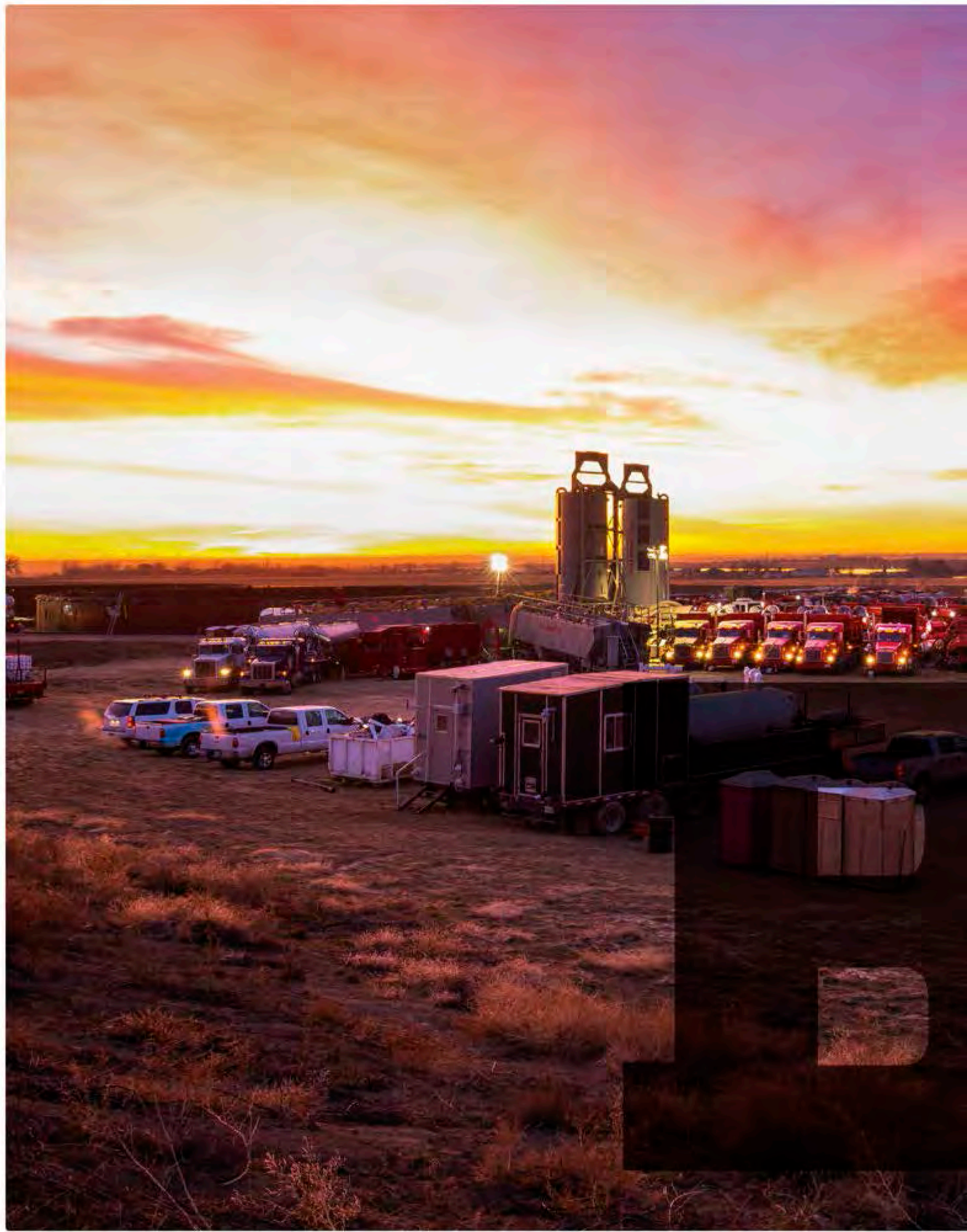


# BIG VISION

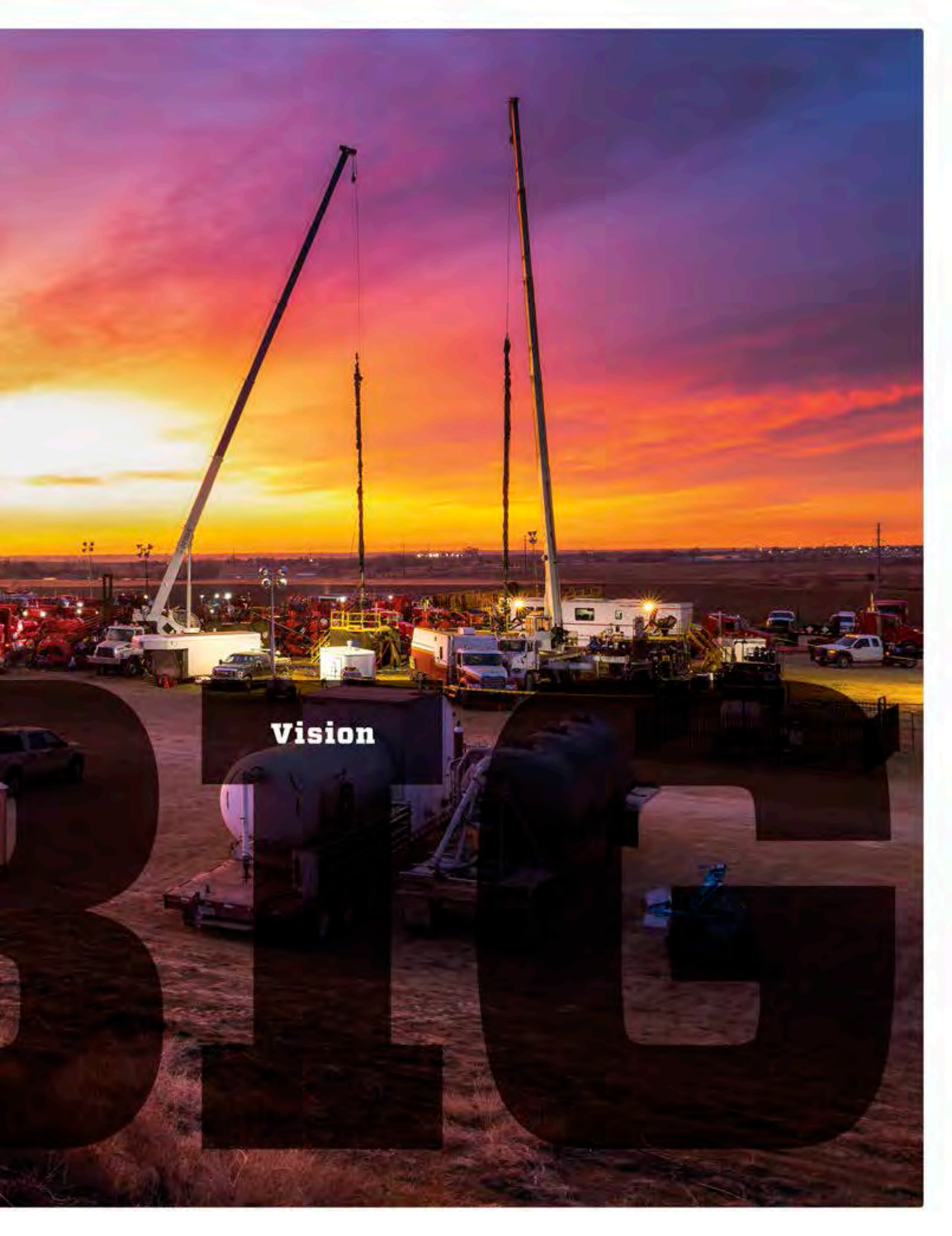
The 2014 Corporate Sustainability Report











