based on an increase in value and dividend equivalents on equity accounts.

*Mr. Feldser* \$20,000 of the Registrant Contributions is reported as compensation in the "Summary Compensation Table" for fiscal year 2014 and \$186,633 of the Aggregate Balance has been reported as compensation in the "Summary Compensation Table" since 2013. The Aggregate Earnings reflects \$19,176 from cash accounts based on notional investments in investment funds, plus \$744,895 based on an increase in value and dividend equivalents on equity accounts.

*Mr. Baker* \$20,000 of the Registrant Contributions and \$25,278 of the Aggregate Earnings are reported as compensation in the "Summary Compensation Table" for fiscal year 2014 and \$1,089,917 of the Aggregate Balance has been reported as compensation in the "Summary Compensation Table" since 2011. The Aggregate Earnings reflects \$169,636 from cash accounts composed of \$39,926 based on Moody's rate plus 5 percentage points, \$1,758 based on Moody's rate and \$127,952 based on notional investments in investment funds, plus \$741,219 based on an increase in value and dividend equivalents on equity accounts.

*Ms. Pauley* \$20,000 of the Registrant Contributions and \$761 of the Aggregate Earnings are reported as compensation in the "Summary Compensation Table" for fiscal year 2014 and \$266,311 of the Aggregate Balance has been reported as compensation in the "Summary Compensation Table" in years 2011 and 2014. The Aggregate Earnings reflects \$61,647 from cash accounts composed of \$1,203 based on Moody's rate plus 5 percentage points and \$60,444 based on notional investments in investment funds, plus \$901,284 based on an increase in value and dividend equivalents on equity accounts.



**PENSION BENEFITS**

Retirement benefits are provided to the U.S.-based NEOs under a qualified salaried defined benefit pension plan and a non-qualified Supplemental Executive Retirement Plan ("SERP"). The "Pension Benefits Table" shows each U.S.-based NEO's number of years of credited service, present value of accumulated benefits and payments during fiscal year 2014 for the qualified plan and the SERP. The present value of the accumulated benefit is the December 31, 2014, value of the annual benefit that was earned as of December 31, 2014.

The Corporation offers two qualified salaried defined benefit pension plans in the U.S. that provide the same benefits. One plan covers its Aerospace subsidiary's salaried employees and the other covers all other U.S. salaried employees. The U.S.-based NEOs are covered under the latter. The qualified plans were designed to provide tax-qualified pension benefits that are generally available to all U.S. salaried employees. Effective January 1, 2007, the Corporation changed the formula by which the accrued pension benefit under the plans is determined. Prior to January 1, 2007, the accrued pension benefit expressed as a monthly annuity payable at age 65 was based on final average salary, covered compensation and years of service. Effective January 1, 2007, the accrued pension benefit is a monthly annuity that is equivalent to a lump sum payable when the participant reaches age 65 calculated on base salary each year, the Social Security Wage Base ("SSWB") and a multiple based on years of service. Payments of accrued benefits earned may be in the form of an annuity, lump sum or a combination of both, depending on the election of the participant at retirement. The Corporation also sponsors a non-qualified SERP that mirrors the pension plans and is designed to replace the

## Edgar Filing: BALL CORP - Form PRE 14A

### Table of Contents

benefits that would have been provided under the pension plans if they were not subject to IRS-imposed limits. Under the Code, the maximum permissible benefit from the qualified plans for retirement in 2014 is \$210,000 and annual compensation exceeding \$260,000 in 2014 cannot be considered in computing the maximum permissible benefit under the plans.

### **Terms for U.S. Accrued Benefits Prior to January 1, 2007**

The monthly accrued benefit for benefits earned prior to January 1, 2007, was determined according to the following formula:

*1% times Final Monthly Average Salary plus 0.5% times Final Monthly Average Salary in excess of Covered Compensation times Benefit Service through December 31, 2006, up to a maximum of 35 years, where*

*Salary* is defined to be a NEO's monthly base salary excluding bonus and incentive compensation.

*Final Monthly Average Salary* is calculated based on the highest average for any 60 consecutive months out of the last 120 months through December 31, 2006.

*Covered Compensation* is an average of the SSWB in effect during a NEO's career. The SSWB is the maximum monthly amount of income on which FICA taxes are due. The years included in the average are the 35 years ending in the year the NEO is eligible for an unreduced social security benefit. This portion of the benefit formula accounts for the fact that social security does not cover earnings over a certain level.

*Benefit Service* is a NEO's service as a salaried employee with the Corporation plus any service with a predecessor plan as appropriate. Participants are 100% vested in their benefit at the time they are credited with five or more years of service with the Corporation.

Normal retirement age under the plan is 65 with a minimum of five years of benefit service, but a participant may elect to receive payment upon termination or at any time after reaching age 55. Benefits paid before age 65 are subject to reduction based on the age and service at termination. Participants who terminate employment after age 55 with at least 10 years of vesting service will receive a reduction of benefit equal to 4% for each year that benefit commencement age precedes age 65 but is greater than age 60, and a 6% reduction for each year that benefit commencement age precedes age 60. Benefits for participants not meeting these requirements are reduced for payment prior to age 65 on an actuarial equivalent basis.

### **Terms for U.S. Accrued Benefits Beginning January 1, 2007**

The monthly annuity, which is the equivalent of a lump sum benefit payable at age 65, is based on a percentage of the participant's base pay each year as follows:

| <b>If, at the beginning of the year, benefit service is:</b> | <b>Annual lump sum benefit accrued and payable at age 65</b>       |
|--|--|
| 0 to 9 full years of benefit service                         | 11.5% of base pay + 5% of base pay over 50% of SSWB <sup>(1)</sup> |
| 10 to 19 full years of benefit service                       | 13.0% of base pay + 5% of base pay over 50% of SSWB <sup>(1)</sup> |
| 20 or more full years of benefit service                     | 15.0% of base pay + 5% of base pay over 50% of SSWB <sup>(1)</sup> |

(1) SSWB is the maximum earnings on which the participant pays FICA tax each year. This portion of the pension formula accounts for the fact that social security does not cover earnings over a certain level.

Base pay is the NEO's base salary during the calendar year excluding incentive compensation, severance pay or vacation payouts.

Upon termination or retirement, the vested pension benefit accrued beginning January 1, 2007, may be paid to the participant in either a lump sum or annuity. If the benefit is paid prior to age 65, the benefit will be reduced 5% compounded annually for each year the payment is made before such age.



