

HALLIBURTON

2015 Sustainability Report





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To Our Stakeholders

Our Company's success is the direct result of strategic planning and innovation for the long-term. Across the value chain, we take the big view. We look at how our initiatives affect our Company across the business cycle, as well as how they affect our customers, suppliers and the industry. As an industry leader we believe that this vision will best serve our customers, our shareholders and our communities, now and far into the future.

Central to this are our Guiding Principles for Sustainability: Financial Performance; Health, Safety and Environment; Technology and Innovation; Global Citizenship; Transparency; and Collaboration. This report summarizes the actions we took in 2015 to uphold these Principles, and the progress that we made.

The success of Halliburton is not only defined by our financial performance, but also by the quality of our products and services, the talent and dedication of our workforce, the integrity of our actions and our relationships with our communities.

In 2015, our health and safety performance continued to improve, with reductions in both the number and severity of health and safety incidents, lowering our total recordable incident rate by 18 percent – building on our historical best performance in 2014. Environmental incidents were reduced, along with our carbon footprint, which was 148 metric tons for every million dollars of revenue, down by 59 percent year on year. Road safety continues to be a key risk area, which led us to strengthen our road safety standards and our proactive driver safety programs in 2015.

Service quality and execution are key differentiators for Halliburton. Our commitment to service quality is shown by our industry leadership in API Q2 certification, the industry standard for quality management for the energy services industry; 37 of our facilities around the world achieved this certification in 2015.

In our financial performance, we outperformed the market and our peer group both in North America and internationally, despite the turbulent market conditions. We have pursued a solid course of cost containment to sustain us over the past year and help us look ahead with confidence to a market recovery. We believe that the actions taken in 2015 will enable Halliburton to emerge from this cycle prepared to deliver competitive growth and returns.

Innovation allows us to improve environmental performance for us and our customers. In each of our key strategic areas – deep water, mature fields and unconventional assets – we have developed products with unique environmental benefits. For example, our CleanSpacer™ III Spacer Fluid is a biodegradable fluid designed to be collected and distributed in disposal fields where naturally occurring microorganisms degrade the components. Our CoilComm™ Service uses fiber optics to provide the high-quality data clients need, while it optimizes the chemical treatments required for interventions and reduces the number of trips to the wellsite to take measurements.

In unconventional, where the chief objective is to deliver the lowest cost per barrel of oil equivalent for our customers, our AccessFrac® Stimulation Service reduces both time and cost for multi-zone fracturing. It features unique components that help optimize proppant distribution for improved long-term production performance. AccessFrac service won the 2015 Hart Energy's *E&P* Meritorious Award for Energy Innovation.

In every aspect of our business, integrity is fundamental and non-negotiable. From the way we treat our diverse global workforce, to our insistence on strict adherence to our Code of Business Conduct, to our role as neighbor and advocate in communities where we do business – no goal or deadline or revenue opportunity ever takes precedence over maintaining the highest ethical standards.

Living and working according to our Guiding Principles for Sustainability is a big vision. But it is at the heart of Halliburton culture, and a key driver for our success. Halliburton board members, employees, customers, suppliers and shareholders embrace this vision wholeheartedly, and they share in the Company's accomplishments.



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



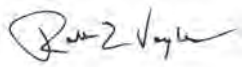
Jeffrey A. Miller
President and Chief Health,
Safety and Environment Officer



Mark A. McCollum
Executive Vice President and
Chief Integration Officer



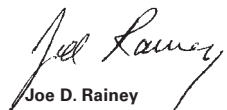
Lawrence J. Pope
Executive Vice President of
Administration and
Chief Human Resources Officer



Robb L. Voyles
Executive Vice President,
Secretary and General Counsel



James S. Brown
President, Western Hemisphere



Joe D. Rainey
President, Eastern Hemisphere



Christian A. Garcia
Senior Vice President, Finance,
and Acting Chief Financial Officer

Corporate Overview

Product Service Lines

Drilling & Evaluation Division

- Baroid
- Drill Bits and Services
- Landmark Software and Services
- Sperry Drilling
- Testing and Subsea
- Wireline and Perforating

Completion & Production Division

- Artificial Lift
- Cementing
- Completion Tools
- Multi-Chem
- Pipeline and Process Services
- Production Enhancement
- Production Solutions

Supporting Both Divisions

- Consulting and Project Management



Founded in 1919, Halliburton is one of the world's largest providers of products and services to the energy industry. With approximately 65,000 employees as of December 31, 2015, representing 140 nationalities in approximately 80 countries, the Company serves the upstream oil and gas industry throughout the life cycle of the reservoir – from locating hydrocarbons and managing geological data, to drilling and formation evaluation, well construction and completion, and optimizing production through the life of the field.

Halliburton comprises 14 product service lines (PSLs). The PSLs operate in two divisions: Drilling and Evaluation, and Completion and Production. Our Consulting and Project Management PSL works across both divisions.

The Company is organized into four regions: North America, Latin America, Europe/Africa/Commonwealth of Independent States (CIS) and Middle East/Asia. The regional teams, with their close knowledge of customers and local conditions, hold the primary responsibility for sales; execution; and health, safety and environment (HSE). The PSLs are primarily responsible for our processes, technology and execution of service quality (SQ).

Strategy & Materiality

The fundamentals of Halliburton's strategy remain unchanged. We are focused on maintaining a strong customer portfolio; investing in more efficiency; and delivering reliable, best-in-class service quality for our customers. To achieve this, we focus on three key solution themes: deep water, mature fields, and unconventional.

Sustainability Strategy

Sustainability is integral to our overall strategy as we seek to deliver long-term financial value while minimizing our environmental footprint and having a positive impact on society. This is expressed in our Guiding Principles for Sustainability.

Central to our sustainability strategy is a value chain approach focused on the material issues for our business. We consider sustainability in our supply chain and our customers' environmental and social impacts, alongside our own direct impacts. As a result, our focus is on the areas that are of the greatest significance to our business and to our stakeholders.

Materiality

We performed a full sustainability materiality assessment in 2015 to update our analysis of the material issues for our business and to ensure that our strategy and reporting meet the needs of Halliburton and of our stakeholders.

Methodology

The materiality assessment utilized industry best practice on sustainability and material issues, and drew on external and internal stakeholder feedback.

Industry best practice guidance surveyed included the Global Reporting Initiative G4 standard, the Dow Jones Sustainability Indices (DJSI), the Carbon Disclosure Project, the IPIECA Oil and gas industry guidance on voluntary sustainability reporting, and the Sustainability Accounting Standards Board: Oil & Gas Services Standard.

Investors, customers and suppliers were engaged for external views. Every function within Halliburton participated in the internal review.

Issues were prioritized based on a qualitative view of their significance to Halliburton, and their importance to stakeholders. This prioritization took into account numerous factors, such as the magnitude of possible environmental, financial or social impacts. Regulatory, community and customer expectations were also elements of the assessment.



Strategy & Materiality cont.

Results

On the basis of this analysis, the areas below were categorized as material. This assessment determines the metrics we report on in this document and the areas where we concentrate our sustainability efforts.

Environment

- Energy consumption
- Greenhouse gas emissions
- Water consumption
- Releases to environment
- Operational eco-efficiency



Economic

- Business ethics
- Risk management
- Supply chain sustainability
- Local content



Social

- Health and safety
- Regulatory compliance
- Labor practices
- Human rights





Our Guiding Principles

PRINCIPLE ▼

Financial Performance

Deliver superior value for our shareholders

Health, Safety & Environment

Conduct operations that are safe and environmentally responsible

Technology & Innovation

Lead the industry in innovation and conscientious stewardship of global resources

INTENT ▼

To outperform our competitors by delivering superior growth, margins and returns to our shareholders

To advance on our Journey to ZERO, toward our vision of zero health, safety, environment or service quality incidents

To develop solutions that give our customers economic access to new hydrocarbon resources and maximize the value of their existing assets

ACHIEVEMENTS ▼

Outperformed

We once again outperformed our peer group in North America and internationally.

Cost structure

We took action to reduce our cost structure to mitigate the impact of market conditions.

18 percent

In 2015, we reduced our total recordable incident rate by 18 percent.

40 percent

We had fewer environmental incidents for every hour worked with a 40-percent reduction in our environmental incident rate.

37

We achieved an industry-leading 37 API Q2 certifications in 2015.

4,232

In 2015, Halliburton was granted 514 patents, bringing our active total to 4,232.

38 percent

Our patent efficiency has risen by 38 percent in five years, putting us in the same range as other top global U.S. patent leaders.

50+

Halliburton collaborates on more than 50 research and development projects with universities worldwide.

Ethics and integrity are the foundation for Halliburton's Guiding Principles.

Global Citizenship

Enhance the economic and social well-being of our employees and the communities in which we operate

To be a preferred employer and make a positive impact in the communities where we live and work

50

Our employees completed an average of 50 hours of training in 2015, a total of over 4 million hours.

20+

There are more than 20 Halliburton Volunteer Councils worldwide, giving back to their communities.

\$6 million

In 2015, the Halliburton Foundation donated \$6 million to the communities where we operate in the form of scholarships, grants and matching employee giving.

Transparency

Be transparent in reporting and validating our progress

To provide our stakeholders with thorough and timely information on our progress

86,000

Halliburton discloses approximately 86,000 safety data sheets in 21 languages.

14

Our Code of Business Conduct is publicly available in 14 languages.

13

Investor Relations and executives participated in 13 major shareholder events in 2015.

Collaboration

Engage our stakeholders to help achieve results that are compatible with our stated principles

To actively communicate with key stakeholders to help achieve mutual objectives

\$1.2 billion

Our total spend with small and diverse suppliers in the U.S. was \$1.2 billion in 2015.

Six years

Industry-leading score in Human Capital Development in the DJSI for the sixth consecutive year.

50+

We collaborated with customers on more than 50 research and development projects in 2015, innovating to meet their specific needs.

Built on a solid foundation of ethics and integrity, Halliburton's Guiding Principles for Sustainability provide the framework for our operations and our future. To ensure that these principles guide every aspect of our decisions, plans and actions, we have matched each with a clearly defined intent.

Corporate Governance & Business Ethics

Ethics and integrity are core values at Halliburton and are the foundation of our Guiding Principles for Sustainability. In practical terms, these are expressed and enforced through our Corporate Governance Guidelines, our Code of Business Conduct (COBC), our employment practices, and our compliance system audits. These governance processes, and the ways in which we apply integrity and ethics across our operations, are described below.

