

Company at a Glance

At December 31, 2021

130

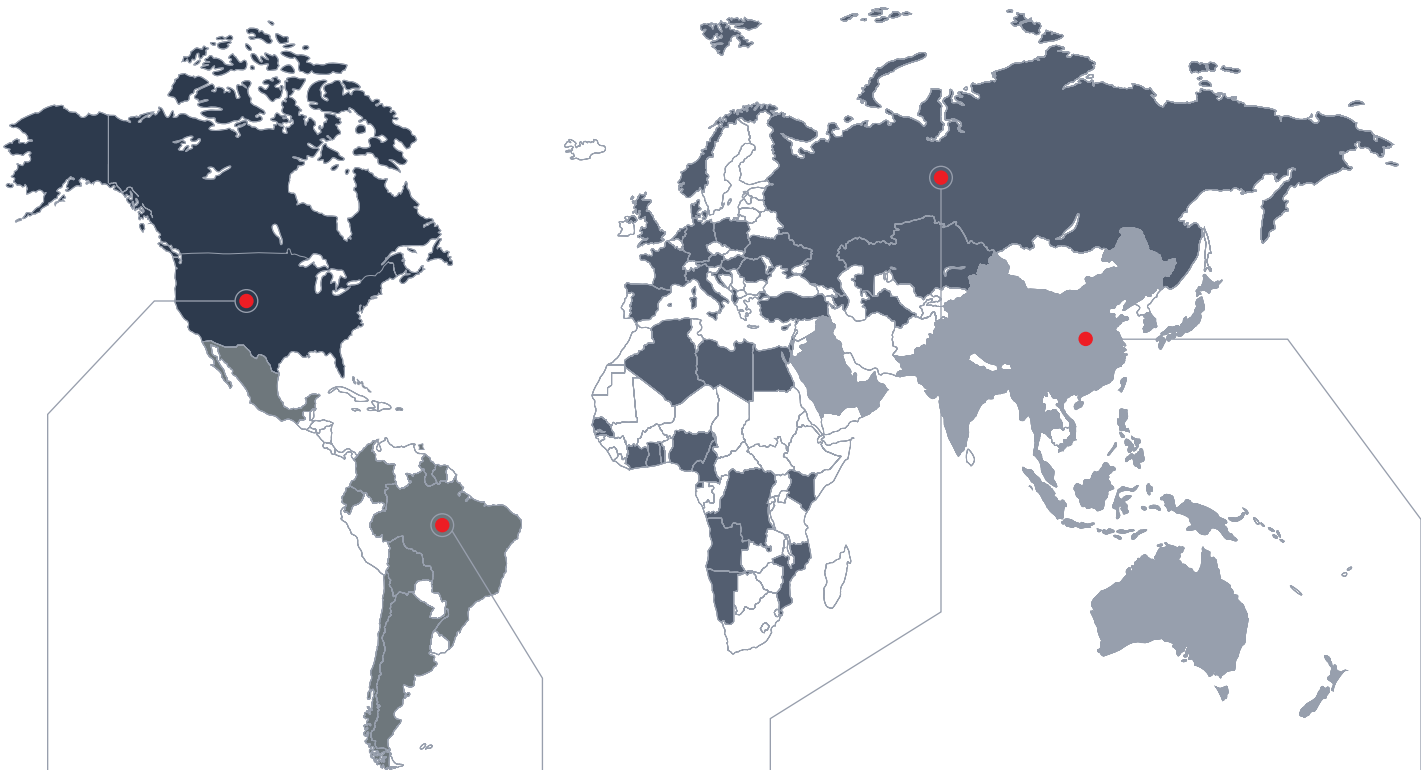
NATIONALITIES

42,172

EMPLOYEES

70+

COUNTRIES



North America

2 Countries
13,222 2021 Headcount
5 Major Technology Centers

Latin America

11 Countries
5,987 2021 Headcount
1 Major Technology Center

Europe / Africa / CIS

36 Countries
9,418 2021 Headcount
2 Major Technology Centers

Middle East / Asia

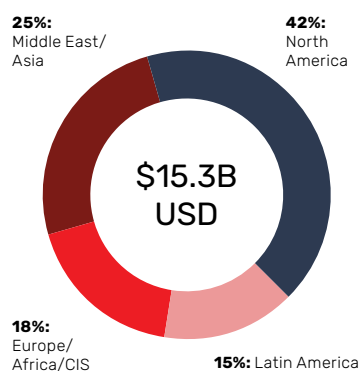
25 Countries
13,545 2021 Headcount
4 Major Technology Centers