**Vision**

# BIG VISION: TABLE OF CONTENTS

## Stakeholder Letter & Overview 4

## Corporate Overview 6



## Strategic Overview 8

## Guiding Principles for Sustainability 12

## Corporate Governance 14

Board of Directors – Statement of Purpose	14
Board Composition and Diversity	14
Board Oversight and Committees	15
Communication with the Board of Directors	15
Executive Compensation	15

## Ethics & Equality 16

Human Rights	16
Code of Business Conduct	16
Foreign Corrupt Practices Act	18
Employment Practices	18
Compliance System Audits	18
Taxation	19
Security	19
Political Engagement	19

## Financial Performance 20

Delivering Our Vision	20
Looking to the Future	21



## Health, Safety & Environment 22

Journey to ZERO	22	Management of Change	25
Key Achievements	22	Chemistry Scoring Index	26
Ongoing Focus	24	Health and Safety Programs	26
Halliburton Management System	25	Environmental Performance	27
HSE Tiered Inspection and MPEA Process	25	Service Quality Performance	29
Stop Work Authority	25	HSE Awards and Recognition	29

---

## Technology & Innovation

# 30

Resources and Results	30
Technology Centers & Remote Operating Centers	32
Technology Fellows Program	32
Technology Acquisitions	32
Promoting Technology Education	32

Deepwater Technology Highlights	33
Mature Fields Technology Highlights	34
Unconventional Resources Technology Highlights	34

---

## Global Citizenship

# 36

Our Employees	36
Our Communities	40

---

## Transparency

# 42

Ethics and Code of Business Conduct	42
Enterprise Risk Management	42
Shareholder Engagement	44
Ethics Helpline and Website	44
Internal Assurance Services	44

HSE and Sustainable Development Executive Committee	45
Chemical Transparency	45
Global Reporting Initiative	45



---

## Mutual Collaboration

# 46

Supplier Engagement	46
Customer Engagement	48
Technology Collaboration	48
Employee Engagement	48
Industry Engagement	49
Public Engagement	49
About Our Reporting	49



---

## GRI Content Index

# 50

GRI G3	50
GRI G4	52

---

# BIG VISION: TO OUR STAKEHOLDERS

---

Our Company's success is the direct result of a fundamental practice that differentiates us from our competitors: We take the big view. Across the value chain, we look at how our innovations and initiatives affect our revenues, along with how they affect our customers, suppliers and the industry. As a leader, we seek to provide technology, products and best practices that make Halliburton more sustainable, while also having an impact throughout the energy industry.

---

Our financial success in 2014 was a testament to the effectiveness of taking a big view. In 2014, we grew revenue to a new record of \$32.9 billion, and returned 33 percent of operational cash flow to our shareholders.

Sustainability, too, is a "Big Vision," shaping our business decisions from the field to the executive suite. Our success in achieving our sustainability vision is measured by our Guiding Principles for Sustainability. In this report, we describe the actions through which we uphold them, and the impact of those actions on our employees, our Company, our communities, our customers and our industry.

Having a positive impact in our technology development efforts is among our most important objectives. We are innovators and problem solvers, and our technologies are geared toward addressing specific challenges. Our technologies also give our customers options that improve their sustainability.

For example, our Frac of the Future™ hydraulic-fracturing system, conceived in 2010 and now deployed in more than 30 percent of our North America fleet, has lowered costs for our customers while also improving our revenues. It has reduced capital deployed by 25 percent and maintenance costs by up to 50 percent, and has improved completion times in some cases by more than 50 percent. It also makes fracturing operations

cleaner and safer, and improves surface efficiency at wellsites by reducing the number of people, the amount of equipment, and the time required to complete the operation. For local communities, this means lower fuel use, fewer trucks going through towns and less traffic disruption. The economic, environmental and social impacts of Frac of the Future are positive and widely felt. (More information about Frac of the Future is on page 34.)