Corporate Governance

Board of Directors – Statement of Purpose

Members of the Halliburton board of directors are personally and professionally committed to the Company's success in achieving its long-term goals. They guide the Company in its sustainability efforts, and in fulfilling its responsibilities to communities, shareholders, employees and the environment.

Board Composition and Diversity

The Halliburton board of directors provides broad oversight of the management and governance of our Company. In 2015, our board had 12 members. All directors stand for election at our annual meeting of shareholders and, except for the chairman of the board and the Company president, all directors are independent as defined by the New York Stock Exchange and our Corporate Governance Guidelines.

The board of directors has determined that the interests of our shareholders are best met through combining the positions of chairman of the board and chief executive officer (CEO). This decision is reviewed annually and the board retains the authority to separate the positions. In addition to the chairman, the board has designated one of its senior independent members to act as Lead Director.

Halliburton and its board of directors are committed to maintaining diversity, including within its own membership. The board's Nominating and Corporate Governance Committee annually reviews the Company's director criteria and the composition of the board of directors to evaluate diversity profiles, as well as skills, experience, qualifications and talents. Additionally, the committee performs assessments of the board, committees and directors; considers recommendations from shareholders and directors; and proposes directors for the Company's annual board elections. Typically, appropriate director candidates are identified by board members, our management, or a third-party executive search firm.

Board Oversight and Committees

The board of directors is guided by the Halliburton Corporate Governance Guidelines, which are reviewed annually. Topics pertaining to corporate citizenship, governance and sustainability are routinely reviewed at meetings of the board and committees. The board and committees also carry out ongoing reviews of HSE performance, financial results and current risks facing the Company. In 2015, the board of directors met six times; the Compensation Committee and the HSE Committee met five times; the Audit Committee met nine times; and the Nominating and Corporate Governance Committee met four times. All directors can call executive sessions or request a special meeting of the board or of a committee.

The members of the board of directors are also committed to enhancing and developing their collective knowledge of sustainable development and of the economic, environmental and social factors that may affect the Company's success. They achieve this through a variety of measures, including expert briefings, training seminars and study.



The board of directors, from left to right:

James R. Boyd

Retired Chairman of the Board,
Arch Coal, Inc.

Milton Carroll

Executive Chairman of the Board,
CenterPoint Energy, Inc.

José C. Grubisich

Chief Executive Officer,
Eldorado Brasil Celulose

J. Landis Martin

Founder and Managing Director,
Platte River Equity

Debra L. Reed

Chairman and Chief Executive Officer,
Sempra Energy

David J. Lesar

Chairman of the Board and Chief Executive Officer,
Halliburton Company

Robert A. Malone

Executive Chairman, President, and Chief Executive
Officer, First Sonora Bancshares, Inc.

Jeffrey A. Miller

President and Chief Health, Safety and
Environment Officer, Halliburton Company

Nance K. Dicciani

Chair of the Board and Interim Co-Principal Executive
Officer, AgroFresh Solutions, Inc.

Abdulaziz F. Al Khayyal

Retired Senior Vice President of
Industrial Relations, Saudi Aramco

Murry S. Gerber

Retired Executive Chairman of the Board,
EQT Corporation

Alan M. Bennett

Retired President and Chief Executive Officer,
H&R Block, Inc.

Communication with the Board of Directors

Halliburton management and our board of directors encourage open and transparent communication with shareholders, employees and other interested persons. To make this possible, a phone number and listings of postal and email addresses are provided on the Halliburton website. In addition, our corporate secretary and our Investor Relations group interact with shareholders regularly and make themselves available for calls or meetings.

Board of Directors and Executive Compensation

The board of directors' compensation program takes the form of a fixed retainer and annual restricted stock awards.

The executive compensation program features market-driven compensation within a common total-compensation framework, with flexibility to accommodate differences in business drivers and objectives among the Company's varied business units. Our executive compensation includes a base salary, a balanced mix of long- and short-term incentives, supplemental discretionary retirement and benefits. This program is regularly reviewed to ensure that it supports the Company's strategies and generates value for our shareholders.

Additional information on these programs is published in our proxy statement.

Business Ethics

Human Rights

Halliburton and its board of directors support universal human rights as defined by the United Nations Universal Declaration of Human Rights, and we preserve these rights for our employees in all our locations. We believe that safeguarding basic human rights is primarily the responsibility of local governments, and, as an employer of a multinational workforce, we require that all our employees be treated with dignity and respect.

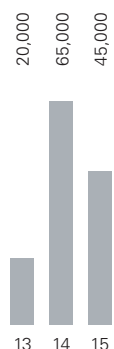
Code of Business Conduct

Our Code of Business Conduct addresses the standards, principles, laws and regulations that impact our business. It delineates what is expected of employees and designates potential consequences for violations – up to and including termination. The COBC applies to all employees, officers and directors of the Company. We also expect others who act on our behalf, such as suppliers, agents and consultants, to abide by the COBC. We perform regular audits to promote compliance with the COBC requirements.

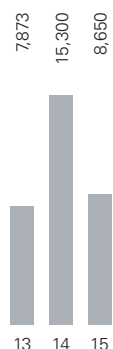
We provide the COBC in 14 languages, and a web page on our intranet houses the COBC and various complementary materials. Each employee is required to complete basic COBC training every other year, and managers must complete a course annually; the effect of this biennial requirement on training numbers can be seen in the chart on page 12. In 2015, 45,000 employees completed approximately 48,000 hours of COBC training.

Corporate Governance & Business Ethics cont.

**Code of Business
Conduct Training**
courses completed



FCPA Training
courses completed



Employees are expected to report any real or possible violations and may remain anonymous in doing so. Several avenues for reporting possible violations of the COBC are available. Reports may emerge through management review or from corporate sources such as Corporate Security, or may be submitted by employees through the Ethics Helpline. A third-party phone service, the Ethics Helpline is available in several languages, 24 hours a day, seven days a week. Retaliatory actions against employees who report violations are not tolerated.

The COBC Practice Group, part of the Halliburton Law Department, fully investigates all submitted reports of misconduct, and management is responsible for taking corrective action as needed, up to and including termination. During 2015, the COBC Practice Group received 143 reports of alleged misconduct; however, investigations revealed that the majority of these were not violations of the COBC. Of the remaining reports, the allegations were related to discrimination or harassment; fraud or theft; conflicts of interest; bribery, kickbacks, or sensitive transactions; health, safety and environment; or unauthorized disclosure of confidential information. Corrective actions resulting from these investigations have included terminations, written and spoken reprimands, referrals for counseling, resignations, restitutions, suspensions and probations.

Foreign Corrupt Practices Act

As part of the COBC, we have in place business practices and policies designed to minimize risk of violating the U.S. Foreign Corrupt Practices Act (FCPA), the U.K. Bribery Act, and other similar laws and regulations. Halliburton employees are prohibited from securing contracts for the Company by paying or offering bribes, kickbacks or any other illegal, unethical or immoral compensation or accommodation to government officials.

Every potential commercial agent must undergo a detailed due-diligence investigation. Multilevel management approvals are required before any commitment can be made to hire an agent or pay any commission. The Company expects its employees to behave professionally and ethically when dealing with governmental entities or companies. We provide in-person and online training on the FCPA in numerous languages. Managers and all expatriate employees are required to complete this training annually; in 2015, nearly 8,650 courses were completed, meeting our internal requirements. This was reduced from 2014 because most staff are required to complete training every two years.

Employment Practices

Our COBC applies to all employees and contractors, and states that any behavior that creates an intimidating, hostile or offensive work environment will not be tolerated. We work to provide a professional environment free of discrimination, harassment, intimidation or coercion relating directly or indirectly to race, color, religion, gender, citizenship, marital status, veteran status, genetic information, age, disability, national origin, sexual preference or orientation, or any other status protected by law or regulation. We follow all local laws regarding employee wages, and we frame our compensation practices based on market and industry standards. We do not employ child labor. We prescreen potential suppliers, vendors and contractors, and confirm their legal compliance by requiring that their proposals include a statement of their intent to adhere to laws and regulations regarding forced or child labor and the payment of wages. As of December 31, 2015, approximately 17 percent of our employees were subject to collective bargaining agreements.

Compliance System Audits

Our Compliance Program includes regular internal reviews of geographical or business units to evaluate adherence to the COBC. We also periodically engage outside experts to review the Compliance Program, to recommend improvements and ensure that we are employing best practice; the latest review was performed in 2014.

Taxation

The Company's taxation strategy is consistent with our commitment to integrity and ethics and with our Guiding Principle on global citizenship, which is to enhance the economic and social well-being of our employees and the communities where we operate. We are committed to meeting our legal obligations in the payment of taxes, and the disclosure of taxes paid and effective rates. This information is outlined in the notes to our financial statements.

Security

The Company uses third-party armed security in a small minority of the countries in which we operate, and we make significant efforts to ensure that all security providers uphold our high standards of integrity and ethics.

The countries, the type of security provider and the training provided are listed on the right. All third-party security providers are required to ensure that security personnel complete all necessary training, and to have procedures in place that are consistent with the parameters specified in our COBC.

Political Engagement

Halliburton participates in, and is affected by, the global and local political environments in which it operates. Through all appropriate means, we support balanced, commonsense and long-term policy solutions to those issues that can have an impact on sustained business opportunities, job creation, economic growth and energy security. Integrity and ethics dictate our approach to political engagement.

Under U.S. federal law, labor unions and corporations are prohibited from directly contributing to candidate campaigns. The law does allow for labor unions and corporations to form political action committees, which pool voluntary contributions from their members and donate those funds to candidate campaigns. Accordingly, the Halliburton Political Action Committee (HALPAC) makes contributions to political candidates in the U.S. whose views and positions on industry issues best serve the Company's interests. HALPAC is funded by voluntary contributions from participating U.S. employees and complies with all regulations and disclosure requirements. It draws from the suggestions of HALPAC members and a 10-member PAC board to determine which political candidate or elected officials, regardless of party affiliation, it will support.

A record of all HALPAC contributions is available on the Federal Election Commission website, and all trade association dues are regularly reported.

In addition, Halliburton supports a separate employee grassroots program that provides employees with the tools and information needed to engage directly in legislative and regulatory policy discussions.

Security & Training by Country

Malaysia

Type of Security:

Auxiliary Police

Training:

Malaysia Police training

Nigeria

Type of Security:

Police

Training:

Nigeria Police training

Iraq

Type of Security:

Private Contractor

Training:

Voluntary Principles on Security and Human Rights, Montreux Document; regular firearm and executive protection training

Pakistan

Type of Security:

Private Contractor

Training:

Weapons handling, basic guard duties, incident reporting

Financial Performance



Outperformed

We once again outperformed our peer group in North America and internationally.