Financial Highlights

Millions of U.S. Dollars (USD) and Shares, Except Per Share Data	2019 ¹	2020 ¹	2021 ¹
Revenue	\$ 22,408	\$ 14,445	\$ 15,295
Total Operating Expenses	\$ 22,856	\$ 16,881	\$ 13,495
Operating Income (Loss)	\$ (448)	\$ (2,436)	\$ 1,800
Income (Loss) Before Taxes	\$ (1,122)	\$ (3,220)	\$ 1,252
Amounts Attributable to Company Shareholders:			
Net Income (Loss) from Continuing Operations	\$ (1,131)	\$ (2,945)	\$ 1,457
Basic and Diluted Income (Loss) Per Share from Continuing Operations	\$ (1.29)	\$ (3.34)	\$ 1.63
Cash Dividends Per Share	\$ 0.720	\$ 0.315	\$ 0.180
Basic and Diluted Common Shares Outstanding	875	881	892
Net Working Capital ²	\$ 6,334	\$ 5,054	\$ 5,637
Total Assets	\$ 25,377	\$ 20,680	\$ 22,321
Total Debt	\$ 10,327	\$ 9,827	\$ 9,138
Total Shareholders' Equity	\$ 8,025	\$ 4,983	\$ 6,728
Cash Flows from Operating Activities	\$ 2,445	\$ 1,881	\$ 1,911
Capital Expenditures	\$ 1,530	\$ 728	\$ 799
Depreciation, Depletion, and Amortization	\$ 1,625	\$ 1,058	\$ 904
Total Capitalization ³	\$ 18,352	\$ 14,810	\$ 15,866
Debt to Total Capitalization ⁴	56%	66%	58%

1. Reported results during these periods include impairments and other charges of \$12 million for the year ended December 31, 2021; \$3.8 billion for the year ended December 31, 2020; and \$2.5 billion for the year ended December 31, 2019.
2. Net working capital is defined as total current assets less total current liabilities.
3. Total capitalization is defined as total debt plus total shareholders' equity.
4. Debt to total capitalization is defined as the total debt divided by the sum of total debt plus total shareholders' equity.

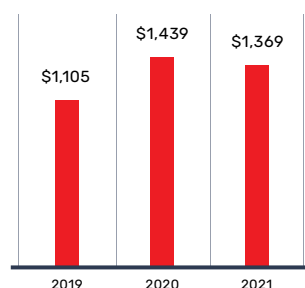
Geographic Revenue Diversity



In 2021, Halliburton earned the majority of our revenue internationally. We reset our earnings power and improved margins in several key end markets.

Strong Free Cash Flow

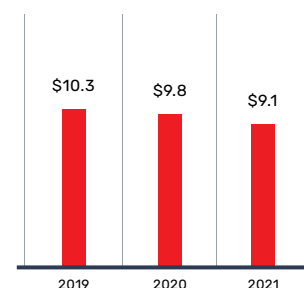
Millions of dollars



Halliburton generated over \$1.3 billion of free cash flow* in 2021, demonstrating our ability to generate strong free cash flow in different business environments.

Debt Reduction Progress

Billions of dollars



Halliburton has strengthened our balance sheet, reducing gross debt by \$1.2 billion during the pandemic, with another \$600 million reduction in the first quarter of 2022.

* Management believes that free cash flow, defined as operating cash flows less capital expenditures, plus proceeds from sale of equipment, is an important liquidity measure that is useful to investors and management for assessing the company's ability to generate cash.