Table of Contents**Terms for U.S. SERP Accrued Benefits**

Since the SERP mirrors the U.S. qualified pension plan, the formulas for deriving the SERP accrued benefits are the same as those described above for the pension plans; however, the amount of retirement benefit the participants receive is equal to the difference between the benefit calculated without IRS limits and the benefit calculated with IRS limits. Effective January 1, 2007, the SERP was amended by the Committee to provide participants with benefits accrued as of December 31, 2006, a one-time option to elect the form of payment under which the participant will receive benefits in the future. The payment options available consist of various annuities and a lump sum. For all SERP benefits accrued beginning January 1, 2007, participants will receive benefits only in the form of a lump sum. In accordance with Code Section 409A, payments from the SERP will commence six months after termination of employment. The SERP was also amended to provide that when determining lump sum payments, the SERP would use the same assumptions that exist in the salaried retirement plans except that the interest rate used shall be equal to four-fifths of the interest rate used to determine lump sum benefits under those salaried retirement plans in recognition that payments from the SERP cannot be rolled into a tax-deferred account such as an IRA.

**Present Value Assumptions**

The Present Value of Accumulated Benefit reported in the table below is based on the following assumptions, which are consistent with those used for the Corporation's Consolidated Financial Statements on Ball Corporation's Form 10-K for fiscal year ending December 31, 2014:

|                                    |  |
|------------------------------------|--|
| Discount Rate at December 31, 2014 | 4.15% for U.S. accounting assumptions      |
| Mortality                          | RP-2000 Mortality Table projected 29 years |
| Preretirement Decrements           | None                                       |
| Qualified Form of Pension Payment  | Life Only Annuity 50% & Lump Sum 50%       |

***Pension Benefits Table***

| NEO                | Plan Name      | Number of Years Credited Service | Present Value of Accumulated Benefit (\$) | Payments During Last Fiscal Year (\$) |
|--------------------|----------------|----------------------------------|---|---------------------------------------|
| John A. Hayes      | U.S. Qualified | 15.88                            | \$ 313,413                                | \$                                    |
|                    | U.S. SERP      | 15.88                            | \$ 481,928                                | \$                                    |
| Scott C. Morrison  | U.S. Qualified | 14.26                            | \$ 320,779                                | \$                                    |
|                    | U.S. SERP      | 14.26                            | \$ 153,543                                | \$                                    |
| Michael W. Feldser | U.S. Qualified | 8.80                             | \$ 317,524                                | \$                                    |
|                    | U.S. SERP      | 8.80                             | \$ 91,767                                 | \$                                    |
| Charles E. Baker   | U.S. Qualified | 21.46                            | \$ 577,835                                | \$                                    |
|                    | U.S. SERP      | 21.46                            | \$ 176,303                                | \$                                    |
| Lisa A. Pauley     | U.S. Qualified | 27.00                            | \$ 576,741                                | \$                                    |
|                    | U.S. SERP      | 27.00                            | \$ 61,462                                 | \$                                    |

Table of Contents

**OTHER POTENTIAL POST-TERMINATION EMPLOYMENT BENEFITS**

This section provides information related to the potential post-termination employment benefits that could be payable or due to the CEO and other NEOs under various termination scenarios. Such potential benefits payable or due may result from the Corporation's obligation to the executive under (1) any existing compensation and benefit plan, policy, practice or program of the Corporation that is generally available to all participants, or (2) under any agreement specifically entered into by the Corporation and the executive.

In general, the compensation and benefit elements provided to employees, including the CEO and other NEOs, are governed by provisions, terms or procedures of plan documents, policies and practices that define the rights of and the obligations due to the participant in the case of termination of employment. These provisions, terms or procedures apply to all employees, including the CEO and other NEOs receiving such compensation or benefit. Such compensation and benefit elements would include annual incentive compensation, long-term cash incentives, long-term equity incentives, retirement benefits and deferred compensation.

The Corporation has entered into certain severance benefit and change-in-control agreements with the CEO and other NEOs which contain provisions that require the Corporation to provide post-termination payments or benefits to each executive in the event of termination of employment without cause or termination following a change in control of the Corporation. The respective agreements with the U.S.-based NEOs contain customary noncompete provisions, non-solicitation provisions, non-disparagement provisions and confidentiality covenants, and were amended and restated in 2008 to conform with Code Section 409A. The Corporation does not have employment agreements with any of the NEOs. The key provisions, terms or procedures that would apply to the CEO and other NEOs for the various compensation and benefit elements under various termination scenarios are summarized in the table below. It is followed by another table containing an estimate of the compensation payable or the value of compensation elements due to the CEO and other NEOs under the various termination scenarios assuming termination was effective at the end of the fiscal year 2014.

Table of Contents*Post-Termination Employment Benefits Summary*

| <b>Component</b>                                    | <b>Voluntary or Termination for Cause</b>   | <b>Death</b>   | <b>Disability</b>  | <b>Termination Without Cause</b>  | <b>Termination Following a Change in Control</b>  |
|---|---|--|--|---|---|
| <b>Cash Severance</b>                               | No additional benefits received.  | No additional benefits received.   | No additional benefits received.   | CEO 2 times base salary plus target annual incentive.<br><br>All Other NEOs 1.25 to 1.5 times base salary plus target annual incentive.<br><br>Form of payment is a lump sum to all NEOs. | All NEOs 2 times base salary plus target annual incentive, which is paid in a lump sum.   |
| <b>Treatment of Annual Incentives</b>               | If terminated mid-performance cycle, NEOs age 55 or above receive a prorated portion of the award at the end of the performance cycle contingent on meeting the performance goal. | If death occurs mid-performance cycle, NEOs' beneficiaries receive a prorated portion of the award at the end of the performance cycle contingent on meeting the performance goal. | If disability occurs mid-performance cycle, NEOs receive a prorated portion of the award at the end of the performance cycle contingent on meeting the performance goal. | If terminated mid-performance cycle, NEOs receive a prorated portion of the award at the end of the performance cycle contingent on meeting the performance goal.                         | If terminated mid-performance cycle, NEOs receive a prorated portion of the target award.   |
| <b>Treatment of Long-Term Cash Incentives</b>       | If terminated mid-performance cycle, NEOs age 55 or above receive a prorated portion of the award at the end of the performance cycle contingent on meeting the performance goal. | If death occurs mid-performance cycle, NEOs' beneficiaries receive a prorated portion of the award at the end of the performance cycle contingent on meeting the performance goal. | If disability occurs mid-performance cycle, NEOs receive a prorated portion of the award at the end of the performance cycle contingent on meeting the performance goal. | If terminated mid-performance cycle, NEOs age 55 or above receive a prorated portion of the award at the end of the performance cycle contingent on meeting the performance goal.         | LTCIP NEOs receive a lump sum payment based on the performance at the end of the calendar year immediately preceding the change in control. |
| <b>Treatment of Restricted Stock/Deposit Shares</b> | Restricted Stock/Units All unvested stock/units are forfeited.<br><br>Deposit Shares NEOs age 55 or above receive a prorated portion of unvested stock/units.                     | Restricted Stock/Units All unvested stock/units vest.  | Restricted Stock/Units All unvested stock/units vest.  | Restricted Stock/Units All unvested stock/units are forfeited.<br><br>Deposit Shares NEOs age 55 or above receive a prorated portion of unvested stock/units.                             | Restricted Stock/Units All unvested stock/units vest.<br><br>Deposit Shares All unvested stock/units vest.                                  |