Cost structure

We took action to reduce our cost structure to mitigate the impact of market conditions.

Guiding Principle

Deliver superior value for our shareholders

For 2015, Halliburton was resilient in the face of challenging market conditions, outperforming a 35-percent decline in both the average worldwide rig count and global drilling and completions spend. We once again outperformed our peer group, both in North America and internationally.

Execution During Market Challenges

Halliburton's resilience in 2015 is founded on our strong customer portfolio, our efficient technology spend and our superior service quality. We're confident that, by executing our strategy and building on our successes, we can continue to outperform our competitors.

We experienced a decline in revenue and operating income during 2015, as compared to 2014, as a result of the depressed crude oil pricing environment and its corresponding negative impact on activity levels and pricing for our products and services. The industry experienced an unprecedented decline in North America stimulation activity during 2015, which significantly impacted our financial results. From the peak in November 2014 through December 31, 2015, the U.S. land rig count declined approximately 64 percent, which in turn has resulted in pricing pressure across the services industry.

We generated \$23.6 billion of revenue during 2015, a 28-percent decrease from 2014. We reported an operating loss of \$165 million in 2015, as compared to operating income of \$5.1 billion in 2014. We recorded \$2.2 billion of impairments and other charges during 2015, primarily as a result of the downturn in the energy market. These charges consisted of equipment write-offs, asset impairments, expenses and write-downs related to idle equipment, impairment of intangible assets, inventory write-downs, severance costs, country and facility closures, and other items. These actions will right-size our cost structure, unfortunately including a global headcount reduction of approximately 25 percent since the beginning of 2015, and mitigate the impact of current market conditions.

Our international business performed well during 2015. Annual revenue declined 16 percent from the prior year, outperforming our largest peer for both revenue and margins. Despite pricing and activity headwinds, we were able to improve 2015 operating margins due to a focus on cost management. North America revenue declined 39 percent compared to 2014, as a result of pricing pressure and substantial declines in activity.

Our playbook for a downturn is simple – we control what we can control, preserve our market position and live within our cash flow. In 2015, we executed our key strategies in the unconventional, deepwater and mature field markets on a near real-time basis. But we also looked beyond the cycle, investing in strategic initiatives and preparing for the next cycle.

Halliburton traditionally has been aligned with customers that have strong balance sheets and fairway acreage in the most important oil and gas basins in North America and across the globe. We are engaged with them in their efforts to reduce the cost of producing each barrel of oil equivalent. We have continued to offer our customers products, services and technologies that are more efficient, reduce non-productive time and improve performance.

An example of this is the deployment of our Frac of the Future™ hydraulic-fracturing delivery platform, which continued in 2015. This industry-leading platform has improved all aspects of surface efficiency, offering a clear advantage to our customers through the cycle, and now makes up close to 60 percent of our fleet.

Looking to the Future

2016 is expected to be another challenging year for the industry. However, our strategy remains unchanged. We are focused on maintaining a strong customer portfolio; investing in efficient technology; and delivering reliable, best-in-class service quality for our customers. We are looking through this cycle, drawing upon our management's deep experience and preparing the business for growth when the industry recovers.

Health, Safety & Environment



18 percent

In 2015, we reduced our total recordable incident rate by 18 percent.

40 percent

We had fewer environmental incidents for every hour worked with a 40-percent reduction in our environmental incident rate.

37

We achieved an industry-leading 37 API Q2 certifications in 2015.

Guiding Principle

Conduct operations that are safe and environmentally responsible

Health, safety, environment and service quality are core values for Halliburton. Our objective is to meet or exceed all internal and external compliance requirements – meeting the expectations of regulators, customers and our own internal standards. Beyond compliance, we are committed to continuous improvement across all of these business-critical areas.

Our leadership commitment, robust management system, and the competencies and commitment of our people are core elements of our success and provide the foundation of our Journey to ZERO.

Journey to ZERO

Turning our commitments into practice is at the heart of our Journey to ZERO. Simply stated, it is a concerted effort to achieve ZERO health, safety and environmental incidents and ZERO non-productive time every day, on every job. There are many areas within Halliburton where this is happening now.

This vision encompasses our commitment to our employees, our customers and to our communities. It expresses our priorities – to acknowledge the journey, accept the challenge and make no compromises in execution.

Journey to ZERO defines six elements that provide a roadmap for improvement. These elements remain consistent each year, while specific focus areas evolve annually. The elements are:

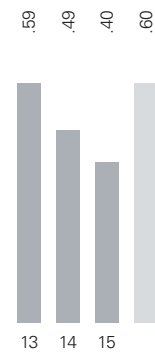
- Leadership Commitment
- Halliburton Management System (HMS) Continuous Improvement
- Training and Competency
- Communicating and Addressing Risk
- Technology and Process Improvement
- Performance Verification

Highlights

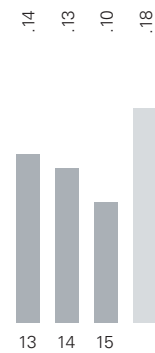
- We continue to reduce the frequency of health and safety incidents. Building on our best-ever performance in 2014, we reduced our 2015 total recordable incident rate (TRIR) by a further 18 percent to 0.40 incidents per 200,000 hours worked. This compares to the International Association of Drilling Contractors (IADC) industry average of 0.60 in 2015.
- We have also reduced the severity of incidents that do occur, and have surpassed the historical best performance achieved in 2014 in our lost-time incident rate (LTIR), which is 23 percent lower year on year at 0.10 incidents per 200,000 hours worked. This compares to the IADC industry average of 0.18 in 2015.
- We have reduced the frequency of environmental incidents of all types in our operations, achieving a 40-percent reduction in our recordable environmental incident rate (REIR) compared to 2014.
- We achieved two consecutive years of performance improvement for non-productive time (NPT), focusing on our planning and change management process to deliver a year-on-year reduction of 21 percent.



Total Recordable Incident Rate
per 200,000 hours worked



Lost-Time Incident Rate
per 200,000 hours worked



■ International Association of Drilling Contractors (IADC) industry average

■ International Association of Drilling Contractors (IADC) industry average

Health, Safety & Environment cont.



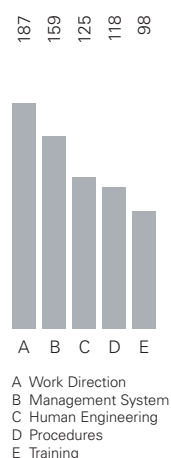
Stop Work Authority

Our global Stop Work Authority (SWA) program plays a foundational role in preventing incidents before they occur. All employees and contractors have the authority – and the responsibility – to stop a task if they observe an unsafe action or condition at a worksite, or have a concern regarding the control of an HSE risk or service delivery.

Fatalities
per year



Incident Causal Factors
for high-potential
HSE incidents



We continue to lead the industry in American Petroleum Institute (API) Specification Q2 Certification. API Q2 is a risk-based quality management system approach that focuses on competency, service design, contingency planning, supply chain controls, preventive maintenance, inspection, service quality plans and management of change. It is the first international standard that outlines fundamental, risk-based quality management systems for oil and natural gas services companies. In 2015, 37 of our facilities received certification, including operations in Indonesia, Malaysia, Brunei, Kuwait, Brazil and Mexico.

Strategy execution was the foundation of these achievements, with major components being:

- Competency assessments
- Design of Service (DOS) and process and PSL control points
- Process assurance and structured self-verification

As a Company, we run numerous programs to drive performance in HSE and Service Quality. In the sections below, we describe critical processes that operate across HSE and SQ. We then describe key programs that are specific to HSE and those that relate solely to SQ.

Shared HSE and SQ programs

Halliburton Management System

The Halliburton Management System (HMS) outlines how we work. HMS is the integrated set of policies, business practices and procedures that are used by the Company in defining, planning and executing business activities. It enables employees to work safely, consistently and effectively by providing reliable standardized processes such as Design of Service, contingency planning, Management of Change (MOC) and Stop Work Authority.

HMS complies with the requirements of all relevant recognized management system standards, including ISO 9001, ISO 14001, OHSAS 18001, API Q1, API Q2 and API RP 75.

Management of Change

Our Management of Change process is designed to control change-related risk. Because all operational and process changes have the potential to cause disruption or to create a new hazard, they must be reviewed, planned and approved before implementation. The MOC process may be initiated internally or by external parties, such as customers, subcontractors or regulatory bodies, that have an established interest in, or relationship with, the Company.

Technology and Process Improvement

A major way we engineer out risk is by focusing on product and service design. Our Technology organization designs equipment using the LIFECYCLE stage-gate process, which includes HSE and reliability reviews during the design and development of a new technology. Our Manufacturing organization builds the products safely, outperforming the industry average, and our products are designed to have best-in-class safety performance while in use.

Engineering out risks includes attention to the hazards and environmental impact of chemicals used. The Halliburton Chemistry Scoring Index (CSI) ranks and compares the relative risks associated with the chemical products used in oil and gas operations.

Using the CSI, our customers can compare chemicals within the same product class, enabling them to choose products that fit their needs while posing the least potential risk. The CSI is aligned with the hazard-determination principles of the United Nations Globally Harmonized System of Classification and Labeling of Chemicals (GHS), and with other regulatory standards.

Tiered Inspection Program

Our tiered inspection program is a systematic self-verification process that is fundamental to our drive for continuous improvement in HSE and Service Quality. It consists of a job-site or location assessment, a management system assessment, and global oversight through our Internal Assurance Services. In 2015, our focus was on achieving improved process adherence and application of management controls.

For Service Quality, job-related assessments are performed by managers during visits to operational locations, focusing on wellsites and workshops. Results are used to verify employee understanding of HMS processes and controls, and to assess competencies and training. This enables us to build on the success of this program in previous years. In 2015, this activity was expanded to include a Job Packet Review to verify that defined Control Points are being validated and that all necessary documentation is complete and accurate.

Incident Investigation and Cause Analysis

Crucial components to improving our key HSE and SQ performance have been our rigorous investigation of incidents and our ranking of incidents in terms of both severity and consequence. We also track near misses, which are incidents where the potential for personal injury, property damage, adverse environmental impact or negative service quality performance was present, even though nothing occurred. We classify a near miss as a high-potential incident if the conditions could potentially have resulted in serious personal injury, property damage or adverse environmental impact.

Investigation of significant incidents through our Significant Incident Review process brings immediate visibility to high-risk incidents, and enables timely and rigorous assessment to determine root cause.

Health, Safety and Environment Programs

Below are selected HSE programs that address our greatest risks and most material issues.