The industry, too, has acknowledged the positive impact of our innovative technologies. We received several 2014 *World Oil Awards* for solutions that spanned deepwater, unconventional and mature fields. These awards include:

- Best Visualization and Collaboration: CYPHER<sup>SM</sup> Seismic-to-Stimulation Service
- Best Data Management and Application Solution: DecisionSpace<sup>®</sup> G1 Edition
- Best Drilling and Completions Fluid: SentinelCem<sup>™</sup> Cement

Our big vision for sustainability extends to all our communities – our Halliburton employee community, the local communities where we work, and the global community. Our impact has been positive and substantial in all three.

We have made significant progress in our Journey to ZERO – our drive to eliminate safety incidents, environmental incidents and nonproductive

---

## **Our big vision for sustainability extends to all our communities – our Halliburton employee community, the local communities where we work, and the global community.**

---

time – improving our performance on every key metric. Our highest priority, of course, is protecting the health and safety of our employees; we achieved a 17 percent decrease in health and safety incidents. Similarly, we reduced environmental incidents and cost of poor quality by 10 percent and 34 percent respectively while nonproductive time decreased by 17 percent. Impressive as these numbers are, their bigger impact is much more important: safer employees, a healthier environment, and better service quality.

Halliburton and its employees see beyond our locations and jobsites to communities both nearby and around the world. Company donations and

in-kind gifts, combined with employees' volunteer work and charitable donations, have made life better for countless families and communities. Our vision is to establish ourselves as an economic contributor and as a good neighbor, connected to and involved with the people in whose communities we do business.

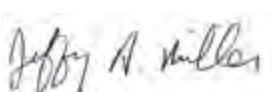
Living and working according to our Guiding Principles for Sustainability is a big vision. They are at the heart of Halliburton culture, and are key drivers of our success. Halliburton board members, employees, customers, suppliers and shareholders embrace this vision wholeheartedly, and they share in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



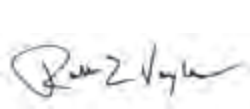
**David J. Lesar**  
Chairman of the Board and  
Chief Executive Officer



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



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



**Robb L. Voyles**  
Executive Vice President and  
General Counsel



**Mark A. McCollum**  
Executive Vice President and  
Chief Integration Officer



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



---

## **BIG VISION:** **CORPORATE OVERVIEW**

Halliburton is one of the world's largest providers of products and services to the global energy industry. We have corporate headquarters in Houston, Texas, and in Dubai, United Arab Emirates, and more than 80,000 employees representing more than 140 nationalities working in approximately 80 countries. The Company was founded in 1919 by Erle P. Halliburton as a cementing company, and it now serves the upstream oil and natural gas industry throughout the life cycle of the reservoir – from locating hydrocarbons and managing geological data, to drilling and formation evaluation, to well construction and completion, to optimizing production through the life of the field.

---

Halliburton comprises two divisions – the Drilling and Evaluation Division, and the Completion and Production Division – with 12 product service lines (PSLs) between them. One additional PSL – Consulting and Project Management – is the nucleus of our integrated services strategy and 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).





## Product Service Lines

### Drilling & Evaluation Division

---

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

### Completion & Production Division

---

- Artificial Lift
- Cementing
- Completion Tools
- Multi-Chem
- Production Enhancement
- Production Solutions (formerly Boots & Coots)

### Cross-Divisional

---

- Consulting and Project Management

---

## **BIG VISION:** **STRATEGIC OVERVIEW**

The fundamentals of our strategy remain valid through changes in the business environment: better wells for customers and better returns for shareholders. Our focus on three key segments – deepwater, mature fields and unconventional resources – has produced superior results in recent years, and we will continue to leverage the investments we have made in these areas to drive growth. We are well positioned to navigate any market conditions. The experience and commitment of our management team, our highly skilled people, and our innovative technologies will continue to enable us to execute our strategy and deliver value to our stakeholders. An overview of progress in the key areas of our strategy is set out below.

---

### **Unconventional Resources**

Halliburton has maintained market leadership in North America, with performance that has exceeded expectations. Growth has been twice what we anticipated and service intensity has been higher than expected. We deliver the lowest cost per barrel of oil equivalent as a result of our surface efficiency combined with our subsurface insight and customized chemistries.

Although unconventional resources are still a relatively small part of our business internationally, we are growing this segment of our business. New technologies are being rapidly adopted and there is a willingness to innovate in these markets. For example, we have successfully introduced our CYPHER<sup>SM</sup> technology in Australia, the U.K. and other key markets.







### **Mature Fields**

Mature fields account for over 70 percent of the world's oil and gas production, with many in the secondary or tertiary production phases. Our strategy in this segment is focused on integrated solutions to enable our customers to realize greater recovery potential in these fields by improving performance on existing wells, optimizing reservoir management, and identifying new profitable areas in the reservoir.

Our integrated project management strategy in mature fields is paying off with significant project awards in 2014, including a \$3 billion project with PetroAmazonas in Brazil. Growth in this segment has outperformed our forecasts and, with a robust pipeline of integrated project management contracts, we are well positioned for growth.

### **Deepwater**

In the last 10 years, 60 percent of global oil discoveries have been in deepwater. In this challenging arena our strategic aim is to grow market share by employing leading-edge capabilities to help eliminate uncertainties and ensure ultra-reliability for our customers at every stage of the exploration and development process. There have been headwinds in the deepwater market as a result of higher costs and lower energy prices, leading operators to shift investment from deepwater to land in search of better returns. However, Halliburton continues to gain share in this slower-growth environment. Our integration capabilities, infrastructure and technologies mean that we are well positioned to outgrow the market, as we have over the past three years.

### **Sustainability**

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 our communities. These priorities are expressed in our Guiding Principles, which rest on a foundation of ethics and integrity. Central to our sustainability strategy is a value chain approach that considers sustainability in our supply chain, and our customers' environmental and social impacts, as well as our own. This means that our strategic focus is on the largest areas of impact within our value chain. For example, the vast majority of the water consumption or greenhouse gas (GHG) emissions that we can influence occur during customer operations.