Table of Contents

| <b>Component</b>                                | <b>Voluntary or Termination for Cause</b>   | <b>Death</b>  | <b>Disability</b>   | <b>Termination Without Cause</b>  | <b>Termination Following a Change in Control</b>  |
|---|---|---|---|---|---|
| <b>Treatment of Performance Contingent RSUs</b> | NEOs age 55 or above with 15 years of service or age 60 or above with 10 years of service and who have signed a noncompetition agreement, unvested units will cliff vest on the vest date if the performance measure is achieved.   | All unvested units vest at the end of the performance cycle if the performance measure is achieved. | All unvested units vest at the end of the performance cycle if the performance measure is achieved. | NEOs age 55 or above with 15 years of service or age 60 or above with 10 years of service and who have signed a noncompetition agreement, unvested units will cliff vest on the vest date if the performance measure is achieved.   | All unvested units vest.  |
| <b>Treatment of Stock Options</b>               | <p>Stock Options Granted Prior to 2007 Unvested shares are forfeited. For NEOs age 55 or above, vested options remain exercisable for a maximum of 2 years (90 days for ISOs). For all other NEOs, the options remain exercisable for 30 days.</p> <p>Stock Options Granted in 2007 or After For NEOs age 55 or above with 15 years of service or age 60 or above with 10 years of service and who have signed a noncompetition agreement, unvested options will continue to vest under the normal schedule and options will remain exercisable for a maximum of 5 years (ISO tax treatment is only available for</p> | Stock Options All options vest.   | Stock Options Shares continue to vest pursuant to the original vesting schedule.                    | <p>Stock Options Granted Prior to 2007 Unvested shares are forfeited. For NEOs age 55 or above, vested options remain exercisable for a maximum of 2 years (90 days for ISOs). For all other NEOs, the options remain exercisable for 30 days.</p> <p>Stock Options Granted in 2007 or After For NEOs age 55 or above with 15 years of service or age 60 or above with 10 years of service and who have signed a noncompetition agreement, unvested options will continue to vest under the normal schedule and options will remain exercisable for a maximum of 5 years (ISO tax treatment is only available for</p> | Stock Options All options vest and in lieu of common stock issuable upon exercise, the NEOs are paid a lump sum amount equal to the number of outstanding shares underlying the options times the excess of the closing stock price on the date of termination over the exercise price. |



Edgar Filing: BALL CORP - Form PRE 14A

90 days). For  
NEOs under age  
55, the same  
provisions as those  
described above for  
grants made prior  
to 2007 are  
applicable.

90 days). For  
NEOs under age  
55, the same  
provisions as those  
described above for  
grants made prior  
to 2007 are  
applicable.

Table of Contents

| <b>Component</b>                   | <b>Voluntary or Termination for Cause</b>                                      | <b>Death</b>                     | <b>Disability</b>   | <b>Termination Without Cause</b>  | <b>Termination Following a Change in Control</b>  |
|------------------------------------|--|----------------------------------|---|---|---|
| <b>Retirement Benefits</b>         | No additional benefits received.   | No additional benefits received. | No additional benefits received.  | CEO Paid a lump sum amount equal to an additional 2 years of service credited.<br><br>All Other NEOs Paid a lump sum amount equal to an additional 1.25 to 1.5 years of service credited. | All NEOs Paid a lump sum amount equal to an additional 2 years of service credited.   |
| <b>Health and Welfare Benefits</b> | No additional benefits received.   | No additional benefits received. | Continue for period of disability.  | CEO Continued for 2 years.<br><br>All Other NEOs Continued for 1.25 to 1.5 years.   | All NEOs Continued for 2 years.   |
| <b>Other Benefits</b>              | For NEOs, financial planning services valued at \$10,000 per year for 2 years. | No additional benefits received. | No additional benefits received.<br><br>For NEOs, long-term disability payment of up to \$15,000 per month. | Outplacement benefits valued at \$20,000.<br><br>For NEOs, financial planning services valued at \$10,000 per year for 2 years.   | Outplacement benefits valued at \$20,000.<br><br>For NEOs, payment for excise taxes incurred as a result of Code Section 280G excess payments, if applicable. |

A termination without cause will be triggered if the NEO is terminated in either an Actual Termination not for cause or a Constructive Termination. An Actual Termination is any termination by the Corporation for reasons other than death or disability or for cause or by the executive for reasons other than Constructive Termination. A Constructive Termination means, in general terms, any significant reduction in duties, compensation or benefits or change of office location from those in effect immediately prior to the change in control, unless agreed to by the executive.

Payments associated with a termination following a change in control will be triggered if both of the following two events occur:

1. A change in control occurs. A "change in control" can occur by virtue, in general terms, of an acquisition by any person of 30% or more of the Corporation's voting shares, a merger in which the shareholders of the Corporation before the merger own 50% or less of the Corporation's voting shares after the merger, shareholder approval of a plan of liquidation or a plan to sell or dispose of substantially all of the assets of the Corporation, and if, during any two-year period, directors at the beginning of the period fail to constitute a majority of the Board.
2. The executive is terminated in either an Actual Termination or a Constructive Termination not for cause.

## Edgar Filing: BALL CORP - Form PRE 14A

With respect to change-in-control agreements executed prior to 2010, in the event benefits are paid because of a change in control and such benefits are subject to Code Section 280G, the Corporation would reimburse the executive for such excise taxes paid, together with taxes incurred as a result of such reimbursement. Beginning in 2010, all newly executed change-in-control agreements do not include excise tax reimbursement.