Driving Safety

Driving is the single most significant risk for Halliburton, and we are saddened that it was the cause of our only employee fatality in 2015. To increase driver safety, we continue to improve our tools, such as In-Vehicle Monitoring System (IVMS).

Vehicle incident rates continued to improve, with 2015 rates 5 percent lower than 2014. Along with the ongoing Journey Management and IVMS initiatives, we continue to build our global community of practice for Land Transportation Safety by exchanging valuable transportation safety information and best practices throughout the regions. Through Standard revisions and MOC guidance, our Journey Management system emphasizes risk management and encourages our employees to understand the routine and non-routine risks and to make mitigating decisions.

Halliburton Life Rules

10 to ZERO


Driving Safety


Work Permit


Personal Protection Equipment (PPE)


Lock Out/Tag Out (LOTO)


Confined Space


Working At Height


Chemical Handling


Dropped Objects


Hand Tools


Lifting and Hoisting

HALLIBURTON

Personal Safety – Halliburton Life Rules

As a foundational element of our Journey to ZERO, we created the Halliburton Life Rules, a set of 10 core factors that affect personal safety. They are based on our HSE standards and are a powerful tool to communicate critical requirements to our employees. All employees are expected to learn the rules and live by them.

High Potential Incidents per Year
for high-potential HSE incidents

551
463
328



Near-Miss Incident Rate
per 200,000 hours worked

4.72
3.86
4.55



Health, Safety & Environment cont.



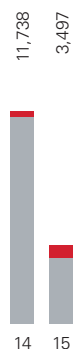
Process Safety – Critical Focus Areas

Critical Focus Areas (CFAs) are conditions of the job environment that present the biggest risk for HSE, process safety or SQ incidents. All CFA events are investigated, however minor, including near-misses and the use of Stop Work Authority. The CFAs are:

- Barriers – The physical measures (such as packers, plugs, drilling fluids or cement) that prevent gas or oil from flowing into the well from the formation and traveling to the surface
- Hydrocarbons to the surface – Flow of gas or oil to the surface, such as might occur during well-testing or well-cleanup operations
- Trapped pressure – Equipment in which a release of pressure could occur; for example, discharge iron, lab machinery, blowout preventers, pipelines, hoses, tanks or silos
- Well proximity – The potential, while drilling, to intersect a producing or existing wellbore
- Radiation and explosives – Any surface activities involving a radioactive source or explosive materials

Absolute Emissions

thousand metric tons CO₂e



Emissions Intensity

metric tons CO₂e per million U.S. dollars revenue



■ Indirect Emissions
■ Direct Emissions



Journey to ZERO expresses our priorities – to acknowledge the journey, accept the challenge and make no compromises in execution.

Near-Miss Reporting

The year on year increase in near-misses reported on page 19 is driven by a concerted effort to increase reporting of Life Rules-related incidents, even when no negative outcome actually occurs. This maximizes our opportunities to learn and to improve performance.

Air Emissions and Greenhouse Gases

Halliburton is committed to continual improvement in the emissions to air that result from our activities and to reducing greenhouse gas emissions across our value chain. We achieve this by working to reduce the environmental footprint of the equipment we use, of our corporate real estate, and of the products and services we offer.

One element in this effort has been our leadership in the deployment of diesel engines that meet the U.S. Environmental Protection Agency (EPA) Tier 4 standard. The Tier 4 standard sets stringent requirements for non-road diesel engines to lower emissions of particulates, nitrogen compounds and other pollutants by as much as 90 percent. We are unique in the oilfield services sector in designing and manufacturing our own equipment that uses these engines, working with engine manufacturers and making significant investments in research and development to reduce emissions. Today, the Company's surface equipment is among the cleanest available and it comprises the largest fleet of Tier 4 compliant diesel engines in operation in the U.S. and the Gulf of Mexico.

We have continued to improve the environmental performance of our global real estate. Several key sites have achieved certification for Leadership in Energy and Environmental Design (LEED) and similar awards, notably our main Houston location, known as the North Belt campus. The certifications received in 2015 are listed on page 21.

In 2015, our global greenhouse gas emissions decreased to approximately 3,497 million metric tons, a reduction of 70 percent from our restated emissions for 2014. The comparative figure has been recalculated because a revised data collection and analysis methodology provided greater visibility of our operational fuel consumption, enabling the reporting of more complete and accurate information.

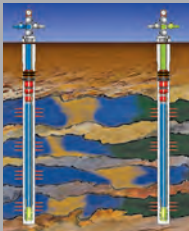
The year on year decrease is primarily due to reduced overall activity levels in the year and to changes in the activity mix in terms of PSLs and geographies. However, as described above, we have also increased operational efficiency through improvements in real estate and operating assets, and through process efficiency. These include continued roll-out of the Frac of the Future technology suite. Greater efficiency is reflected in our lower emissions intensity in 2015, with emissions per million dollars of revenue down by 59 percent to 148 metric tons.

In addition to addressing our direct environmental impacts, Halliburton is working to provide global energy solutions that go beyond conventional energy sources. We are a leader in geothermal energy and in carbon capture and storage. An example of our achievements in clean energy is described on page 21.



Duncan Water Project

One project that showcases the way we target our environmental footprint is the program at our Duncan, Oklahoma, facility to reduce water use. Through upgrading plant equipment, installing water-efficient technologies in our cafeteria and restrooms, utilizing advanced cooling systems and engaging our people in water conservation, this project achieved annual water savings of more than 10 million gallons.



Geothermal Projects in Indonesia

With 40 percent of the world's total geothermal resources, Indonesia is transforming its economy with clean, renewable energy. Since the 1990s, Halliburton has provided services in this fast-growing market, enabling clients to complete wells faster, more cost-effectively, and with an unparalleled safety record.

Many geothermally rich areas are also protected rainforest conservation areas with important ecosystems. Halliburton has developed new directional drilling techniques for geothermal assets that allow more wells to produce from a single pad. This minimizes disruption to the environment while increasing the site's generating capacity and return on investment, benefiting all stakeholders.



Our Recordable Environmental Incident Rate was 40 percent lower in 2015 than in 2014, at 0.03 incidents per 200,000 hours worked.

Sustainable Building Awards

LEED – Silver

Houston North Belt – Child Care Center
Houston North Belt – Plaza 1
Houston North Belt – Plaza 2
Rio de Janeiro – Technology Center

Waste Disposal and Recycling

We have achieved further improvements in the quality and coverage of our waste and disposal data in 2015, and are able to report on disposal methods of all waste globally. An overall recycling rate of 82 percent was achieved, with only 10 percent of waste going to landfill. Further details are reported on page 45.

The overall proportion of our waste that is defined as hazardous has declined slightly to 7 percent in 2015 (2014: 8 percent).

The most significant change in 2015 is that our waste generated has increased significantly year-on-year. The driver for this has been the restructuring of our cost base in 2015, as described in our financial statements. This has led to the retirement or disposal of inventory and obsolete capital assets, many of which are included in the 2015 waste statistics.

Health and Wellness

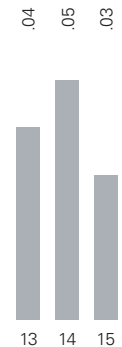
Halliburton has a global program to ensure the health and well-being of its employees and their families. Our Wellness Committee, under executive sponsorship, has a mission to increase awareness and create opportunities for employees and their families to take ownership of their health. The initiative focuses on five key elements:

- Nutrition
- Physical health
- Emotional health
- Financial wellness
- Community involvement

Total Volume of Spills
in cubic meters



Recordable Environmental Incident Rate
per 200,000 hours worked

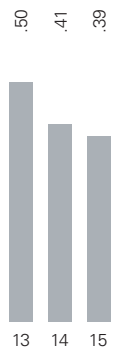


Health, Safety & Environment cont.



Building on our best-ever performance in 2014, we reduced our 2015 total recordable incident rate (TRIR) by a further 18 percent to 0.4 incidents per 200,000 hours worked.

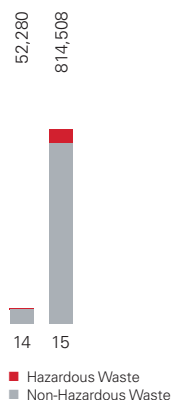
Recordable Vehicle Incident Rate
per 1,000,000 miles traveled



HSE Fines and Penalties
US \$1,000



Waste Data
tons



Service Quality Programs

Service Quality performance improvements have been driven by our intensified focus on process adherence and the execution of management controls to mitigate risk, such as our Design of Service (DOS) process and defined PSL Control Points.

Design of Service

Design of Service provides a written record of job objectives and the major decisions impacting the job design, their process of determination, and the elements that provide assurance for that design. A formal Design of Service is in place within each PSL to ensure that all requirements are gathered, including customer-specific, legal and other requirements based on location. Every DOS includes methods to document risks identified during the review, mitigation efforts taken to reduce or eliminate the impact of that risk, and contingency planning to cover situations if the risk does occur. The four main elements of DOS are:

- Customer requirements
- Risk assessment/contingency plan
- Technical output
- Evidence of review and approval

Control Points

A control point is a requirement or activity that drives consistent, effective design and execution of the job. The term may also refer to a review which confirms that key steps were performed, providing assurance that the job purpose will be achieved. DOS and MOC are the two control points common to all PSLs. All PSLs consistently deliver and execute their control points as part of each job.

HSE Awards and Recognition

Examples of the HSE awards that Halliburton received in 2015 include:

- The DJSI and RobecoSAM recognized Halliburton as one of the top five sustainability performers in our industry, including Halliburton in the DJSI World Index and the 2016 Sustainability Yearbook.
- In 2015, our Carrollton, Texas, location won the City of Carrollton Environmental Distinction Award for the Company's continued commitment to environmental sustainability and leadership.



Technology & Innovation



4,232

In 2015, Halliburton was granted 514 patents, bringing our active total to 4,232.

38 percent

Our patent efficiency has risen by 38 percent in five years, putting us in the same range as other top global U.S. patent leaders.

50+

Halliburton collaborates on more than 50 research and development projects with universities worldwide.

Guiding Principle

Lead the industry in innovation and conscientious stewardship of global resources

Halliburton offers the industry's most advanced products and services for the upstream oil business. Our global research and development (R&D) organization works with customers to deliver products and services that help improve their project economics and maximize the value of their oil and gas assets. Our value proposition – improving the customer's cost per barrel of oil equivalent – drives our development of custom solutions that reduce uncertainty, lower the costs of exploration and development, maximize hydrocarbon recovery, and provide access to reserves located in the most difficult environments. These technologies help solidify our relationships with the world's top energy producers.