### **Technology**

Innovative technologies that reduce uncertainty, improve access to hydrocarbons, and enhance execution enable us to deliver on our strategy across all of our businesses. We have almost doubled our technology investment over the past five years, and we are seeing the results: sharply higher patent filings, growth in new-product revenue, and a heightened competitive advantage.

Our team of more than 3,100 scientists and engineers works collaboratively with customers, frequently in co-funded joint efforts to develop technology that solves a specific problem. This approach increases customer engagement and promotes the commercial success of the innovations. We have created an international network of 16 technology

---

**The experience and commitment of our management team, our highly skilled people, and our innovative technologies will continue to enable us to execute our strategy and deliver value to our stakeholders.**

---

centers to facilitate collaboration with customers on regional challenges, and to further globalize our research and development efforts.

#### **Integration**

Halliburton's ability to build cross-functional workflows that optimize efficiency is a central element of our value proposition. Our teams create integrated processes and projects to solve the most complex challenges across disciplines, delivering superior solutions and outstanding service quality. This integrated approach creates value for all of our stakeholders.

#### **Employee Investment**

Our people are essential to our ability to innovate, achieve, grow and lead. We attract and retain the best talent by investing in our employees and empowering them to develop themselves and their careers. We invest in our employees through leadership and competency development, competitive compensation plans, health benefits, work-life programs, and reward and incentive plans.

Competencies provide the foundation for outstanding execution and service quality. We know we have the right people to develop the right technologies and bring innovative solutions to the industry – and we value those

people as an unmatched competitive advantage. We promote and encourage competency development as both a career tool and a professional essential.

#### **Pending Acquisition of Baker Hughes**

On November 16, 2014, Halliburton and Baker Hughes entered into a merger agreement under which, subject to the conditions set forth in the merger agreement, we will acquire all the outstanding shares of Baker Hughes in a stock and cash transaction.

The acquisition will create a leading global oilfield services company and combine the companies' product and service capabilities to deliver exceptional depth and breadth of solutions to our customers. Subject to all required approvals, the closing of the transaction is expected to occur in the second half of 2015.

# BIG FOUNDATION: OUR GUIDING PRINCIPLES

PRINCIPLE

## Financial Performance

Deliver superior value for our shareholders

## Health, Safety & Environment

Conduct operations that are safe and environmentally responsible

## Technology and Innovation

Lead the industry in innovation, technology development 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 technological solutions that give our customers economic access to new hydrocarbon resources and maximize the value of their existing assets

ACHIEVEMENTS

## \$32.9 billion in total revenue

Record total company revenue of \$32.9 billion, including revenue records for both divisions and 12 out of 13 PSLs.

## \$5.1 billion in operating income

Record operating income of \$5.1 billion as a total company, with record operating income for North America and the Eastern Hemisphere.

## 33 percent operational cash flow returned to shareholders

Returned 33 percent of our cash flow from operations to our shareholders, including \$800 million in share repurchases and over \$500 million in dividends.

## Record Performance in health and safety

Three consecutive years of double-digit improvement in our total recordable incident rate.

## Environmental historical best

Reduced the frequency of environmental incidents of all types in our operations, achieving a 10 percent reduction in our total environmental incident rate.

## Leading Service Quality

Our Baroid PSL in the Gulf of Mexico Region was the industry's first recipient of the American Petroleum Institute (API) Q2 certification for service quality in upstream operations.

## 3,795 Patents

Halliburton has 3,795 active U.S. patents, of which 451 were issued in 2014.

## \$601 million R&D investment

Over the last five years, we have almost doubled our investment in research and development, expanding our capacity to innovate and meet market needs.

## 4 World Oil Awards

Four *World Oil* Awards in 2014, for the Cypher, DecisionSpace and SentinelCem technologies, and a Lifetime Achievement Award for Halliburton Technology Fellow John Quirein.

**Ethics and integrity are the foundation for Halliburton's**



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.

### 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

### Transparency

Be transparent in reporting and validating our progress

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

### Mutual 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

### 5 years

Industry-leading score in Human Capital Development in the Dow Jones Sustainability Index for the fifth consecutive year.

### \$2.6 billion in-kind donations

Software donations valued at \$2.6 billion were made to schools and universities around the world by our Landmark PSL in 2014.

### \$3.9 million in giving

In 2014, the Halliburton Foundation donated \$3.9 million to the communities where we operate in the form of scholarships, grants and matching employee giving.

### GRI G4

Began our transition to the GRI G4 sustainability reporting framework to enhance the information provided to stakeholders.

### 76,000 MSDSs

Halliburton discloses approximately 76,000 Material Safety Data Sheets in 28 languages.

### 14 Major Events

Investor Relations and executives participated in 14 investor-focused events in 2014 as speakers and panelists, or in other key roles. This is in addition to our regular meetings and calls with analysts and investors.

### Town Halls

2014 saw the launch of Executive Town Halls where senior management interact directly with employees in person and via live webcast.

### 30+ Universities

Collaboration with over 30 universities around the world on research and student development.

### \$701 million

Our spend with minority- and women-owned suppliers increased 71 percent to \$701 million.

**Guiding Principles.**

---

# **BIG VISION: CORPORATE GOVERNANCE**

## **Board of Directors – Statement of Purpose**

As members of the Halliburton Board of Directors, we are personally and professionally committed to the Company's success in achieving its long-term goals. We guide the Company in its sustainability efforts, and in fulfilling its responsibilities to communities, shareholders, employees and the environment.

---

The effectiveness of our efforts is visible daily at Halliburton facilities around the world. We integrate sustainability into the Company's business strategy and performance management system. We are building a diverse workforce and an increasingly localized supplier base. Our progress in these undertakings is contained in this report.

The impact of sustainability issues on Halliburton's success is greater and more direct than ever before. To all stakeholders, we pledge that the impact will continue to be substantial and positive.

### **Board Composition and Diversity**

The Halliburton Board of Directors provides broad oversight of the management and governance of our Company. In 2014, our board increased in size from 11 to 13 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 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 members to act as Lead Director.