Edgar Filing: BALL CORP - Form PRE 14A

Table of Contents

The table below represents the amounts potentially payable to the NEOs under various termination scenarios. The values assume termination on December 31, 2014, with stock awards and unexercisable stock options benefit values based on the Corporation's December 31, 2014, stock price of \$68.17 and PC-RSUs using a payout at target.

*Estimated Post-Termination Employment Benefits Table*

| NEO                            |                                | Voluntary<br>or for<br>Cause | Death         | Disability    | Without<br>Cause | Change<br>in Control |
|--------------------------------|--------------------------------|------------------------------|---------------|---------------|------------------|----------------------|
| <b>John A. Hayes</b>           | Cash Severance                 | \$                           | \$            | \$            | \$ 5,057,038     | \$ 5,057,038         |
|                                | Long-Term Cash Incentive       |                              |               |               |                  |                      |
|                                | Outstanding Stock Awards       |                              | 1,652,458     | 1,652,458     |                  | 1,652,458            |
|                                | Outstanding Performance Awards |                              | 818,040       | 818,040       |                  | 818,040              |
|                                | Unexercisable Stock Options    |                              | 9,352,924     | 9,352,924     |                  | 9,352,924            |
|                                | Retirement Benefits            |                              | 11,046,899    | 11,046,899    |                  | 11,046,899           |
|                                | Health & Welfare               |                              |               |               | 226,141          | 226,141              |
|                                | Perquisites                    | 20,000                       |               |               | 37,570           | 41,692               |
|                                |                                |                              |               |               | 40,000           | 20,000               |
|                                | Total                          | \$ 20,000                    | \$ 22,870,321 | \$ 22,870,321 | \$ 5,360,749     | \$ 28,215,193        |
|                                | <b>Scott C. Morrison</b>       | Cash Severance               | \$            | \$            | \$               | \$ 1,565,508         |
| Long-Term Cash Incentive       |                                |                              |               |               |                  |                      |
| Outstanding Stock Awards       |                                |                              | 385,908       | 385,908       |                  | 385,908              |
| Outstanding Performance Awards |                                |                              | 599,896       | 599,896       |                  | 599,896              |
| Unexercisable Stock Options    |                                |                              | 2,143,947     | 2,143,947     |                  | 2,143,947            |
| Retirement Benefits            |                                |                              | 2,535,879     | 2,535,879     |                  | 2,535,879            |
| Health & Welfare               |                                |                              |               |               | 94,887           | 132,932              |
| Perquisites                    |                                | 20,000                       |               |               | 29,367           | 44,001               |
|                                |                                |                              |               |               | 40,000           | 20,000               |
| Total                          |                                | \$ 20,000                    | \$ 5,665,630  | \$ 5,665,630  | \$ 1,729,762     | \$ 7,949,908         |
| <b>Michael W. Feldser</b>      |                                | Cash Severance               | \$            | \$            | \$               | \$ 879,750           |
|                                | Long-Term Cash Incentive       |                              |               |               |                  |                      |
|                                | Outstanding Stock Awards       | 175,067                      | 175,067       | 175,067       | 175,067          | 175,067              |
|                                |                                | 402,612                      | 436,288       | 436,288       | 402,612          | 436,288              |
|                                |                                | 964,606                      | 964,606       | 964,606       | 964,606          | 964,606              |

Edgar Filing: BALL CORP - Form PRE 14A

|                                |              |              |              |              |              |
|--------------------------------|--------------|--------------|--------------|--------------|--------------|
| Outstanding Performance Awards |              |              |              |              |              |
| Unexercisable Stock Options    | 1,156,415    | 1,156,415    | 1,156,415    | 1,156,415    | 1,156,415    |
| Retirement Benefits            |              |              |              | 81,505       | 134,779      |
| Health & Welfare               |              |              |              | 15,887       | 31,729       |
| Perquisites                    | 20,000       |              |              | 40,000       | 20,000       |
| Total                          | \$ 2,718,700 | \$ 2,732,376 | \$ 2,732,376 | \$ 3,715,842 | \$ 4,326,484 |

|                         |                                |              |              |              |              |              |
|-------------------------|--------------------------------|--------------|--------------|--------------|--------------|--------------|
| <b>Charles E. Baker</b> | Cash Severance                 | \$           | \$           | \$           | \$ 920,311   | \$ 1,472,498 |
|                         | Long-Term Cash Incentive       | 211,458      | 211,458      | 211,458      | 211,458      | 211,458      |
|                         | Outstanding Stock Awards       | 207,305      | 218,144      | 218,144      | 207,305      | 218,144      |
|                         | Outstanding Performance Awards | 1,206,609    | 1,206,609    | 1,206,609    | 1,206,609    | 1,206,609    |
|                         | Unexercisable Stock Options    | 1,452,762    | 1,452,762    | 1,452,762    | 1,452,762    | 1,452,762    |
|                         | Retirement Benefits            |              |              |              | 83,693       | 142,813      |
|                         | Health & Welfare               |              |              |              | 22,811       | 42,706       |
|                         | Perquisites                    | 20,000       |              |              | 40,000       | 20,000       |
|                         | Total                          | \$ 3,098,134 | \$ 3,088,973 | \$ 3,088,973 | \$ 4,144,950 | \$ 4,766,990 |

|                       |                                |           |              |              |              |              |
|-----------------------|--------------------------------|-----------|--------------|--------------|--------------|--------------|
| <b>Lisa A. Pauley</b> | Cash Severance                 | \$        | \$           | \$           | \$ 1,087,699 | \$ 1,450,266 |
|                       | Long-Term Cash Incentive       |           | 187,367      | 187,367      |              | 187,367      |
|                       | Outstanding Stock Awards       |           | 245,412      | 245,412      |              | 245,412      |
|                       | Outstanding Performance Awards |           | 1,005,508    | 1,005,508    |              | 1,005,508    |
|                       | Unexercisable Stock Options    |           | 1,153,894    | 1,153,894    |              | 1,153,894    |
|                       | Retirement Benefits            |           |              |              | 78,539       | 110,106      |
|                       | Health & Welfare               |           |              |              | 27,607       | 41,626       |
|                       | Perquisites                    | 20,000    |              |              | 40,000       | 20,000       |
|                       | Total                          | \$ 20,000 | \$ 2,592,181 | \$ 2,592,181 | \$ 1,233,845 | \$ 4,214,179 |