Highlights

In 2015, our newest products and services received numerous awards, listed on page 28, providing industry recognition that is critical to our success with existing customers and to our continued growth.

In applying our technologies to address customer needs, we always take a practical, pragmatic approach. In 2015, Halliburton collaborated with customers on more than 50 research and development projects, designing products to address customer-specific challenges. Additionally, Halliburton has established more than 50 technology collaborations with universities globally.

Resources and Results

In 2015, our strategy remained consistent even as the global energy markets experienced a downturn. We continued to invest in research and development – \$487 million in R&D investment comprised 2.1 percent of the Company's revenues for the year.

Our investments continue to make a significant impact on our patent issuances. In 2015, Halliburton had a 4-percent increase in the number of new U.S. patents issued, compared with 2014. Additionally, over a five-year period, Halliburton increased patent efficiency by 38 percent when measured by the cost in R&D spend per U.S. patent granted. In 2015, costs were \$0.93 million in R&D spend for each U.S. patent granted. This puts Halliburton into the same patent efficiency range as other top global U.S. patent leaders.

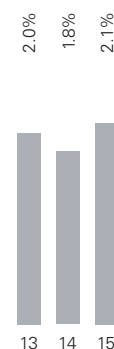
In the last three years, we have increased our technology headcount by 8 percent globally, while our non-U.S. population grew by 34 percent. Additionally, the number of technology employees with doctoral and master's degrees has grown by 9 percentage points in the past three years. In the same period, our female population in technology has increased by 6 percentage points, including an increase of 5 percentage points in the number of females in technology leadership roles.

Technology Centers and Remote Operating Centers

Our global network of 16 technology centers puts Halliburton teams in closer communication with customers, and gives the Company access to a global workforce with diverse talents, educational backgrounds and skill sets.

The Company's 17 remote operating centers focus on service quality and process assurance, primarily supporting drilling activities. These centers have helped Halliburton reduce the cost of poor quality, minimize nonproductive time, improve safety and efficiency, and reduce the number of operational personnel at the wellsite, reducing or eliminating costs such as transportation. Halliburton has developed a variety of software applications for use at the wellsite and in remote operating centers around the globe that dramatically improve the speed and quality of the decisions needed for the development of our customers' assets.

Total Research & Development Spend
percent of revenue



Patents



Technology & Innovation cont.

Technology Fellows Program

The Technology Fellows Program is an important aspect of our Company's technology culture. Technology Fellow is a distinction earned by our highest-performing engineers and scientists. The distinguished team of 12 Technology Fellows is focused on studying the industry's latest technology trends and steering research toward the next generation of products. They also ensure the uninterrupted transfer of knowledge, identify exceptional performers, and cultivate our pool of scientists and engineers.

Technology Acquisitions

To complement organic growth in our capacity to innovate, we acquire technology-based companies that can make a significant contribution to our mission. In 2015, we acquired Sensor Developments, a Norway based company that offers a technology called the LinX® system. The LinX system enables wireless through-casing power and communication. With the LinX system, sensors can be remotely mounted outside the wellbore, without traditional electrical connections, to supply continuous, accurate data. Having the right data provides a better understanding of the reservoir, increasing operator confidence and leading to more-informed decision-making. The result is reduced operational expenditures and maximized production.

Promoting Technology Education

Halliburton actively seeks opportunities to identify, develop and foster strategic academic relationships worldwide. The goal is to give students bound for the upstream oil and gas industry a foundation in the technologies that will help them succeed in their careers. Our focus is on students in chemical, electromechanical and geoscience disciplines.

We continue to make software grants to universities, including to new recipients, based on the strategic importance of a university to the business plan of the Halliburton region in which it is located. In 2015, Halliburton awarded \$218 million in academic and research grants.

Strategic Area Highlights

In every development project, sustainability is both an objective and a design consideration. Our technologies are engineered to enable Halliburton and our customers to improve environmental performance by making jobs more efficient, safer, more economical and more effective in reducing environmental impact. The following are a few of the award-winning, sustainability-driven products that we deployed in 2015, presented in relation to each of our strategic focus areas.

Deep Water Highlights

In deep water, we are delivering products that focus on reducing uncertainty and increasing operational reliability for our customers.

Environmentally Distinctive Burner is an oil burner specifically designed for use in ecologically sensitive areas, where it is critical to quantify produced emissions. In order to conduct successful well tests, substantial amounts of oil must be brought to the surface and, in most instances, burned or flared. Traditionally, well test oil burners have been passive equipment configured for expected conditions, but unable to adapt or react during operation. These burners could introduce a significant amount of unburnt hydrocarbons into the environment during transient operating conditions. The Environmentally Distinctive Burner is a clean-burning system that produces 14.5 times less fallout than the previous industry standard. The Environmentally Distinctive Burner received a 2015 Hart Energy's *E&P* Meritorious Award for Energy Innovation in the HSE category.

NeoCem™ Cement is the first low-Portland cement system capable of improving the integrity of the hydraulic annular seal, as well as the set-sheath elasticity – outperforming conventional cement systems in providing a dependable barrier in oilfield wells.

SCR-200L™ Liquid Retarder is a synthetic, nonhazardous cement retarder. While compatible with high-quality cements and other additives, SCR-200L is a highly biodegradable, nondispersing retarder designed specifically for high-temperature designs in environmentally sensitive locations.

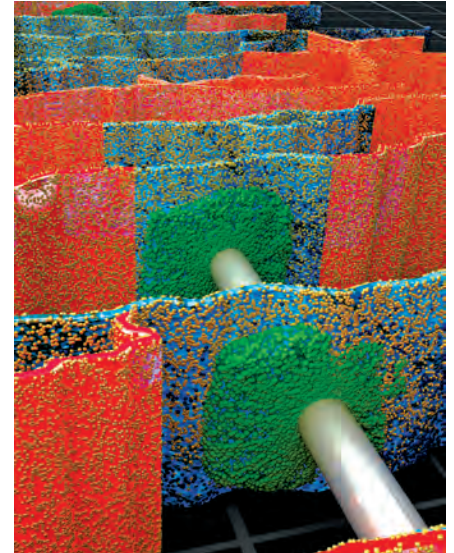
CleanSpacer™ III Spacer Fluid is a biodegradable and ecofriendly fluid designed to reduce the amount of cementing equipment required on location, thus reducing our environmental footprint. This spacer fluid combines biopolymers, naturally occurring nontoxic minerals and fresh water, and can be collected and distributed across disposal fields where microorganisms naturally found in soil degrade the components.

Mature Field Highlights

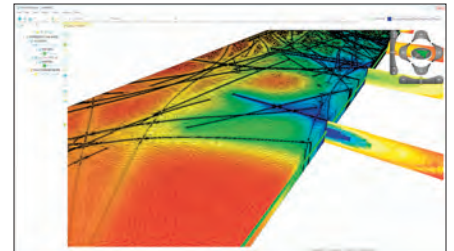
We provide solutions for customers' mature fields to optimize reservoir management and long-term recovery, or to exploit entirely new pay zones by using products that were not available when the field was developed.

DecisionSpace® CasingWear enables operators to understand the extent of potential or existing damage done to the casing strings inside the wellbore by operations, and to evaluate the safety of the well design for present and future production operations. Part of our larger well integrity and mature field management solution, DecisionSpace CasingWear was developed in close collaboration with our clients.

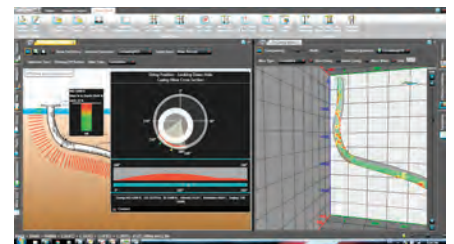
CoilCommSM Service uses fiber optics to provide real-time, bottomhole data during coiled tubing well interventions. The high-quality data obtained helps clients maximize well-production performance and the success rates of interventions, and helps optimize chemical treatments required to perform the intervention. CoilComm Service delivers crucial information with fewer trips to the wellsite to take measurements.



AccessFrac® Stimulation Service



DecisionSpace® Fractures



DecisionSpace® CasingWear Technology

Technology & Innovation cont.

2015 Awards

World Oil Awards

Best Production Technology

AccessFrac® Stimulation Service

Offshore Technology Conference Spotlight on New Technology

RezConnect™ Well Testing System

Hart Energy's *E&P* Meritorious Awards for Energy Innovation

Hydraulic Fracturing Completions

AccessFrac® Stimulation Service

Formation Evaluation

CoreVault™ System

Drilling Fluids

SaltShield™ Cement

Health, Safety & Environment

Environmentally Distinctive Burner System

Onshore Rig

Buoyancy-Assisted Casing Equipment (BACE™)

Louisiana Gulf Coast Oil Exposition

New Technology Showcase

SaltShield™ Cement

Unconventionals Highlights

With unconventionals, our goal is to deliver the lowest cost per barrel of oil equivalent for our customers via subsurface insight, customized chemistry and surface efficiency.

AccessFrac® Stimulation Service is the Company's process for gaining cluster completion and production efficiency in initial completions or refracturing scenarios. AccessFrac Stimulation Service combines a self-degrading, environmentally benign diverter material with a conductivity enhancement material to reduce time and cost for multi-zone fracturing. It helps optimize proppant distribution in complex fracture networks for improved long-term production performance. AccessFrac Stimulation Service won the 2015 Hart Energy's *E&P* Meritorious Award for Energy Innovation for Hydraulic Fracturing and Completions.

DecisionSpace Unconventionals is a comprehensive suite of applications delivered on a single platform optimized to help operators manage the life cycle of shale plays from exploration to production. This suite answers questions about the best way to develop shale plays over their full life cycle, including analytics to determine the "sweet spot," simulation to determine the optimal well spacing, and drilling products to efficiently plan wells in the targeted zones. With DecisionSpace Unconventionals, operators can maximize production from their asset while minimizing their environmental footprint.

MicroScout™ Service involves the injection of ceramic micro-proppant as part of the hydraulic fracturing process to treat natural and induced secondary micro-fractures before the placement of larger-sized proppant into primary fractures. Production results from field-tested wells treated with MicroScout Service provide 25 to 40 percent improvement of liquids production compared to production from control wells with traditional hydraulic fracturing treatment.



Global Citizenship



50

Our employees completed an average of 50 hours of training in 2015, a total of over 4 million hours.

20+

There are more than 20 Halliburton Volunteer Councils worldwide, giving back to their communities.

\$6 million

In 2015, the Halliburton Foundation donated \$6 million to the communities where we operate in the form of scholarships, grants and matching employee giving.