Halliburton and its board of directors are committed to maintaining diversity in gender, race, ethnicity, experience, expertise and nationality. 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 skills, experience, qualifications, diversity profiles and talents. Additionally, the committee performs assessments of the board, committees and directors; considers recommendations from shareholders and directors; and proposes directors

---

**The impact of sustainability issues on Halliburton's success is greater and more direct than ever before.**

for Halliburton's annual board elections. Typically, a third-party executive search firm identifies appropriate director candidates; occasionally, as it did in 2014, the Company itself also identifies potential candidates.

The members of the board of directors are also committed to enhancing and developing their collective knowledge of sustainable development and economic, environmental and social factors that may affect the Company's success. This is achieved through a range of measures including expert briefings, training seminars and reading.

#### **Board Oversight and Committees**

The board of directors is guided by the Halliburton Corporate Governance Guidelines, which are reviewed annually. Corporate citizenship, governance and corporate sustainability topics 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 2014, the board of directors met nine times. The Compensation Committee met four times, the Nominating and Corporate Governance Committee and the HSE Committee met five times, and the Audit Committee met nine times. All directors can call executive sessions or request a special meeting of the board or of a committee.



#### **Communication with the Board of Directors**

Halliburton management and our board of directors encourage open and transparent communication with shareholders and employees. A phone number, along with physical and email addresses are provided on the Halliburton website to enable this. In addition, our Corporate Secretary and our Investor Relations group interact with shareholders regularly and make themselves available for calls or meetings.

#### **Executive Compensation**

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 Halliburton'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 is published in our proxy statement.

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, Semptra Energy

**David J. Lesar**

Chairman of the Board and Chief Executive Officer of the Company

**Robert A. Malone**

President and Chief Executive Officer, The First National Bank of Sonora, Texas

**Jeffrey A. Miller**

President and Chief Health, Safety and Environment Officer of the Company

**Nance K. Dicciani**

Retired President and Chief Executive Officer, Honeywell International Specialty Materials

**Abdallah S. Jum'ah**

Retired President and Chief Executive Officer, Saudi Aramco

**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.



---

63,000

**COBC Training**

More than 63,000 employees completed COBC training.

\$292k

**Applause Awards for Ethics**

2,667 Applause awards for outstanding ethics, with a value of \$291,515.

24/7

**Ethics Helpline**

Our Ethics Helpline is open 24 hours a day, seven days a week.

## **BIG VISION: ETHICS & EQUALITY**

Integrity and ethics are core values at Halliburton, and the foundation of our Guiding Principles for Sustainability. In practical terms, these are expressed and enforced through our Code of Business Conduct (COBC), our employment practices and our compliance system audits. These practices and procedures, and the way we apply integrity and ethics to areas such as taxation and political engagement, are described below.

---

**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 standards.

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. In 2014, more than 63,000 employees completed more than 69,000 hours of COBC training.

We provide several avenues for reporting possible violations of the COBC, and employees who report possible violations may remain anonymous. Such reports may come through management review or other corporate sources such as Corporate Security, or through the Ethics Helpline, a third-party phone service available in several languages, 24 hours a day, seven days a week. Retaliatory actions against employees who report violations are not tolerated.

---

**The Code of  
Business Conduct  
applies to all  
employees, officers  
and directors of  
the Company.**

---

The COBC Practice group, part of the Halliburton Law Department, fully investigates all submitted reports of misconduct; Operations personnel will then take corrective action, up to and including termination, as needed. During 2014, the COBC Practice group received 149 reports of alleged misconduct; however, investigations revealed that the majority of these were not violations of the COBC. Of the remaining reports, the allegations



## Ethics & Equality cont.

### 2014 Trade Association Memberships:

- Bilateral U.S.-Arab Chamber of Commerce
- Greater Houston Partnership
- Texas Independent Producers and Royalty Owners Association
- National Petroleum Council
- National Association of Manufacturers
- 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 Services Association
- US-ASEAN Business Council
- American Petroleum Institute

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. Actions resulting from these investigations included: terminations; written reprimands; referrals for counseling or training; resignations; restitutions; spoken reprimands; and suspensions or probations.

Our Applause program, which is our global employee reward and recognition program, includes a specific category for ethical behavior. In 2014, the Company distributed 2,667 ethics-related Applause awards, representing a value of \$291,515.

### Foreign Corrupt Practices Act

As part of the Code, 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 2014 they completed nearly 15,300 courses, meeting our internal requirements.

### Employment Practices

Our Code applies to all phases of employment and confirms that any behavior that creates an intimidating, hostile or offensive work environment for another person will not be tolerated. We work to provide all employees with a working experience 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 pre-screen potential suppliers, vendors and contractors to confirm their legal compliance, and we require 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.

### Compliance System Audits

Our Compliance Program includes regular internal reviews of geographical or business units to evaluate their 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.

**We work to provide all employees with a working experience free of discrimination, harassment, intimidation or coercion.**

**Taxation**

Halliburton’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 set out 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 all security personnel complete all necessary training, and to have procedures in place that are consistent with the parameters set out in our COBC.

**Political Engagement**

Integrity and ethics underpin 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 meet the Company’s interests. HALPAC is funded by voluntary contributions from participating U.S. employees and complies with all regulations and disclosure requirements.

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

Halliburton is a member of various trade associations that engage in legislative activity regarding matters that affect the industry as a whole. The activities of the trade associations are directed by the membership as a whole and are not undertaken on behalf of any individual member.

**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 Human Rights, Montreux Document; regular firearm and executive protection training

**Pakistan**

**Type of Security:**  
Private Contractor

**Training:**  
Weapons handling, basic guard duties, incident reporting

**Yemen**

**Type of Security:**  
Private Contractor

**Training:**  
Quarterly training on firearms from international trainers

**Ecuador\***

**Type of Security:**  
Private Contractor

**Training:**  
Human rights and progressive use of force training. Weapons training and certification are updated regularly.