Table of Contents**DIRECTOR COMPENSATION**

The table set forth below summarizes the 2014 compensation paid to each of the Corporation's nonmanagement directors. The elements of the nonmanagement director compensation program are evaluated and determined by the Nominating/Corporate Governance Committee, which takes into account market data provided by the Consultant. Effective January 1, 2014, the director compensation program consisted of a \$70,000 annual fixed cash retainer, a \$15,000 target annual incentive cash retainer, an annual restricted stock award valued at \$130,000, an annual committee chair cash retainer of \$10,000 for Nominating/Corporate Governance and Finance Committees, and \$15,000 for Human Resources and Audit Committees, and an annual fixed cash retainer of \$20,000 for the lead independent director. The annual incentive retainer is subject to the Corporation's performance under the same performance measures as the Annual Consolidated EVA® Incentive Compensation Plan, which is based on EVA® principles. The actual amount paid may range from \$0-\$30,000. Additionally, a newly elected director will be awarded a one-time grant of 3,000 RSUs upon joining the Board. The elements of deferral for nonmanagement directors are detailed in the "Non-Qualified Deferred Compensation" section. The table below sets out the compensation earned for 2014, with any other compensation payments noted. The Corporation has established a 10,000 share stock ownership guideline for each nonmanagement director; all directors currently meet this guideline, with the exception of Mr. Cave, who joined the Board in October 2014 and is in the process of attaining shares within the required period.

*Director Compensation Table*

| <b>Name</b>         | <b>Fees Earned or Paid in Cash (\$ (1))</b> | <b>Stock Awards (\$ (2))</b> | <b>Option Awards (\$)</b> | <b>Non-Equity Incentive Plan Compensation (\$ (3))</b> | <b>Change in Pension Value and Non-Qualified Deferred Compensation Earnings (\$ (4))</b> | <b>All Other Compensation (\$ (5))</b> | <b>Total (\$)</b> |
|---------------------|---|------------------------------|---------------------------|--|--|--|-------------------|
| Robert W. Alspaugh  | \$ 85,000                                   | \$ 130,024                   | \$                        | \$ 28,350  | \$   | \$ 22,500                              | \$ 265,874        |
| Michael J. Cave     | \$ 17,500                                   | \$ 199,770                   | \$                        | \$ 7,146   | \$   | \$                                     | \$ 224,416        |
| Hanno C. Fiedler    | \$ 70,000                                   | \$ 130,024                   | \$                        | \$ 28,350  | \$   | \$                                     | \$ 228,374        |
| R. David Hoover (6) | \$ 70,000                                   | \$ 130,024                   | \$                        | \$ 28,350  | \$   | \$ 15,900                              | \$ 244,274        |
| John F. Lehman      | \$ 80,000                                   | \$ 130,024                   | \$                        | \$ 28,350  | \$ 129,922   | \$ 19,570                              | \$ 387,866        |
| Georgia R. Nelson   | \$ 70,000                                   | \$ 130,024                   | \$                        | \$ 28,350  | \$   | \$ 17,570                              | \$ 245,944        |
| Jan Nicholson       | \$ 70,000                                   | \$ 130,024                   | \$                        | \$ 28,350  | \$ 44,804  | \$ 17,570                              | \$ 290,748        |
| George M. Smart     | \$ 70,000                                   | \$ 130,024                   | \$                        | \$ 28,350  | \$   | \$                                     | \$ 228,374        |
| Theodore M. Solso   | \$ 100,000                                  | \$ 130,024                   | \$                        | \$ 28,350  | \$   | \$ 20,000                              | \$ 278,374        |
| Stuart A. Taylor II | \$ 85,000                                   | \$ 130,024                   | \$                        | \$ 28,350  | \$ 20,587  | \$                                     | \$ 263,961        |

(1)

Values represent fees for annual fixed retainer, committee chair retainer and lead independent director retainer paid under the nonmanagement director compensation program. All nonmanagement directors except Messrs. Cave, Fiedler, Hoover, Smart and Taylor deferred payment of their cash fees to the 2005 Deferred Compensation Plan for Directors or the 2005 Deferred Compensation Company Stock Plan.

- (2) Reflects the fair value of restricted stock awards granted to nonmanagement directors in 2014, calculated in accordance with Topic 718. All nonmanagement directors received an annual restricted stock award of 2,314 RSUs, using the closing price of the Corporation's common stock on April 30, 2014, at \$56.19 per unit, resulting in a total award value of \$130,024 for each director, excluding Mr. Cave, who received an annual grant upon joining the Board, of 3,000 RSUs on October 29, 2014, at \$66.59 per unit, resulting in a total award value of \$199,770.
- (3) Values represent the annual incentive retainer achieved for 2014, which was paid in February 2015, based on a performance factor of 189% applied to the \$15,000 target for all nonmanagement directors. All nonmanagement directors except for Messrs. Cave, Fiedler, Hoover, Smart and Taylor deferred payment of their 2014 annual incentive retainer in February 2015 to the 2005 Deferred Compensation Company Stock Plan.
- (4) Represents the amount of above-market interest earned under the Corporation's Deferred Compensation Plans, described in the "Non-Qualified Deferred Compensation" section.
- (5) The value for Messrs. Alspaugh, Lehman, and Solso, and Mss. Nelson and Nicholson reflect corporate contributions for the 20% corporate match up to a maximum of \$20,000 available under the 2005 Deferred Compensation Company Stock Plan, as described in the "Non-Qualified Deferred Compensation" section. Messrs. Alspaugh and Hoover values include a \$2,500 and \$5,000 corporate match, respectively, of donations made pursuant to the Corporation's Matching Gift Program. Mr. Hoover's value also includes \$10,900 for financial planning services.
- (6) Mr. Hoover earned \$309,965 of above-market interest on employee-based deferral balances under the Corporation's Deferred Compensation Plans, excluded from this table.

Table of Contents

*Additional Footnote Information:*

The aggregate number of outstanding stock awards and stock options for each nonmanagement director as of December 31, 2014, are as follows:

Mr. Alspaugh Stock awards of 29,180

Mr. Cave Stock awards of 3,000

Mr. Fiedler Stock awards of 27,868

Mr. Hoover Stock awards of 10,844; and employee-based outstanding stock options of 1,503,000

Mr. Lehman Stock awards of 122,210

Ms. Nelson Stock awards of 33,180

Ms. Nicholson Stock awards of 102,474

Mr. Smart Stock awards of 49,014

Mr. Solso Stock awards of 56,026

Mr. Taylor Stock awards of 75,858



Table of Contents

**REPORT OF THE HUMAN RESOURCES COMMITTEE OF THE BOARD OF DIRECTORS**

The Committee has reviewed the above CD&A and discussed its contents with members of the Corporation's management. Based on this review and discussion, the Committee has recommended that this CD&A be incorporated by reference in the Corporation's Annual Report on Form 10-K and as set out in this Proxy Statement.