Guiding Principle

Enhance the economic and social well-being of our employees and the communities in which we operate

We are citizens of a world that begins with our facilities and employees, and extends across the globe to the people, families and communities we do business with. Sustaining our reputation as a good global citizen is an important component of our long-term success.

Our Employees

Halliburton successfully grows and leads in our chosen markets for one reason: our people. We attract and retain the best talent by offering rewarding careers, embracing diversity and maintaining a positive work environment. We invest in our employees through competitive compensation plans; health benefits; work-life programs; reward and incentive plans; and continual learning, development and growth opportunities. We have the right people to develop and deliver innovative solutions and superior service quality to the industry – and we value those people as an unmatched competitive advantage.

Learning, Training and Development

Halliburton employees have access to a variety of technical and non-technical training options that are shaped and delivered by a team of Learning and Development professionals. With expertise in all facets of instructional design, this team partners with each business unit to create blended training that uses a variety of teaching approaches.

This team also governs and maintains Halliburton University, the Company's online learning management system. Halliburton University is a comprehensive system that presents and documents career development activities. Employees can determine required role-based competencies, perform competency assessments, and complete instructor-led and web-based training courses and other development activities. Through Halliburton University, employees can identify competency gaps and determine the development they need to advance to the next career level.

In 2015, Halliburton was again granted full accreditation for our Global Competency Assurance Program by the International Association of Drilling Contractors, with full competency accreditation for all positions across all PSLs and support functions globally.

The Company's global competency process is a systematic method for maintaining workforce capability; fostering employee development; and documenting the knowledge, skills, behaviors and experience that employees require for the roles they hold. Our competency process is aligned with customer requirements, industry standards, and applicable laws and regulations.

In an ongoing, multi-year project, role-based competencies have now been established for more than 80 percent of our employee population. Competencies are assigned by employees' business units, aligned with the activities they execute on their jobs and assessed locally by qualified raters. Through tracking in our centralized competency system, Halliburton has demonstrated a strong, positive correlation between documented competencies of the workforce and key business performance indicators.

Halliburton views employee development as a smart, long-range investment. In addition to the online courses provided by Halliburton University, our network of training centers offers employees technical, operational and leadership training in classroom and hands-on workshop settings. In 2015, employees completed a total of over 4 million hours of training – or 50 hours per employee. The training delivered at these centers, together with our competency programs, form the foundation of employee development and fast-track career processes.

Employee Training
million hours



Global Citizenship cont.

Specialized programs that prepare selected employees for leadership roles include the Supply Chain Management Program, Technology Professional Development Program, Human Resources Leadership Program, and Hire to Country Manager (H2CM) process.

H2CM is a Companywide process that equips exceptional new employees in operational or technical roles to advance rapidly into key operations management positions. Participants complete a structured series of career moves, acquiring key competencies, training and on-the-job experience at each step. After completing the H2CM process, the employee has gained the skills to successfully run operations at the country level and beyond.

Halliburton also offers customized leadership development opportunities for employees already in leadership positions. These include stretch assignments, leadership development plans with coaching, and training programs developed and facilitated internally. These programs are mapped to our leadership model and are based on cascading competencies for frontline, operational, transformational and strategic leaders. Formal training courses include: Compensation Essentials, Crew Leadership, Talent Selection, Succession Management, and Change Leadership.

For employees pursuing a managerial career path and demonstrating high potential for leadership, Halliburton offers the three-level Business Leadership Development series and the President's Leadership Excellence Program in partnership with the Mays School of Business at the Texas A&M University Center for Executive Development. These programs and related team projects help prepare leaders for positions of increasing responsibility and executive-level decision-making.

People, Performance and Results

Each year, all eligible Halliburton employees participate in a global performance management process that drives business results by aligning individual and corporate performance objectives across ethics; service quality; financial performance; and health, safety and environment. Employees and managers determine these goals and perform progress assessments that are linked to compensation. Employees also work with their managers to create developmental goals based on current position and career objectives. We provide leaders with guidance on performance management, feedback and coaching to help them build a high-performance organizational culture.

Succession Management

The Company's annual succession management process is a proven method for assessing the skills, talent and potential of employees, with the aim to identify, develop and maintain a reliable succession of skilled leaders. The process targets top talent for accelerated development within the Company, and helps the organization pinpoint possible gaps in individuals' skill sets or experience. Managers complete online leadership assessments and replacement charts for their direct reports. Employees complete and maintain a Talent Profile, which includes the employee's work and educational experiences, strengths and accomplishments, as well as their career interests and aspirations, both short- and long-term. It is a valuable tool that empowers employees to take charge of their careers.

Employee Programs

Halliburton is dedicated to the overall well-being of its employees. In addition to providing a safe work environment and comprehensive employee benefits, we offer programs that help employees cope constructively with well-being issues that arise at work and in their personal lives. These include:

- Dispute Resolution Program
- Employee Assistance Program
- Employee Wellness Program

Rewarding Innovation and Excellence

Maximizing Value-added Performance (MVP) awards recognize outstanding achievement by individuals or teams. These awards emphasize efforts that benefit the Company and its stakeholders. A total of 4,812 MVP awards, worth more than \$4 million, were made in 2015.

Diversity and Inclusion

Hiring and retaining diverse talent is a business imperative. A key focus of our efforts has been on increasing gender diversity by creating an environment that supports the hiring and retention of women. We have made significant strides toward this goal, and we continue our progress through a variety of programs. Notable achievements have been made in our Technology organization, where the female workforce has increased by 6 percentage points in the three years ending 2015, as discussed on page 25. We are also committed to fostering diversity and inclusion through hiring and developing minority employees across our global organization.

We encourage a global culture of inclusion with an ongoing internal campaign highlighting the value of differing perspectives. For example, our global leadership team is required to complete our web-based training, "Diversity and Inclusion for Managers and Supervisors," which is designed to help leaders educate their teams on diversity and inclusion.

Selected high-potential female employees, primarily from operations, engineering, geoscience and technology, also work with management-level mentors who foster their career development. The Diversity and Inclusion team works with global human asset managers to help these employees complete robust leadership-development plans.

Affinity Groups

Women Sharing Excellence (WSE) is an internal diversity network dedicated to promoting employee development, building leadership competencies and increasing employee retention. The organization is open to all Halliburton professionals and has more than 900 members globally. WSE provides support in career planning and self-development through mentoring, training, community-service events, spotlight recognition and a workplace conversation series.

Halliburton African American Network Forum (HAANF) is an affinity group dedicated to supporting the Company's diverse workforce through networking, mentoring and promoting professional growth. HAANF's mission is to educate, motivate and empower its members. Participants engage in community service events and lead career development workshops. Although HAANF comprises primarily African-American employees, the organization is open to all employees who seek to cultivate a diverse environment that provides opportunities for advancement, success and growth.

Diversity Awards

- Halliburton received Diversity Leader Award – *Profiles in Diversity Journal*
- Halliburton named a Top 50 Employer by *Woman Engineer* magazine
- Halliburton was inducted into the prestigious Heritage Club by the Society of Women Engineers
- Myrtle Jones, senior vice president of Tax, named Multicultural Leader of the Year by the National Diversity Council
- Cindy Patman, senior director of Corporate Affairs and Diversity Initiatives, named by *Profiles in Diversity Journal* as one of its "Women Worth Watching"
- Heba Filobbos, senior area manager of Completion Tools in Scandinavia, named to the "Top 10 Diversity Champions' List" by the Global Diversity List, sponsored by *The Economist*

Diversity Events

- Global Women's Leadership speaker series
- Society of Women Engineers National Conference and 15 campus events across the U.S.
- Catalyst speaker panel

Diversity Partnerships

- Catalyst Inc. – Global
- Women's Energy Network – U.S.
- Women in Science and Engineering (WISE) – U.K.
- Society of Women Engineers (Corporate Partnership Council Board member) – U.S.
- National Diversity Council – U.S.
- Pink Petro – Global

Global Citizenship cont.

Halliburton Charity Golf Tournament

The 22nd annual Halliburton Charity Golf Tournament raised a record amount of more than \$3 million for 43 nonprofit organizations across the U.S. The tournament has donated almost \$14 million to charities over its 22-year history.

The success of the event in Houston has led to the establishment of a second event in San Antonio, Texas. In its first year, this tournament raised \$64,000 for 11 charities.



2015 Charitable Giving

\$1,228,000

Halliburton Corporate Giving

\$6,139,000

Halliburton Foundation

\$3,000,000

Halliburton Charity Golf Tournament

\$3,377,000

Employee Giving (Giving Choices)

\$3,477,149,000

Landmark In-Kind Donations

\$3,490,893,000

Total

iMPACT is an organization of Halliburton professionals with the primary objective of furthering employee development, enhancing leadership competencies and increasing employee retention. iMPACT membership is now available to all Halliburton professionals.

Veterans Leadership Forum (VLF) provides tools and opportunities for professional development to maximize veterans' contributions to helping Halliburton achieve its goals. Started by and for veterans in 2013, VLF membership is open to all Halliburton employees who seek to enhance their careers.

Enhanced Partnerships and Diversity Events

Halliburton participated in more than 30 global diversity events at pre-college, college and professional levels to promote women and minorities. As a member of the Society of Women Engineers' Corporate Partnership Council, the Company took part in the organization's 2015 national convention and was nominated into its select Heritage Club.

Our Communities

Enhancing the economic and social well-being of the communities in which we operate is among our most enduring principles: Founder Erle P. Halliburton established a heritage of positive community impact through generous support for local charities and causes in his community. Today, the Company creates opportunities to benefit the communities where we live and work. Our commitment to good corporate citizenship is fundamental to creating sustained value for our Company, our stakeholders and the world.

Halliburton community work is centered on our four Pillars of Giving: education, environment, health and safety, and social service.

In-Kind Donations

Through our Landmark PSL, Halliburton made in-kind donations of software valued at almost \$3.5 billion to schools and universities during 2015. The software gifts are used as learning and teaching aids, helping engineering and geosciences students learn about new and emerging technologies in the energy industry.

Halliburton Foundation

Established in 1965, the Halliburton Foundation is a nonprofit organization that promotes education and charitable purposes, and supports education at all levels. The foundation provides direct grants, scholarships and match funding for employee educational donations. In 2015, the Halliburton Foundation contributed \$6 million to schools and higher education institutions.

Pillars of Giving



Education

Our focus areas within education are energy education, literacy, and primary and secondary schools.

Hope Primary School: A highlight of our efforts in education this year was our ongoing relationship with the Halliburton Hope Primary School in central China. Since contributing to the restoration of the school in 2009–10, we have maintained contact and, in 2015, Halliburton volunteers raised \$7,500 to support the school and gave their time to give scientific talks to students.