Environmental, Social, and Governance Highlights

ENVIRONMENTAL

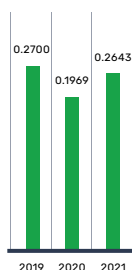
Recordable Environmental Incident Rate

Per 200,000 hours worked



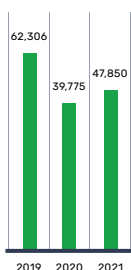
GHG Emissions Intensity Scope 1 & 2

TCO_e e/operating hours



Total Energy Consumption GJ

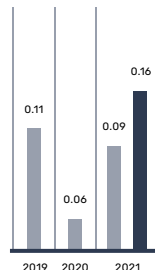
Thousand gigajoule (GJ)



SAFETY

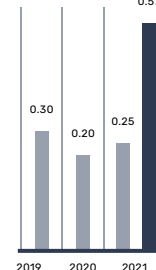
Lost-Time Incident Rate

Incidents per 200,000 hours worked



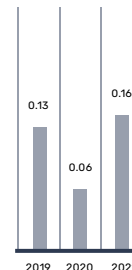
Total Recordable Incident Rate

Incidents per 200,000 hours worked



Preventable Recordable Vehicle Incident Rate

Incidents per million miles traveled

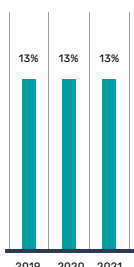


2021 International Association of Drilling Contractors (IADC) industry average

SOCIAL

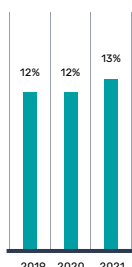
Female Diversity of Total Workforce

Percentage of all employees



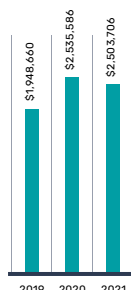
Female Diversity in All Management Positions

All employees (positions include junior, middle, and senior management)



Charitable Giving

Thousand USD



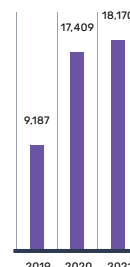
GOVERNANCE

Percentage of Spend with Local Suppliers

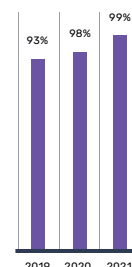


Anti-Corruption Training

Participants



Percentage of Suppliers Assessed in the Last Three Years for Human Rights Risks



Percentage of Workforce that is Localized

92%

Halliburton Labs Clean Energy Accelerator Companies in 2021

12

Leader in API Spec Q2 Certification. Number of Facilities Certified

27

Diversity of our Board of Directors

58%

2021 in Review



The Halliburton 2021 Annual & Sustainability Report highlights our execution on each of our strategic priorities and how we will accelerate into the multi-year energy upcycle. In 2021, we delivered profitable international growth, maximized cash flow in North America, deployed new digital and automation technology while we increased capital efficiency, and advanced a sustainable energy future. We did so through a transition year that witnessed a world reopening from the pandemic and an oil and gas demand recovery accelerating across the globe.

We owe our 2021 success to the work of our global team of more than 40,000 Halliburton employees. They delivered solid execution across every part of our business — safety, service quality, and financial results. You will read about that execution throughout this report. Despite the challenges of working during a pandemic with increasing complexity in global energy demand, they outperformed and delivered what the world requires — affordable and reliable energy that oil and gas provides — in a safe, efficient, and ethical manner while minimizing our environmental impact. Our 2021 financial performance demonstrates that aligning our actions with our strategic priorities allows us to accelerate cash flow generation, strengthen our balance sheet, and increase cash returns to shareholders. This execution on our strategic priorities

also allows us to make meaningful progress on the objectives we describe throughout this report.

As this multi-year upcycle accelerates, we will use our international strength and leadership position in North America to deliver profitable growth and industry-leading returns. We will also build on the tangible progress we made in 2021 toward achieving our 40% reduction in Scope 1 and 2 emissions by 2035 from our 2018 baseline. And, as ever, we remain well positioned to support our customers through the energy transition as a leader in technology and innovation.