Georgia R. Nelson  
George M. Smart  
Theodore M. Solso  
Stuart A. Taylor II

**REPORT OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS**

The Audit Committee of the Corporation's Board consists of nonemployee directors who are independent under the NYSE Listing Standards and SEC rules.

Management is responsible for the Corporation's (1) accounting policies; (2) system of internal accounting controls over financial reporting; (3) disclosure controls and procedures; (4) performance of PricewaterhouseCoopers LLP, the independent auditor; (5) Internal Audit Department; and (6) compliance with laws, regulations and applicable ethical business standards. The independent auditor is responsible for performing an audit of the Corporation's Consolidated Financial Statements in accordance with the standards of the Public Company Accounting Oversight Board ("PCAOB") and issuing a report thereon as well as issuing an opinion on the effectiveness of the Corporation's internal control over financial reporting.

The Committee's responsibility is to monitor and oversee the internal controls over financial reporting and disclosure controls and procedures, and to engage and evaluate the independent auditor. Management has represented to the Committee that the financial statements for the Corporation for the year ended December 31, 2014, were prepared in accordance with U.S. GAAP, and the Committee has reviewed and discussed those financial statements with management and the independent auditor. The Committee has also discussed with the independent auditor the matters required to be discussed by the Statement of Auditing Standards, as amended, the PCAOB Auditing Standards and the NYSE Listing Standards.

The Corporation's independent auditor provided to the Committee on a quarterly basis the written disclosures and letter required by PCAOB Rule 3526, Communication with Audit Committees Concerning Independence. The Committee has discussed with the independent auditor that firm's independence and that firm's internal quality control procedures, peer reviews and any investigations or inquiries by governmental or professional authorities disclosed by the independent auditor.

Based upon the Committee's review and discussion with management and the independent auditor, the representations of management and the disclosures and letter of the independent auditor (as required by PCAOB Rule 3526), the Committee recommended to the Board that the audited Consolidated Financial Statements in the Corporation's Annual Report on Form 10-K, including managements and the independent auditor's opinion of the Corporation's effectiveness of internal control over financial reporting as of December 31, 2014, be filed with the SEC.

The foregoing report has been furnished by the following members of the Audit Committee:

Robert W. Alspaugh  
Michael J. Cave  
Hanno C. Fiedler  
Jan Nicholson  
Stuart A. Taylor II

Table of Contents

**VOTING ITEM 2 RATIFICATION OF THE APPOINTMENT OF INDEPENDENT AUDITOR**

The Audit Committee of the Board of Directors has appointed PricewaterhouseCoopers LLP as the Corporation's independent registered public accounting firm for the fiscal year ending December 31, 2015. As disclosed in this Proxy Statement, during 2014 PricewaterhouseCoopers LLP rendered audit and non-audit services to the Corporation.

We are asking our shareholders to ratify the selection of PricewaterhouseCoopers LLP as our independent registered public accounting firm. Although ratification is not required by our Bylaws or otherwise, the Board of Directors is submitting the selection of PricewaterhouseCoopers LLP to our shareholders for ratification as a matter of good corporate practice.

Representatives of PricewaterhouseCoopers LLP will be present at the 2015 Annual Meeting of Shareholders and will have an opportunity to make a statement, if desired, as well as to respond to appropriate questions.

The affirmative vote of the holders of a majority of shares represented in person or by proxy and entitled to vote on this item will be required for approval. Abstentions will be counted as represented and entitled to vote and will therefore have the effect of a negative vote.

**The Board of Directors recommends that shareholders vote "FOR" the ratification of the appointment of PricewaterhouseCoopers LLP as the Corporation's independent registered public accounting firm for 2015.**

In the event shareholders do not ratify the appointment, the appointment will be reconsidered by the Audit Committee. Even if the selection is ratified, the Audit Committee, in its discretion, may select a different registered independent public accounting firm at any time during the year if it determines that such a change would be in the best interests of the Corporation and our shareholders.

**VOTING ITEM 3 ADVISORY (NON-BINDING) VOTE TO APPROVE EXECUTIVE COMPENSATION**

We are asking our shareholders to provide advisory approval of the compensation of our NEOs, as we have described it in the "Executive Compensation" section of this Proxy Statement. We are seeking this approval pursuant to the Securities Exchange Act of 1934, as amended. While this vote is advisory and is not binding on the Corporation, it will provide useful information to our management and our Human Resources Committee regarding our shareholders' views about our executive compensation philosophy, policies and practices, which the Committee will be able to consider when determining executive compensation for the balance of 2015 and beyond. Following is a summary of some of the key points of our 2014 executive compensation program. Please see the "Executive Compensation Discussion and Analysis" section for more information.

Our executive compensation program has been designed to implement certain core compensation principles, including alignment of management's interests with our shareholders' interests to support long-term value creation and pay-for-performance. In the course of establishing the 2014 compensation program and awarding compensation, our management and our Human Resources Committee determined the use of performance-based incentives to motivate our NEOs to achieve current and long-term business goals, after reviewing data and analyses regarding comparable market compensation. Management and the Committee received advice and counsel on the program from an independent consultant, which provided no other services to the Corporation other than those provided directly to or on behalf of the Committee.

At the April 2014 annual meeting, shareholders were asked to approve the Corporation's fiscal 2013 executive compensation programs. Of those votes included in the tabulation, over 94% voted to approve the proposal. In light of these results, and in consideration of shareholder input obtained from outreach efforts taken in connection with the 2014 meeting, the Human Resources Committee carefully reviewed the Corporation's executive compensation practices. The Human Resources Committee concluded that the Corporation's existing executive compensation program continues to be the most appropriate for the Corporation and effective in rewarding executives commensurate with business results.