Environment

Environmental sustainability and the preservation of natural resources are of utmost importance to Halliburton, and are a focus of our community investment.

Norway litter clean up: Halliburton volunteers in Tananger, Norway, demonstrated their commitment to the environment and their community by taking part in a highly successful litter clean-up operation across the city.



Health and Safety

Healthy living, hospitals and disease are all included in this pillar. We focus primarily on organizations and foundations related to the illnesses and diseases that affect the highest percentages of our employees and their families.

Houston Heart Walk: As part of our commitment to the health and well-being of our people and communities, Halliburton employees and their families and friends once again walked and donated in support of the Houston Heart & Stroke Walk, raising more than \$175,000 for the American Heart Association.



Social Service

This pillar encompasses community well-being, hunger relief and support for U.S. military veterans.

Houston Food Bank: Halliburton volunteers and their families spent a day volunteering at the Houston Food Bank, directly impacting community well-being and hunger relief.

Employee Giving

Through the annual Giving Choices program, employees can donate to selected charities, aligned with the Halliburton Pillars of Giving. During 2015, the Company provided a percentage match for all donations and paid all administrative costs. Employees in 17 participating countries pledged almost \$3.4 million to assist their local communities.

Employee Volunteerism

Through our Community Relations web page, employees can join volunteer opportunities in their area or initiate projects and build volunteer teams. Employees have donated thousands of volunteer hours to support hundreds of local initiatives. More than 20 volunteer councils around the world serve and meet the needs of their unique communities while following the Halliburton Pillars of Giving.

Employees: Percentage of Local Nationals in Workforce

| | 12 | 13 | 14 | 15 |
|-------------------|-----|-----|-----|-----|
| North America | 99% | 99% | 99% | 99% |
| Latin America | 94% | 93% | 93% | 93% |
| Europe/Africa/CIS | 88% | 88% | 88% | 88% |
| Middle East/Asia | 72% | 72% | 72% | 72% |

Employees: Percentage of Total Workforce

| | 12 | 13 | 14 | 15 |
|-------------------|-----|-----|-----|-----|
| North America | 50% | 48% | 49% | 42% |
| Latin America | 15% | 14% | 13% | 14% |
| Europe/Africa/CIS | 18% | 19% | 19% | 22% |
| Middle East/Asia | 17% | 19% | 19% | 22% |

Business Leadership Development Courses

Number of Attendees

| Year | Level I Attendees | Level II Attendees | Level III Attendees |
|------|-------------------|--------------------|---------------------|
| 2012 | 597 | 225 | 48 |
| 2013 | 762 | 289 | 82 |
| 2014 | 871 | 319 | 88 |
| 2015 | 879 | 351 | 90 |

Transparency



86,000

Halliburton discloses approximately 86,000 safety data sheets in 21 languages.

14

Our Code of Business Conduct is publicly available in 14 languages.

13

Investor Relations and executives participated in 13 major shareholder events in 2015.

Guiding Principle

Be transparent in reporting and validating our progress

Halliburton is committed to providing our stakeholders with timely information on our progress in all areas. This is achieved through our formal reporting, including this report, and through our engagement with shareholders, industry groups and the public.

Our chief ethics and compliance officer, Enterprise Risk Management group and Internal Assurance Services group report to the board of directors to ensure that they have accurate and timely information on which to act. In relation to sustainability, the Company's HSE and Sustainable Development (SD) Executive Committee and the board of directors' HSE Committee perform this function. Key elements of our transparency efforts are detailed below.

Shareholder Engagement

Engaging constructively with our shareholders is of great importance to Halliburton. Senior management, our Investor Relations team and operational managers hold regular meetings and conference calls with analysts, institutional investors and others as an integral part of the Company's commitment to transparency and engagement with the investment community.

In addition, we participate prominently in major industry-related events throughout the year. The following are 2015 events in which Halliburton executives made presentations, participated in panels, or had other key roles:

- Credit Suisse Energy Summit
- Iberia 2015 ICP Conference
- Morgan Stanley E&P and Oil Services Conference
- Citi Global Energy & Utilities Conference
- UBS Global Oil & Gas Conference
- RBC Capital Markets Global Energy & Power Executive Conference
- TPH Summer Energy Conference
- JP Morgan Sixth Annual Oil & Gas 1x1 Forum
- Simmons European Energy Conference
- Barclays CEO Energy-Power Conference
- Johnson Rice Energy Conference
- Jefferies Global Energy Conference
- Wells Fargo Energy Symposium

Our engagement with the investment community received recognition from *Institutional Investor* magazine in its 2016 All-American Executive Team rankings. The magazine ranked the Halliburton Investor Relations team top in the Oil and Gas Services sector. Individually, Dave Lesar, Christian Garcia and Kelly Youngblood each received top rankings for Best CEO, Best CFO and Best Investor Relations Professional, respectively.

Ethics and Board of Directors Oversight

Halliburton individuals or Company groups that report regularly to the board of directors and/or to its committees are the chief accounting officer; the chief ethics and compliance officer; the general counsel; Enterprise Risk Management; the treasurer; Internal Assurance Services; HSE; Law; Tax; Corporate Development; and operations leadership. The chief ethics and compliance officer makes an annual report to the board's Audit Committee on issues related to ethics and the COBC. The Audit Committee is also informed of any fraud that has been uncovered involving \$50,000 or more.

Transparency cont.

Ethics Helpline and Website

Our employees are empowered to report any illegal activity or violation of the COBC – either observed or suspected. The Company provides an Ethics Helpline administered by an independent third party and available 24 hours a day, seven days a week, 365 days a year, in multiple languages. Callers may choose to report anonymously. The information provided is forwarded to the Halliburton COBC Practice Group for review and appropriate action.

Employees and the public can contact the Halliburton board of directors by using a toll-free phone number, or a mailing address or email address provided on the Company's website. All complaints and concerns are received and processed by the COBC group and are referred to either the board's Audit Committee or the board's lead director, as appropriate. The COBC is described in more detail on page 11.

Internal Assurance Services

Internal Assurance Services provides assurance and insight on the management system of control. The function has responsibility for audits of financial controls, corporate, service quality and HSE. The independent internal audit is a critical part of our tiered inspection process for HSE and Service Quality, as discussed on page 19. The consolidation of the Company's assurance activities to an independent function within the organization is another important indicator of the Company's commitment to quality in all areas in which we work.

A risk-based approach is used to develop the audit plan and define audit scope. Audit outcomes are finalized in a formal report, and actions are required to address reported audit observations.

Audit findings, trends and insights are reported within the organization and to board committees, as applicable.

HSE and Sustainable Development Executive Committee

The Company's president is chief HSE officer and head of the HSE and Sustainable Development Executive Committee, and reports to each meeting of the board of directors' HSE Committee. The HSE and SD Executive Committee is charged with oversight of HSE and SD matters, including annual strategies, HSE statistics, the HSE audit program, and liaison with the board of directors' HSE Committee. Any significant HSE incidents are examined by the committee, with particular attention to violations of laws or regulations, or of the COBC. The committee may request further information or call on individuals involved to provide additional detail, and may recommend follow-up actions.

Chemical Transparency

Halliburton publicly discloses information about the chemical substances used in its operations, providing a valued resource for customers, employees, regulators and the communities where we operate. We publish safety data sheets (SDSs) for all our product lines, including products used in hydraulic fracturing. SDSs communicate detailed information about the safe use, chemical substance management and potential hazards of our products. In addition, for all our chemical products, Halliburton is updating thousands of SDSs to the GHS standard. All current SDSs are available to download from our website.

The Company's website holds approximately 86,000 chemical documents. Of these, approximately 65,000 are Halliburton SDSs available in 30 languages. There are also approximately 21,000 vendor-supplied SDSs in 21 languages. Halliburton continues to invest in the systems, processes and infrastructure that support our commitment to chemical transparency. This investment fuels our continuous improvement in providing market-leading products and information to all our stakeholders.

The other key element of our commitment to chemical transparency is the Halliburton Chemistry Scoring Index, discussed on pages 18 and 19.

Global Reporting Initiative

The Global Reporting Initiative (GRI) is the primary globally recognized framework for sustainability reporting. We have adopted the GRI G4 framework as set out in the index at the end of this document. The adoption of the GRI framework validates our reporting practices and helps us to continually improve reporting and transparency.

Collaboration



\$1.2 billion

Our total spend with small and diverse suppliers in the U.S. was \$1.2 billion in 2015.

Six years

Industry-leading score in Human Capital Development in the DJSI for the sixth consecutive year.

50+

We collaborated with customers on more than 50 research and development projects in 2015, innovating to meet their specific needs.

Guiding Principle

Engage our stakeholders to help achieve results that are compatible with our stated principles

We work closely with our partners across the value chain to deliver sustainable high performance to our key stakeholders. Collaboration with suppliers, customers, industry partners, employees and technology partners, as well as active public and community engagement, are integral to our ability to deliver long-term financial, environmental and social value to our stakeholders.

Supply Chain Engagement

Halliburton Supply Chain comprises Procurement, Materials, Manufacturing and Logistics. Supply Chain manages a global network of suppliers, warehouses and cross docks, and has 22 manufacturing facilities around the world.

We engage with our suppliers to ensure that they meet our standards and to build capacity, provide training and foster a diverse supplier base.

Halliburton requires suppliers to comply with all applicable global and local laws and regulations governing business conduct, labor, wages, hours, equal opportunity, human rights and other conditions of employment, the environment, and safety. Suppliers must also follow the Halliburton Code of Business Conduct, which requires compliance with all applicable laws, and states that suppliers must conduct business in a fair manner with honesty and integrity, observing high standards of personal and business ethics.

Potential suppliers to Halliburton undergo a risk evaluation process, including Export Controls and Sanctions screening. Depending on the products or services provided to Halliburton, suppliers are also evaluated on quality, HSE and other financial requirements. Potential and current suppliers must also provide conflict minerals information on any product they supply.

As a member of the Customs-Trade Partnership Against Terrorism (C-TPAT), Halliburton works with U.S. Customs and Border Protection to identify potential security gaps within our supply chain and proactively implement security best practices. Inspections are performed by our Global Supplier Quality group, and all Halliburton sites and vendor facilities are subject to detailed security inspections by U.S. Customs. Halliburton also participates in the Importer Self-Assessment program, which encourages companies to share the responsibility for compliance with trade laws and regulations. Voluntary participation by Halliburton and its suppliers demonstrates our strong commitment to border security for the U.S. and its neighbors.