\* The security contract for Ecuador was renegotiated in late 2014; since then only unarmed security personnel have been used.



# \$32.9b

## **Total Revenue**

We recorded a record total Company revenue of \$32.9 billion, including revenue record-setting for both divisions and 12 out of 13 PSLs.

# \$5.1b

## **Operating Income**

Record operating income of \$5.1 billion for the Company, with record operating income for North America and the Eastern Hemisphere.

# 33%

## **Operational Cash Flow Returned to Shareholders**

We returned 33 percent of our cash flow from operations to our shareholders, including \$800 million in share repurchases and more than \$500 million in dividends.

## **BIG VISION: FINANCIAL PERFORMANCE**

Guiding Principle

**Deliver superior value for  
our shareholders**

For 2014, Halliburton reported record revenue and operating income, as well as revenue records for both divisions and 12 out of 13 product lines. The Company has once again delivered industry-leading total company revenue growth and returns in 2014.

### **Delivering Our Vision**

Halliburton's strong growth in 2014 is a result of our robust strategy and the commitment of our management team to outperform our competitors.

Total 2014 revenue was \$32.9 billion, an increase of \$3.5 billion, or 12 percent, from 2013. Total operating income was \$5.1 billion for 2014, compared to \$3.1 billion for 2013; the increase was due primarily to movements in contingent liabilities, as well as increased stimulation activity in the United States land market and growth in the Middle East and Asia.

**We continue to  
gain share in the  
deepwater market.**

Income from continuing operations for 2014 was \$3.4 billion, or \$4.03 per diluted share, compared to \$2.1 billion, or \$2.33 per diluted share, for 2013.

North America delivered a record year, with 16 percent revenue growth and 24 percent operating income growth compared to 2013. The Eastern Hemisphere also had a record year, with revenue and operating income growth of 10 percent and 8 percent, respectively.

We continue to gain share in the deepwater market, even though the shift in investment to land has made deepwater a slower-growth environment.

We have also outperformed in the mature fields segment, with growth exceeding our expectations. Our integrated project management strategy underpins this success; with significant project awards in 2014 and a robust pipeline of projects, we are well positioned for growth.

---

## **We continue to be the undisputed leader in unconventional resources.**

We continue to be the undisputed leader in unconventional resources. Our ability to provide the lowest cost per barrel of oil equivalent, our presence in all key basins, and our industry-leading execution and efficiency, combine to ensure our leadership position.

---

## **We have also outperformed in the mature fields segment, with growth exceeding our expectations.**

---

Deployment of our Frac of the Future™ hydraulic-fracturing delivery platform accelerated in 2014. This industry-leading technology has improved all aspects of surface efficiency, reducing capital deployed by 25 percent, maintenance costs by up to 50 percent, and completion times in some cases by more than 50 percent at sites where it is employed.

### **Looking to the Future**

We delivered an excellent 2014 and we are continuing the approach that has produced consistently superior results throughout recent years. Halliburton has successfully weathered multiple industry cycles. We are confident that we have the right people, technology and strategies in place to outperform during this cycle, too, and to emerge as a stronger company.



## Record Performance

### Health and Safety

Three consecutive years of double-digit improvement in our total recordable incident rate.

## Environmental

### Historical Best

Reduced the frequency of environmental incidents of all types in our operations, achieving a 10 percent reduction in our total environmental incident rate.

## Leading Service

### Quality

Our Baroid PSL in the Gulf of Mexico Region was the industry's first recipient of the American Petroleum Institute (API) Q2 certification for Service Quality in upstream operations.

# BIG VISION: HEALTH, SAFETY & ENVIRONMENT

## Guiding Principle

**Conduct operations that are safe and environmentally responsible**

Health and safety, environment, and service quality are fundamental to Halliburton's strategy and to our core values. In recent years we have made great strides in performance across these areas. The foundation of this has been our leadership commitment, robust management system, and the competencies and commitment of our people – all core elements of our Journey to ZERO.

### Journey to ZERO

Journey to ZERO is Halliburton's vision to achieve zero safety incidents, zero environmental incidents and zero nonproductive time. The name "Journey to ZERO" 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 advancement. These elements remain consistent each year, while specific focus areas evolve annually.

Journey to ZERO elements:

- Leadership Commitment
- Halliburton Management System (HMS) – Continuous Improvement
- Training and Competency
- Communicate and Address Risks
- Technology and Process Improvement
- Verify Performance

### Key Achievements

Health, safety and environmental performance have continued to improve, showing further gains on our strong performance in 2013. Similar progress has occurred in Service Quality, where we have achieved significant gains even as we work on increasingly complex and demanding projects.







## Health, Safety & Environment cont.



- We continue to reduce the frequency of health and safety incidents. Building on our best-ever performance in 2013, we reduced our 2014 total recordable incident rate (TRIR) by a further 17 percent to 0.49 incidents per 200,000 hours worked. This compares to the International Association of Drilling Contractors (IADC) industry average of 0.76 in 2014.
- We have also reduced the severity of incidents that do occur, and great progress has been made in our lost-time incident rate (LTIR), which is 7 percent lower than in 2013 – and a historical best.
- We have reduced the frequency of environmental incidents of all types in our operations, achieving a 10 percent reduction in our total environmental incident rate (TEIR) compared to 2013.
- We have continued to improve our visibility of our greenhouse gas emissions. We have made significant advances in data coverage and data quality, particularly in relation to fuel use in our operations. This has enabled us to achieve a more robust calculation of our greenhouse gas footprint with less uncertainty than in previous years. As a result we have also restated our 2013 greenhouse gas emissions, recalculated on the new basis. Our carbon footprint for 2014 is 8,841 million metric tons, which equates to emissions of 269 metric tons per million dollars of revenue. Restated emissions for 2013 are 8,697 million metric tons, a year over year increase of 2% in absolute terms.