Table of Contents**Summary of 2014 Named Executive Officer Compensation**

Our NEOs' 2014 compensation consisted primarily of the following components which includes base salary, annual EVA® incentive plan awards, LTCIP and awarded value of stock options, SARs and PC-RSUs (in addition to the retirement, health and welfare plans and programs in which all of our full-time U.S. employees participate, as well as limited perquisites).

| <b>Compensation Component</b>     | <b>Key Features</b>  | <b>Purpose</b>  | <b>2014 Actions</b>   |
|-----------------------------------|--|---|---|
| <b>Current Year</b>               | Annual Base Salary   | Fixed element of pay based on an individual's primary duties and responsibilities.  | Adjustments reflected promotions and movement towards market medians; competitive benchmarking applied. |
|                                   | Annual Economic Value Added (EVA®) Incentive Compensation Plan     | Rewards achievement of specified annual corporate and/or operating unit financial goals pursuant to economic value added principles.  | Payments reflect solid financial results achieved in 2014.  |
| <b>Long-Term Incentive Cash</b>   | Long-Term Cash Incentive Plan ("LTCIP")                            | Promotes long-term creation of shareholder value in absolute terms ("ROAIC") and relative terms (TSR performance versus a subset of companies in the S&P 500) and provides an executive retention incentive.                                  | Payments reflect excellent ROAIC and stock performance over the 3-year cycle ending December 31, 2014.  |
| <b>Long-Term Incentive Equity</b> | Stock Options and Stock-Settled Stock Appreciation Rights ("SARs") | Promotes executive share ownership and long-term corporate performance resulting in the creation of shareholder value.  | Awards provided in 2014; competitive benchmarking applied.  |
|                                   | Performance-Contingent Restricted Stock Units ("PC-RSUs")          | Promotes share ownership through the achievement of a future target value of absolute Economic Value Added (EVA®) dollars generated in excess of Ball's 9% after-tax hurdle rate as the capital charge, which is higher than our actual WACC. | Awards provided in 2014; competitive benchmarking applied.  |
|                                   | Deposit Shares   | Promotes executive financial investment in the Corporation, promotes share ownership and provides long-term incentive for performance resulting in the creation of shareholder value.   | No DSP opportunities were provided in 2014.   |
|                                   | Time Vested Restricted Stock/RSUs                                  | Promotes share ownership, provides a retention incentive and provides long-term incentive for the creation of shareholder value.  | Not awarded to NEOs in 2014.  |

We believe our 2014 executive compensation program reflects best practices and was designed to balance risk and reward. We focus on pay-for-performance in establishing our executive compensation program and setting the plans' performance metrics. With input from an independent consultant, our Human Resources Committee continued to apply competitive benchmarking (pay and performance) in 2014 relative to the unique structure and needs of the Corporation. Our program seeks to mitigate risks related to compensation and align management's interests with shareholders' interests in long-term value creation.

Table of Contents

**Vote requested.** We believe the information we have provided above and within the "Executive Compensation Discussion and Analysis" section of this Proxy Statement demonstrates that our executive compensation program in respect of our NEOs was designed appropriately and is working to ensure that management's interests are aligned with our shareholders' interests to support long-term value creation. Accordingly, the Board of Directors recommends that shareholders approve the program by approving the following advisory resolution, the results of which will be counted and considered in accordance with the Indiana Business Corporation Law (with abstentions and broker nonvotes not being counted or considered):

RESOLVED: That the shareholders of Ball Corporation hereby approve, on an advisory basis, the compensation of the individuals identified in the "Summary Compensation Table," as disclosed in the Ball Corporation 2015 Proxy Statement pursuant to Item 402 of Regulation S-K which disclosure includes the "Executive Compensation Discussion and Analysis" section, the compensation tables and the accompanying footnotes and narratives within the "Executive Compensation Discussion and Analysis" section of such Proxy Statement.

**The Board of Directors recommends a vote "FOR" the Advisory (Non-Binding) Vote Approving Executive Officer Compensation.**

**VOTING ITEM 4 APPROVAL OF AN AMENDMENT TO THE ARTICLES OF INCORPORATION TO IMPLEMENT A MAJORITY VOTE STANDARD FOR UNCONTESTED ELECTIONS OF DIRECTORS**

Under Indiana law, unless otherwise specified in the Articles of Incorporation, the directors of a corporation in an uncontested election are elected by a plurality of the votes cast. This is the current voting standard for the Corporation. Under plurality voting, only "for" votes are counted. Using this standard, it is possible for a director in an uncontested election to be elected despite a large number of "against" votes, so long as at least one "for" vote is received, since a majority of votes is not required to be elected. In January 2012, the Board approved an amendment to the Corporation's Bylaws to address concerns regarding director nominees who do not receive a majority of the votes cast. The amended Bylaws now provide that "any nominee who receives a greater number of votes 'withheld' from his or her election than votes 'for' his or her election will, within 10 days following the certification of the shareholder vote, tender his or her written resignation to the Chairman of the Board for consideration by the Nominating/Corporate Governance Committee (the "Committee")." The Bylaw provisions further provide that after the tender of such resignation, the Committee will consider it, and within 60 days, make a recommendation to the Board concerning the acceptance or rejection of such resignation, taking into consideration all factors that are relevant. The Committee will consider a range of alternatives, including acceptance of the resignation, rejection of the resignation or rejection with a commitment to address and cure the reasons reasonably believed to have resulted in the "withheld" votes. The Board must take action no later than 95 days after certification of the shareholder vote. Following the Board's decision, the Corporation, within four business days, will publicly disclose in a Current Report on Form 8-K filed with the Securities and Exchange Commission, the Board's decision, together with an explanation of the process by which the decision was made, and if applicable, the Board's reasons for its decision.

In light of corporate governance trends, including the wide adoption of the majority vote standard for uncontested elections, our Board has concluded that requiring directors to receive a majority of the votes cast in an uncontested election is appropriate, and is recommending the approval by the shareholders of an amendment to the Corporation's Articles of Incorporation in order to implement this standard. Under the majority vote standard, a nominee director must receive the majority of the votes cast. While shareholders may abstain, an abstention will have no effect in determining whether the required affirmative majority vote has been obtained. A plurality vote standard would still be used for contested elections.

The Board hereby proposes that the shareholders approve the following amendment to the Articles of Incorporation, as Article X, Section A, with the subsequent Articles to be renumbered consecutively thereafter:

"Article X **Section A. Election**

Each director shall be elected by a majority of the votes cast either in person or by proxy and entitled to vote at any meeting for the election of directors at which a quorum is present; provided, however, that if as of the record date for the meeting there are more nominees than positions on the board to be filled by election at such meeting, each director shall be elected by a plurality of the votes cast by the shares represented in person or by proxy at such meeting and entitled to vote on the election of directors."

Table of Contents

Under Indiana law, a director continues in office after the expiration of such director's term until his or her successor is elected and qualified or the number of board members is reduced. If adopted, the new majority vote standard would be applicable to uncontested elections of directors beginning with the Corporation's 2016 annual meeting.