Deliver Profitable Growth Internationally

Throughout 2021, and despite global supply chain challenges, we served customers in more than 70 countries. In doing so, we allocated capital to the highest returns opportunities, increased international revenue and margins every quarter, and brought new drilling and formation evaluation technologies to the international markets. We also scaled our artificial lift business in the Middle East and continued construction of our new specialty chemicals plant in Saudi Arabia. We expect our international accomplishments in 2021 to set us up for continued profitable growth in 2022.

Maximize Cash Flow in North America

As the only fully integrated oilfield services company in North America, our strategy is to maximize cash flow in this structurally changed market, which remains the largest oil and gas services market in the world. Halliburton's North American business in 2021 benefited from meaningful operating leverage we created early in the pandemic and expanded margins as customer activity accelerated across basins. We also have the right type of equipment for this market. We are the leaders in the high-demand, low-emissions equipment segment with our Tier 4 dual-fuel and electric fracturing solutions. As you will read in this report, our proven Zeus™ e-frac solution helps customers reduce their carbon footprint and provides unprecedented operational control and precision.



Accelerate Digital and Automation

We advance digitalization and automation in all aspects of our business. In 2021, Halliburton 4.0 – our digital approach – accelerated the deployment and integration of digital and automation technologies within our own and our customers' operations. As a result of increased digital adoption, we benefit from more intelligent, remote, autonomous, and environmentally friendly operations. We showcase these advancements in this report.

Increase Capital Efficiency

Halliburton focuses on driving capital efficiency across the balance sheet. This is consistent with our goal to deliver significant free cash flow to shareholders. Research and development and process changes allow us to build tools cheaper, lengthen their run life, and move assets to where they make the best returns. Capital efficiency also allows for our many investments in health and safety, employees, diversity, equity, and inclusion, and the communities in which we operate.

Advance a Sustainable Energy Future

Finally, our strategy is to advance a sustainable energy future. Our cycle of innovation includes sustainability, and Halliburton's global resources, leading engineering, scientific and technical expertise, and more than a century of experience provide our customers with the efficient and innovative tools and services to minimize the environmental impact of their oil and gas operations. This report contains many examples of technologies that help

our oil and gas customers decarbonize their legacy production base, reduce water consumption, produce less waste, and enhance efficiencies to improve project economics.

At the same time, we are on a parallel path to use our existing technologies in renewable energy applications. This report highlights how Halliburton employs our technology in those adjacent markets.

2021 was the first full year of Halliburton Labs, our clean energy accelerator. We have 12 participating companies, each of whom have access to our collaborative environment in which entrepreneurs, academics, and investors work together to advance cleaner and more affordable energy. Through Halliburton Labs, companies benefit from Halliburton's more than 100 years of industrial capabilities, technical expertise, and culture of teamwork and mentorship. Through their work at Halliburton Labs, we – and our participating companies – plan to achieve results that make a significant impact on clean energy's future.

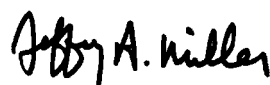
Into the Future

2022 and beyond present enormous opportunity as the multi-year upcycle unfolds. We approach the future with enthusiasm and resolve to execute on our value proposition: we collaborate and engineer solutions to maximize asset value for our customers. We are confident that our focus on technology differentiation, digital adoption, and capital efficiency positions us for profitable growth internationally and maximizing value in North America.

Halliburton will evolve as energy evolves. 2021 demonstrated that to advance everywhere for everyone, the world will require oil and gas long into the future, even as it transitions to additional energy sources and builds out required value chains. Halliburton's core competencies and service excellence will play an important role regardless of the energy source called upon to deliver the future of energy.

A bold vision of the future requires a steadfast, focused, and technologically advanced energy supply and Halliburton stands ready to deliver. As we move forward, Halliburton will continue to work with our customers to provide reliable, affordable energy to all people around the world – whether in emerging or established economies.