Like Halliburton, suppliers must be committed to getting parts and services right the first time and continuously improving quality, on-time delivery and value. Suppliers are expected to meet Halliburton's requirements and to support continuous improvement efforts through standardized quality processes and procedures, and are subject to quality and billing audits. Suppliers that provide services on Company facilities or customer property must comply with Halliburton HSE standards. Suppliers are also selected for performance evaluation and review, and are evaluated against key performance indicators using a supplier scorecard. The scorecard measures suppliers on Halliburton's core values including financial performance, operational performance, HSE and global citizenship, collaboration and transparency, and technology and innovation.

Collaboration cont.

Local Content and Supplier Diversity

Halliburton tailors sourcing efforts with local suppliers to reflect the governmental, cultural and economic development needs of each country in which we operate. The Company's local teams focus on sourcing suppliers that can provide a strategic and competitive advantage to local operations while also growing the capacity and competency of national and local industry suppliers. The local Supply Chain teams focus on improving the suppliers' competitiveness in terms of quality, price, schedule of delivery, compliance and risk. Over 80 percent of the Company's regional field operations' spend comes from suppliers with locations within the region.

Halliburton also supports small, minority-owned and women-owned businesses. A diverse network of suppliers improves our supply chain, allowing us to better manage our business and contribute to our communities. We support our customers by providing reports on second-tier diverse suppliers to help show the economic impact in the local community. Prime suppliers are also encouraged to build diverse relationships because, by subcontracting work to diverse suppliers, they provide added value to Halliburton.

Local supply chain teams are integral in developing and expanding supplier relationships. These relationships allow our suppliers to grow with Halliburton and create solutions that are beneficial to the supplier and our customers.

Examples of our supply chain engagement in 2015 include:

- Continued expansion and establishment of new supply chain infrastructures in remote areas, such as expansion into Senegal
- Collaboration with suppliers in the U.S. and Latin America to streamline direct material shipments to wellsites
- Growing our supply base capabilities in emerging markets in manufacturing, assembly and product development
- Supplier training and workshops on HSE, quality, Code of Business Conduct and other industry topics included:
 - Regional supplier events in London and Johannesburg on strategy and business outlook, and adding value through efficiencies and process optimization
 - Supplier events on HSE and service quality, and supplier awards ceremonies in Indonesia and Malaysia
 - Education and training on quality and HSE, including Halliburton quality standards, quality tools, and Lean Six Sigma for suppliers in India
 - Supplier events on COBC, HSE and quality in Brazil and Colombia
 - Our Colombia organization is also partnering with customers to develop a local supplier base by providing procurement process training
- Development of local pump, casing equipment and capital equipment processes for suppliers in Latin America to manufacture and assemble parts, as well as supply fuel in unconventional operations
- Partnership with a customer in Timor Leste to increase spend with local vendors and to provide training at Halliburton facilities for local petroleum graduates
- Implementation of the Halliburton Certified Quality Representative program, providing training, on-the-job coaching, evaluation and certification at key supplier locations in China and India

Customer Engagement

Each of the Company's major customer accounts has an assigned global account manager who is responsible for fostering a strong, productive business relationship. The global account manager develops strategies; manages conflict and contract negotiations; facilitates the development and implementation of new technologies; and handles communication between Halliburton and the customer organization.

We also partner with customers on collaborative HSE and service quality programs, driving continuous improvement in service delivery and execution.

Employee Engagement

Employee engagement is crucial to the Company's success. A key factor in fostering employee engagement is supporting employees in enhancing professional growth and building their careers with succession planning, leadership development plans and specialized leadership programs to open doors for high-potential employees. As a result of these exceptional employee development efforts, Halliburton was recognized again this year by the Dow Jones Sustainability Indices, which ranked Halliburton first in its sector in the category "Human Capital Development."

Employees are engaged more broadly in the Company's strategic success through Halliburton Academy, an annual, week-long event that brings together approximately 1,000 employees – rising stars as well as long-time employees – from across the globe. Participants receive intensive training on new technologies; marketing and sales training; and strategy briefings from executive leadership. At the end of the week, attendees are responsible for taking the information back to their teams at home.

On a more personal basis, we urge employees to regard themselves as the face of Halliburton in their local communities. Employees connect with their neighbors on behalf of the Company through hundreds of community projects every year. Halliburton supports employee volunteerism globally, as discussed in the Global Citizenship section of this report.

Industry Engagement

Halliburton engages with the industry and with technology leaders to forge relationships that promote the advancement of science and technology. Halliburton employees and executives speak at conferences; publish thought-leadership articles in technical journals, the trade press, general publications and online; and contribute to industry groups.

Collaboration cont.

The Company's 2015 memberships included:

- Bilateral U.S.-Arab Chamber of Commerce
- Greater Houston Partnership
- Texas Independent Producers and Royalty Owners Association
- National Petroleum Council
- National Association of Manufacturers
- Western Energy Alliance
- Colorado Oil and Gas Association
- National Foreign Trade Council (U.S.)
- U.S. Oil and Gas Association
- Independent Petroleum Association of America
- Houston World Affairs Council
- Petroleum Equipment Suppliers Association
- Society of Petroleum Engineers
- American Petroleum Institute
- U.S.-ASEAN Business Council

Halliburton is well represented on standard-setting bodies and those guiding industry best practice. For example, Halliburton serves on the board of directors of the Center for Offshore Safety, which includes representatives from operators, service companies, governmental agencies and industry associations. Halliburton employees also regularly participate on API committees charged with developing recommended practices and standards for exploration and production. In particular, we were central to the development of API Q2, an international standard that outlines fundamental requirements for quality management systems critical to upstream operations, and we have been at the forefront of its implementation. Our API Q2 certifications are discussed in the HSE section of this report on page 18.

Public Engagement

Working with legislators and regulators, and with the public, Halliburton makes available in-depth information on all aspects of our operations. The Company maintains a consistent dialogue with mainstream, financial and trade press to inform key external constituencies on significant aspects of our operations and our sustainability efforts.

For example, Halliburton representatives have been involved in the policy discussions surrounding the development of shale gas and oil resources in the U.S., Canada, Europe, Australia and South Africa. We have undertaken outreach with numerous groups and officials around the globe to examine advanced technologies and regulatory standards.

Environmental & Social Data

| | 2015 | 2014 |
|--|-------------------|--------------------|
| Environmental Data | | |
| Energy Consumption (GJ) | | |
| Fuel consumption | | |
| Diesel | 41,711,467 | 159,794,415 |
| Coal | 956,470 | 1,217,347 |
| Natural Gas | 842,909 | 1,023,367 |
| Other | 223,294 | 27,049 |
| Electricity Consumption | 1,786,346 | 1,860,310 |
| Total | 45,520,486 | 163,922,488 |
| Greenhouse gas emissions (TCO₂e) | | |
| Direct (Scope 1) | 3,210,371 | 11,438,905 |
| Indirect (Scope 2) | 286,465 | 299,382 |
| Total | 3,496,836 | 11,738,287 |
| Greenhouse gas emissions intensity (TCO₂e/\$M revenue) | | |
| Scope 1 and Scope 2 | 148 | 357 |
| Waste disposal (Metric tonnes) | | |
| Non-hazardous | 756,011 | 48,193 |
| Hazardous | 58,497 | 4,087 |
| Total | 814,508 | 52,280 |
| Total Recycled | 667,081 | |
| Total Landfill | 85,851 | |
| Composting | 25,293 | |
| Total Energy Recovery | 19,118 | |
| Deep Well Injection | 8,016 | |
| Incineration | 4,921 | |
| On-site Storage | 2,140 | |
| Total Reuse | 2,077 | |
| Other | 11 | |
| Total | 814,508 | |
| Water consumption (m³) | | |
| Total | 2,036,049 | 2,179,200 |
| Spills and discharges | | |
| REIR (Incidents per 200,000 hours worked) | 0.03 | 0.05 |
| Total volume of spills (m³) | 482 | 631 |
| Social Data | | |
| Fatalities | | |
| Employee | 1 | 3 |
| Contractor | 1 | 2 |
| Total | 2 | 5 |
| Injuries and process safety incidents | | |
| LTIR (Incidents per 200,000 hours worked) | 0.10 | 0.13 |
| TRIR (Incidents per 200,000 hours worked) | 0.40 | 0.49 |
| RVIR (Incidents per million miles traveled) | 0.39 | 0.41 |
| Charitable giving (\$'000) | | |
| In-kind Donations | 3,477,149 | 3,106,399 |
| Halliburton Foundation | 6,139 | 3,900 |
| Employee Giving | 3,377 | 3,218 |
| Halliburton Charity Golf Tournament | 3,000 | 2,400 |
| Corporate Giving | 1,228 | 1,840 |
| Total | 3,490,893 | 3,117,757 |
| Procurement (\$'000) | | |
| Spend with small and diverse suppliers | 1,157,750 | 1,906,855 |
| Business Ethics | | |
| Code of Business Conduct reports | 143 | 149 |

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| G4-5 | Location of the organization's headquarters | ● | IBC |
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| G4-7 | Nature of ownership and legal form | ● | IBC |
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| G4-26 | Approaches to stakeholder engagement | ○ | P. 36-44 |
| G4-27 | Key topics and concerns that have been raised through stakeholder experience | ● | P. 36-44 |
| Report Profile | | | |
| G4-28 | Reporting period | ● | IBC |
| G4-29 | Date of previous report | ● | IBC |
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| G4-34 | Governance structure of the organization | ● | P. 10 |
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Report Information

Halliburton is a publicly traded corporation registered in Delaware and headquartered in Houston, Texas. There were no significant changes to the structure or ownership of the Company in 2015.

In this report, only the financial data encompasses all of our product service lines, countries, joint ventures and non-wholly-owned subsidiaries.

This report contains descriptions of our 2015 sustainability initiatives. Wherever possible, assessments of performance trends from 2013 to 2015 are provided to better highlight the trends' significance over time. Topics covered in this report are those most pertinent to our business sector, and they arise from the context and expectations of the sector. Our analysis of the materiality of topics is described on page 5.

The boundaries of this report correspond to those of the 2015 Halliburton Annual Report.

The data included in this report come from the Company's official management and reporting systems for the various functions described in this document. No external assurance has been sought for the contents of this report.

The 2015 Corporate Sustainability Report was drafted in accordance with the Core Requirements of the Reporting Guidelines of the Global Reporting Initiative, version G4.

Previous Reports

Big Vision

Calendar Year 2014

What Moves Us

Calendar Year 2013

Look Beneath the Surface

Calendar Year 2012

Integrating Sustainability – Expanding Our Commitment

Calendar Year 2011

Sustainability is in Our DNA

Calendar Year 2010

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