**The Board of Directors recommends a vote "FOR" this proposal.**

**SHAREHOLDER PROPOSALS FOR 2016 ANNUAL MEETING**

To be eligible for inclusion in the Corporation's Proxy Statement for the 2016 Annual Meeting of Shareholders, proposals of shareholders must be in writing and be received by the Corporate Secretary at the Corporation's principal executive offices, 10 Longs Peak Drive, Broomfield, Colorado 80021-2510, by November 14, 2015.

If a shareholder desires to bring business before the 2016 Annual Meeting of Shareholders, which is not the subject of a proposal submitted for inclusion in the Proxy Statement, the shareholder must notify the Corporation of the shareholder's proposal, which must be delivered to or mailed and received at the principal executive offices of the Corporation between December 30, 2015, and January 29, 2016, or the proposal may be considered untimely. The appointed proxies may exercise their discretionary authority to vote previously solicited proxies against such proposal if it is raised at the 2016 Annual Meeting.

**SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE**

To our knowledge, based solely upon a review of the copies of the forms furnished to the Corporation, and/or written representations from certain reporting persons, the Corporation believes that all filing requirements under Section 16(a) applicable to its officers and directors were met during the fiscal year ended December 31, 2014.

**HOUSEHOLDING**

The SEC has adopted rules that permit companies and intermediaries (e.g., brokers) to satisfy the delivery requirements for proxy statements and annual reports with respect to two or more shareholders sharing the same address by delivering a single Proxy Statement addressed to those shareholders. This process, which is commonly referred to as "householding," potentially means extra convenience for shareholders and cost savings for companies. This could be applicable to you if you request a paper copy of these proxy materials after you receive notice of Internet access to the proxy materials.

A number of brokers with account holders who are shareholders may be householding our proxy materials, to the extent such shareholders have given their prior express or implied consent in accordance with SEC rules. A single Proxy Statement and Annual Report will be delivered to multiple shareholders sharing an address unless contrary instructions have been received from the affected shareholders. Once you have received notice from your broker that it will be householding communications to your address, householding will continue until you are notified otherwise or until you revoke your consent, which is deemed to be given unless you inform the broker otherwise when you receive the original notice of householding. If, at any time, you no longer wish to participate in householding and would prefer to receive a separate Proxy Statement and Annual Report, please notify your broker to discontinue householding and direct your written request to receive a separate Proxy Statement and Annual Report to the Corporation at: Ball Corporation, Attention: Investor Relations, 10 Longs Peak Drive, Broomfield, Colorado 80021 or call Investor Relations at 303-469-3131. Shareholders who currently receive multiple copies of the Proxy Statement and Annual Report at their address and would like to request householding of their communications should contact their broker.

**SOLICITATION AND OTHER MATTERS**

The Corporation will pay the cost of soliciting proxies. Georgeson Inc. has been retained to assist in the solicitation of proxies for a fee of \$8,000. In addition to solicitations by mail, proxies also may be solicited personally, or by telephone or electronic means by some directors, officers and regular employees of the Corporation, without additional compensation, as well as by employees of Georgeson Inc. The Corporation will reimburse brokerage firms and other custodians, nominees and fiduciaries for reasonable expenses incurred by them in sending proxy material, Annual Report and other shareholder materials to the beneficial owners of common stock where those owners request such materials.



## Edgar Filing: BALL CORP - Form PRE 14A

### Table of Contents

As of the date of this Proxy Statement, the Board of the Corporation has no knowledge of any matters to be presented for consideration at the Annual Meeting other than those referred to above. However, the persons named in the accompanying proxy shall have authority to vote such proxy as to any other matters that properly come before the meeting and as to matters incidental to the conduct of the meeting, according to their discretion.

By Order of the Board of Directors,

**Charles E. Baker**

*Corporate Secretary*

March 16, 2015  
Broomfield, Colorado

60

---

Table of Contents

**Exhibit A**

**Ball Corporation Bylaws**

**Section C. Director Resignation Policy.**

In an uncontested election of directors of the corporation, any nominee who receives a greater number of votes "withheld" from his or her election than votes "for" his or her election will, within ten (10) days following the certification of the shareholder vote, tender his or her written resignation to the chairman of the board for consideration by the Nominating/Corporate Governance Committee (the "Committee"). As used in this Section C, an "uncontested election of directors of the corporation" is an election in which the only nominees are persons nominated by the board of directors of the corporation.

The Committee will consider such tendered resignation and, within sixty (60) days following the certification of the shareholder vote, will make a recommendation to the board of directors concerning the acceptance or rejection of such resignation. In determining its recommendation to the board, the Committee will consider all factors deemed relevant by the members of the Committee.

The Committee also will consider a range of possible alternatives concerning the director's tendered resignation as the members of the Committee deem appropriate, including, without limitation, acceptance of the resignation, rejection of the resignation or rejection of the resignation coupled with a commitment to seek to address and cure the underlying reasons reasonably believed by the Committee to have substantially resulted in the "withheld" votes.

The board of directors of the corporation will take formal action on the Committee's recommendation no later than ninety-five (95) days following the certification of the shareholder vote. In considering the Committee's recommendation, the board will consider the information, factors and alternatives considered by the Committee and such additional information, factors and alternatives as the board deems relevant.

Following the board's decision on the Committee's recommendation, the corporation, within four (4) business days after such decision is made, will publicly disclose, in a Current Report on Form 8-K filed with the Securities and Exchange Commission, the board's decision, together with an explanation of the process by which the decision was made and, if applicable, the board's reason or reasons for its decision.

No director who, in accordance with this Section C, is required to tender his or her resignation, shall participate in the Committee's deliberations or recommendation, or in the board's deliberations or determination, with respect to accepting or rejecting his or her resignation as a director. If a majority of the members of the Committee received a greater number of votes "withheld" from their election than votes "for" their election, then the independent directors then serving on the board of directors who received a greater number of votes "for" their election than votes "withheld" from their election, and the directors, if any, who were not standing for election, will appoint an ad hoc board committee from among themselves (the "Ad Hoc Committee"), consisting of such number of directors as they may determine to be appropriate, solely for the purpose of considering and making a recommendation to the board with respect to the tendered resignations. The Ad Hoc Committee shall serve in place of the Committee and perform the Committee's duties for purposes of this Section C. Notwithstanding the foregoing, if an Ad Hoc Committee would have been created but fewer than three directors would be eligible to serve on it, the entire board of directors (other than the director whose resignation is being considered) will make the determination to accept or reject the tendered resignation without any recommendation from the Committee and without the creation of an Ad Hoc Committee.



Table of Contents

**BALL CORPORATION**

10 LONGS PEAK DRIVE  
BROOMFIELD, COLORADO 80021-2510

---