In closing, we thank our employees, our Board of Directors, and our shareholders for the important role each of you play in our success. Halliburton managed the transition from a global pandemic to the next energy upcycle because of the hard work of our employees, who deliver on our core values of integrity, safety, respect, creativity, and reliability every day. We look to the future with optimism and are well on our way to deliver strong free cash flow and returns for our shareholders.



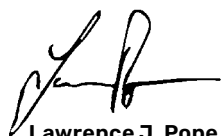
Jeffrey A. Miller

Chairman of the Board, President
and Chief Executive Officer



Lance T. Loeffler

Executive Vice President
and Chief Financial Officer



Lawrence J. Pope

Executive Vice President
of Administration and
Chief Human Resources Officer



Van H. Beckwith

Executive Vice President,
Secretary and Chief Legal Officer



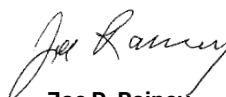
Eric J. Carre

Executive Vice President of Global
Business Lines, and Chief Health,
Safety and Environment Officer



Mark J. Richard

President,
Western Hemisphere



Joe D. Rainey

President,
Eastern Hemisphere

Strategic Priorities at a Glance

Deliver industry-leading returns
and strong free cash flow



**Profitable
International
Growth**



**Maximizing Value
in North America**



**Digital
Halliburton 4.0**



Capital Efficiency



**Sustainable
Energy Future**

Mission, Values, and Sustainability Guiding Principles

Mission

Our mission is to achieve superior growth and returns for our shareholders by delivering technology and services that improve efficiency, increase recovery, and maximize production for our customers. You can find additional information about our company on [our website](#), including detailed statements on our mission, vision, values, and our sustainability guiding principles.

Values

Our values are our corporate DNA, and they are the foundation for how we treat each other and every individual and entity with whom we interact. We expect every Halliburton employee to use, live by, and demonstrate these principles on a daily basis.

Our Values

RELIABILITY	SAFETY	COLLABORATION	COMPETITION	CREATIVITY	RESPECT	INTEGRITY
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Guiding Principles for Sustainability

HEALTH, SAFETY, AND ENVIRONMENT	COLLABORATION	FINANCIAL PERFORMANCE	TECHNOLOGY AND INNOVATION	GLOBAL CITIZENSHIP	TRANSPARENCY
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Our Mission



Our Value Proposition

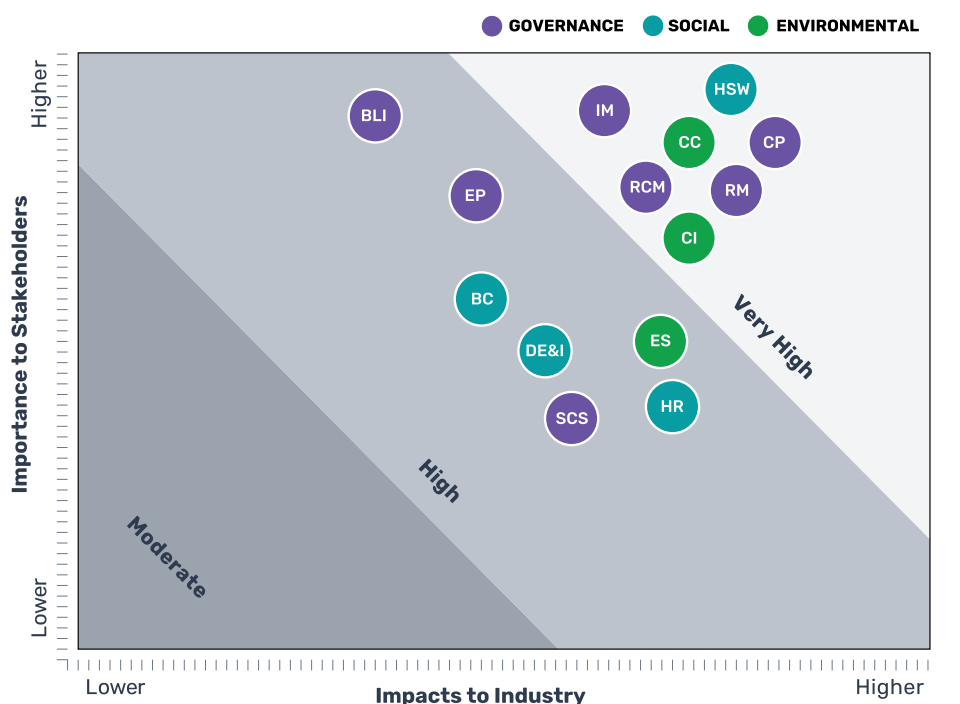
We collaborate and engineer solutions to maximize asset value for our customers.