- Our Baroid PSL in the Gulf of Mexico Region was the industry's first recipient of the American Petroleum Institute (API) Q2 certification for Service Quality in upstream operations.
- Our operations in Indonesia also received API Q2 certification in 2014, as did our Malaysia and Brunei operations, making Halliburton the first company to earn this certification in the Eastern Hemisphere.

### Ongoing Focus

In 2014, we continued our focus on enhancing process adherence and preventing repeat incidents. Road safety continues to be a key risk area and we are working to enhance our Company-wide road safety standards and our proactive driver safety programs.

Although we are proud of the safety gains that we have made in 2014, we are saddened by the three employee fatalities that occurred during the year. Two of these resulted from vehicle-related accidents and one was work process related.

In 2015, the next stage on our Journey to ZERO is more effective execution. This will be addressed through:

- Engaging all employees in our Journey to ZERO and ensuring that each team member understands their role.
- Continuing to focus on road safety with program improvements.
- Competencies continue to provide the foundation for the execution of each of our processes and we will continue to enhance our people's ability to deliver to our customers.

## Journey to ZERO expresses our priorities – to acknowledge the journey, accept the challenge and drive execution.

- Continuing to enhance our Significant Incident Review process in order to determine root causes of incidents and prevent repeat incidents.
- Further improving the execution of our tiered inspection program to advance our process adherence and verification of management controls.

### Halliburton Management System

Simply put, the Halliburton Management System (HMS) is how we work. HMS enables employees to work safely, consistently and effectively by providing reliable processes such as Design of Service, control points, contingency planning, Management of Change and Stop Work Authority. The Significant Incident Review (SIR) process ensures that HSE or Service Quality incidents are investigated to determine root cause and ensure that corrective actions are taken.

HMS is available to all employees via our Company intranet. It 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.

### HSE Tiered Inspection and MPEA Process

Our tiered inspection program is a systematic self-verification process that is fundamental to our drive for continuous improvement in HSE and Service Quality, and to our Journey to ZERO. We have built on the 2013 upgrade to the process in order to achieve improved process adherence and application of management controls. Monthly and quarterly inspections are used to track trends for additional systemic interventions.

The Management Process Execution Assessment (MPEA) process is part of the tiered inspection process for Service Quality, and is performed by managers during visits to operational locations, focusing on wellsites and workshops. The MPEA is used to verify understanding of HMS process competencies and training, Management of Change, Stop Work Authority, and control points in job processes.

These self-verification processes are reinforced by independent audits performed by the Halliburton Internal Assurance Services group, as described on page 44.

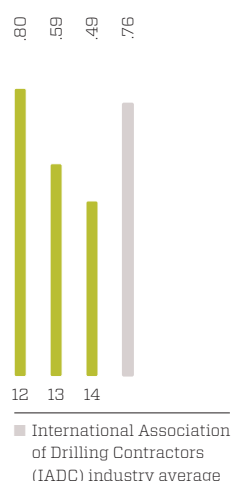
### Stop Work Authority

Our global Stop Work Authority (SWA) program plays a key 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. The program also promotes and recognizes proactive participation in our safety culture.

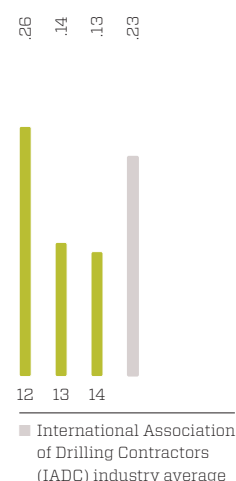
### Management of Change

Our Management of Change (MOC) 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.

**Total Recordable Incident Rate**  
per 200,000 hours worked



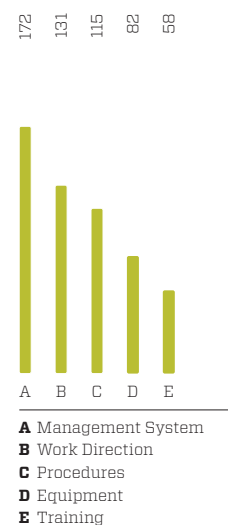
**Lost-Time Incident Rate**  
per 200,000 hours worked



**Fatalities**  
per year



**Incident Causal Factors**  
for high-potential HSE incidents



## Health, Safety & Environment cont.



**High-Potential Incidents per Year**  
for high-potential  
HSE incidents



**Near-Miss Incident Rate**  
per 200,000 hours worked



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



Last year, 5,999 MOCs were initiated – an 89 percent increase over 2013, and proof that the Company is committed to using this important system.

### Chemistry Scoring Index

The Chemistry Scoring Index (CSI) ranks and compares the relative risks associated with the use of chemical products used in oil and gas operations. Scores are assigned to products based on the severity of the potential hazards they pose in several key human health, safety and environmental categories. 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 international regulatory standards.

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. By providing CSI scores for our fracturing additives, we create more options across the value chain and guide our customers toward production practices that are more responsible and sustainable.

**Our 2014 vehicle incident rate was 16 percent lower than in 2013.**

## Health and Safety Programs

### Incident Investigation and Cause Analysis

Crucial components in improving our key health and safety metrics have been our rigorous investigation of HSE incidents, and our ranking of incidents using a statistical risk rank matrix that factors in severity and consequences. We also track near misses, which are incidents where the potential for personal injury, property damage or adverse environmental impact 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 SIR process brings immediate visibility to high-risk incidents and enables timely and rigorous assessment to determine root cause. This process means that the most serious incidents are fully understood and that effective preventive measures can be taken efficiently.

### Vehicle Activities

Road safety continues to be the work-related activity that presents the highest risk to our employees. We provide defensive-driving training, evaluate risks by using our established journey-management procedures, and deploy in-vehicle monitoring systems (black boxes) to monitor driver behaviors. These tools help us eliminate unnecessary trips and provide opportunities to coach employees on proper driving skills.

## Building on our best-ever performance in 2013, we reduced our 2014 total recordable incident rate (TRIR) by a further 17 percent to 0.49 incidents per 200,000 hours worked.