Sustainability Guiding Principles

Built on a foundation of ethics and integrity, the Halliburton Guiding Principles for Sustainability provide the framework for our operations and our future.

Materiality-Based Approach

We continue to have open, frank dialogue with our stakeholders, including our shareholders, about environmental, social, and governance topics. Feedback from our investors, customers, workforce, and ESG rating organizations, among others, reassured us that we are focused on the right priorities, which is why there are no new changes to our ESG materiality matrix this year.



This materiality matrix shows the relative weight of different topics from two perspectives. The X-axis shows how important the industry considers an issue, and the Y-axis shows the topic's importance to our stakeholders.

Our work this past year represented a continuation of the priorities we established in 2020, and we are confident in our progress toward the sustainability commitments of each material topic, as seen in the next table and highlighted throughout this report.

HSW Health, Safety, and Wellness
CP Corporate Governance, Business Ethics, and Transparency
RM Regulatory Management
RCM Risk and Crisis Management
BLI Board Leadership and Inclusion

CC Climate Change: Greenhouse Gas Emission Reduction, Energy Efficiency, and Alternative Energy
IM Information Security/Data Management
CI Continuous Improvement
EP Economic Performance












ES Environmental Stewardship: Water, Waste, Responsible Resource Use, and Biodiversity
HR Human Rights
DE&I Diversity, Equity, and Inclusion
BC Benefits and Compensation
SCS Supply Chain Sustainability

Sustainability Yearbook
 Member 2022

S&P Global

Dow Jones Sustainability Index (DJSI) included Halliburton in the S&P Global Sustainability Yearbook 2022, which highlights the top 10% most sustainable companies per industry.

Sustainability Commitments

Topics	Commitment	Material issue	Metrics
 Climate Change	<ul style="list-style-type: none"> Achieve a 40% reduction of Scope 1 and 2 emissions by 2035 from 2018 baseline. Partner with Tier 1 suppliers to track and reduce Scope 3 GHG emissions. 	<ul style="list-style-type: none"> Climate change, GHG emission reduction, energy efficiency, alternative energy 	<ul style="list-style-type: none"> GHG emissions
 Environmental Improvements	<ul style="list-style-type: none"> Establish and achieve waste-reduction targets in our major facilities. Create water-use-improvement plans in our major facilities located in water-stressed areas. 	<ul style="list-style-type: none"> Environmental stewardship: water, waste, responsible resource use, biodiversity 	<ul style="list-style-type: none"> Waste disposal Water consumption Spill volume and rate
 Value Creation Technologies and Solutions / Continuous Improvement	<ul style="list-style-type: none"> Lead the industry in innovation and conscientious stewardship of global resources. Provide solutions that support decarbonizing our customers' legacy production base. 	<ul style="list-style-type: none"> Economic performance Continuous improvement 	<ul style="list-style-type: none"> R&D (patents and spend) Financial performance
 Human Rights	<ul style="list-style-type: none"> Support universal human rights as defined by the United Nations Universal Declaration of Human Rights through fair and ethical employment practices and our Code of Business Conduct. 	<ul style="list-style-type: none"> Human rights 	<ul style="list-style-type: none"> Supply chain assessments
 Occupational Safety – Journey to ZERO	<ul style="list-style-type: none"> Target outperforming total recordable incident rate and lost-time incident rate in the International Association of Drilling Contractors sector benchmarking. Achieve HSE training compliance ≥95%, driver competency ≥95% and 100% completion of our annual Journey to ZERO strategic objectives. 	<ul style="list-style-type: none"> Health, safety, and wellness 	<ul style="list-style-type: none"> Fatalities, injuries, high potential incidents and rates HSE training hours HSE training compliance Driver competency
 Skilled and Committed Workforce	<ul style="list-style-type: none"> Have a skilled and committed workforce by listening and responding to our employees' feedback and committing to an engaged workforce that feels valued with the right support and resources to be successful. 	<ul style="list-style-type: none"> Benefits and compensation 	<ul style="list-style-type: none"> Training hours Business Leadership Development Program and President's Leadership Excellence Program attendees New hires (#, %) Turnover rates Engagement indices
 Diversity, Equity, and Inclusion	<ul style="list-style-type: none"> Provide a diverse, equitable, and inclusive environment that upholds our core values of collaboration and respect, and provides all employees opportunities for growth and development. 	<ul style="list-style-type: none"> Diversity, equity, and inclusion Board leadership and inclusion 	<ul style="list-style-type: none"> Female % new hire by region Localized workforce % by region Female diversity Board diversity % female in STEM job roles % of minorities in STEM job roles (U.S. only)
 Risk Management	<ul style="list-style-type: none"> Streamline risk categories, risk identification, and risk management to ensure best alignment with Halliburton strategy and place a critical focus on what matters most. Enhance cross-functional visibility to and collaboration among key stakeholders throughout the organization to ensure consistency, uniformity, and strategic approach to risk assessment, identification, and mitigation. 	<ul style="list-style-type: none"> Corporate governance Business ethics and transparency HSE Information security, data management 	<ul style="list-style-type: none"> Board independence Board meeting attendance Risk matrix Security assessments
 Ethical Operations	<ul style="list-style-type: none"> Conduct business with integrity, choosing the ethical course of action when confronted with challenging circumstances, promoting a speak-up culture free of retaliation, and treating our employees and stakeholders honestly and fairly. 	<ul style="list-style-type: none"> Corporate governance Business ethics and transparency 	<ul style="list-style-type: none"> Local Ethics Officers and engagements/trainings Ethics training Code of Business Conduct (COBC) statistics
 Supplier Conduct and Responsible Procurement	<ul style="list-style-type: none"> Cultivate a sustainable supply chain through the continuous improvement of internal processes, by performing proactive risk assessments and by working collaboratively with our diverse mix of global and local suppliers. 	<ul style="list-style-type: none"> Supply chain sustainability 	<ul style="list-style-type: none"> Tier 1 count and spend Spend with small and diverse suppliers Local region spend %
 Community Relationships	<ul style="list-style-type: none"> Enhance the social value of communities in which we live and work through effective engagement and social investment. 	<ul style="list-style-type: none"> Local communities 	<ul style="list-style-type: none"> Charitable giving

Engagement

Halliburton maintains regular communications in all relationships to ensure that our Board of Directors and our management receive valuable input about our business performance, strategic priorities, and initiatives. In these discussions, we use our Listen and Respond mainstay as a guiding principle. To support our outreach efforts and further our commitment to transparency, we invested in a new, robust [website](#) that we regularly update to share important information with our shareholders, customers, employees, and others.

Shareholders

Halliburton values ongoing, open shareholder dialogue to ensure that the Board and management have a regular pulse on investors' views. This dialogue also provides valuable feedback on how we can continue to improve.

Following our 2021 Annual Meeting, the Board recommitted to more active shareholder engagement. We enhanced shareholder communications, refreshed our shareholder presentation, opened additional availability for director video calls, and listened and responded to shareholders about possible changes to governance and executive compensation.

In 2021, independent Board members offered and held off-season meetings with stewardship representatives from our top shareholders to gain a better understanding of their priorities and concerns prior to the proxy voting season. We offered these meetings to 34 of our top shareholders representing approximately 60% of our shares. Each received the opportunity to meet with Board members by video conference. For those unable to attend, we sent our refreshed shareholder presentation to each and offered follow-up. The updated materials highlighted the latest information about our Board oversight and corporate governance; executive compensation program; health, safety, and environment (HSE) performance and strategies; diversity, equity, and inclusion (DE&I) performance and strategies; and our approach to energy transition. After receiving these new materials, additional shareholders accepted the offer to meet.

During off-season engagement, Board members and management conducted video conferences with 18 shareholders representing about 40% of our shares and with the two largest proxy advisors, Institutional Shareholder Services Inc. (ISS) and Glass Lewis. These included video conferences with Murry Gerber, Chair of the Compensation Committee, or Robert Malone, Lead Independent Director, and senior management.

This off-season investor engagement program was in addition to routine solicitation of shareholder feedback coincident with annual and quarterly reporting, earnings conference calls, and investor meetings. Also, our senior management and Investor Relations team regularly hold meetings and conference calls with analysts, institutional investors, and ESG rating firms, among others. In 2021, Halliburton participated in 13 sell-side conferences, three non-deal roadshows, and approximately 300 investor meetings that are all part of our ongoing shareholder outreach cadence.

Our senior management and directors presented shareholder feedback to the full Board of Directors for discussion. As a result of these engagements and Board consideration of investor feedback, we made changes discussed in this report, including our enhanced Board governance and 2022 annual executive incentive plan. (For more information about changes to our executive compensation, please visit [Chapter G1 on Corporate Governance](#) in this report.)

Institutional Investor magazine once again recognized Halliburton in 2021 with these honors: All-American Executive Ranking as a Most-Honored Company, Best CFO, and Best Investor Relations.

Customers

Our business development team and product service lines (PSLs) meet regularly with our customers to understand their requirements and concerns, including sustainability topics. This input is critical to the investments that we make in research and development (R&D) for new products and services, and to improve existing solutions. To help our customers in their transitions to a lower-carbon future, we work with them to provide solutions and services that reduce their emissions.



Employees

With a diverse employee population representing multiple nationalities, we maintain regular employee engagement through a range of initiatives, including personal Check-Ins (Halliburton's informal performance-management process), workshops, townhall meetings, performance feedback, employee resource groups (ERGs), and our biannual Employee Pulse Survey (EPS). These activities lead to an inclusive workplace in which employees feel their voices are heard no matter where they work. For more information about the EPS and the results of our August 2021 survey, which yielded our highest-ever response rate, please refer to [Chapter S4 on Diversity, Equity, and Inclusion \(DE&I\)](#) in this report. We use the information gleaned from this outreach to improve our workplace.

Suppliers

As a global provider of oil and gas services, we work with suppliers from all over the world and cultivate mutually beneficial, long-term relationships. We obtain feedback and ensure collaboration with suppliers on important matters, such as worker health and safety procedures, human rights compliance, and reduction of environmental impacts. Our communications with suppliers include meetings, workshops, and training sessions.

Regulators

We engage with government agencies and regulators that are responsible for developing regulatory standards that aim to protect the environmental, social, and economic fabric of the countries in which we operate. Our Halliburton Government Affairs group works alongside local operations management, government officials, and policymakers to provide in-depth information on our business; educate them on our technologies and products; and collaborate on issues that are important to our customers, employees, and other stakeholders. Government officials and policymakers often seek out our knowledge and experience on energy-related topics. Additionally, Halliburton supports foreign service offices, consulates, and embassies around the world as a technology and local content resource.

Local Communities and Non-Governmental Organizations (NGOs)

To support the global communities in which we live and work, we meet with community groups, nonprofit organizations, and NGOs to better understand their requirements and concerns. We give back to our communities through volunteer programs focused on environmental cleanup and awareness, education, health and safety, and social services. We also support community organizations through corporate donations and from our charitable foundations. Through these activities, we assist the economic and social well-being of our communities.