Our 2014 vehicle incident rate was 18 percent lower than in 2013, and we continue with initiatives to improve our performance. In 2014, we set up a global Community of Practice for land transport safety, established the minimum training requirements for all drivers of Company vehicles, initiated several studies of safety equipment to monitor and reduce fatigue in drivers, and set a global standard for in-vehicle monitoring systems (IVMS) in order to establish minimum requirements for the selection, installation and management of data generated by IVMS as a critical control element of the Company's land transportation activities.

### Environmental Performance

#### Environmental Incident Rate

Our Total Environmental Incident Rate (TEIR) was 10 percent lower in 2014 than in 2013, at 0.96 incidents per 200,000 hours worked. This is the result of our increased focus on process adherence, and of process improvements enacted at the operational level. Particular examples include:

- Extensive employee engagement and leadership training was conducted in our Production Enhancement and Cementing PSLs to reinforce the environmental component of our Journey to ZERO.
- Expansion of our preventive maintenance program for high-utilization equipment.
- Implementation of engineering controls to minimize the risk of spills and to collect dust.

The TEIR has decreased, as has the total spill volume. TEIR has improved at a greater rate due to an increase in hours worked. The total number of incidents and the average spill volume have also decreased compared to 2013.

#### 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 the 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 market leadership in the deployment of diesel engines that meet the Tier 4 standard, as mandated by the U.S. Environmental Protection Agency (EPA). 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 oil-field 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. Our deployment program for Tier 4 compliant diesel engines will be substantially complete by the end of 2015, when Halliburton will have the largest fleet of Tier 4 engines in operation in the U.S.

We have also addressed the impacts of our global real estate; several key sites have achieved certification for Leadership in Energy and Environmental Design (LEED) and similar awards.

**Total Environmental Incident Rate**  
per 200,000 hours worked



**Total Volume of Spills**  
in cubic meters



**North American Electricity Usage**  
shown in millions of kWh

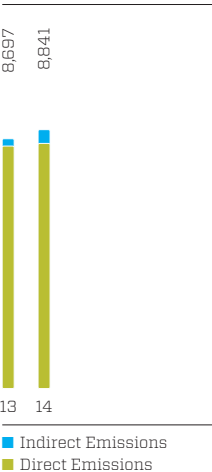




LEED certified  
buildings at our  
main Houston  
location



**Absolute Emissions**  
thousand metric tons CO<sub>2</sub>e



**Emissions Intensity**  
metric tons CO<sub>2</sub>e per  
million U.S. dollars revenue



**Our Total Environmental Incident Rate was 10 percent lower in 2014 than in 2013, at 0.96 incidents per 200,000 hours worked.**

In 2014, at our main Houston location, known as the North Belt campus, the Administration Building received LEED Silver certification for new construction. Additionally, Phase 2 of our Singapore 3 location received the GreenMark Gold certification. These certifications, and those received in 2013, are listed on page 29.

In 2014, our global greenhouse gas emissions increased to approximately 8,841 million metric tons, an increase of 2% from our restated emissions for 2013. This baseline year has been recalculated to reflect our greater visibility of the direct emissions from fuel consumption in our operations.

The year on year increase is the result of our greater activity in the year, balanced by continuous improvement in operational efficiency, notably through the roll out of our Frac of the Future technology suite, and the deployment of EPA Tier 4 compliant engines. This is reflected in our lower emissions intensity in 2014 with emissions per million dollars of revenue down by 12% to 269 metric tonnes.

The primary drivers for the recalculation of our baseline 2013 greenhouse gas emissions are enhanced management practices and improved methodologies for mapping our global emissions. The greatest impact has been in the greater visibility we have achieved of our operational fuel use, the largest single component of our footprint. This has enabled us to state our emissions on a more consistent basis from year to year, and with reduced uncertainty.

In addition to addressing our direct environmental impacts, Halliburton is working to provide global energy solutions that go beyond conventional energy sources. We are leading the field in geothermal energy and in

carbon capture and storage (CCS), and we have been service providers in these areas for decades. We have project experience in geothermal and CCS across the globe, including working with the U.S. Department of Energy on a geologic CO<sub>2</sub> storage demonstration project.

**Waste**

We have improved our data gathering procedures for waste and are therefore able to present global waste totals for the first time, as reported in the pie chart on page 29.

**Hydraulic Fracturing**

Hydraulic fracturing is the process of creating fractures in specific rock formations deep beneath the earth's surface, enabling hydrocarbons to move more easily through the rock and be brought to the surface.

Once the well has been drilled, cased and cemented, we design and implement a hydraulic-fracturing operation to stimulate the well. Generally, we supply the proppant and any additives used in the fracturing-fluid mixture, while our customers provide the base fluid. We mix the additives and proppant with the base fluids and pump the mixture down the wellbore to create the desired fractures in the target formation.

The fracturing operations take place thousands of feet below drinking-water aquifers, which are protected from contact with fracturing fluids by multiple layers of steel casing and cement.

In its 60-plus years of use, fracturing technology has resulted in zero substantiated instances of contamination of underground sources of drinking water. A 2004 EPA study into the impact of hydraulic fracturing of coalbed methane wells found there

## Halliburton is committed to continual improvement in the emissions to air that result from our activities and to reducing greenhouse gas emissions.

to be little or no risk to groundwater. The EPA is currently studying the relationship between hydraulic fracturing and groundwater, focusing on the fracturing of shale-gas wells. Halliburton is working directly with the EPA and others to support this study. The Company also helped develop and update the American Petroleum Institute (API) Recommended Practices, which address risk management issues accompanying the safe construction and management of unconventional wells, the reduction in surface impacts, and the protection of groundwater and the environment.

### Service Quality Performance

Service Quality (SQ) is a critical component of our Journey to ZERO, and we have consistently applied the same principles here as we have in HSE. Our key achievements in SQ in 2014 have been significant reductions in the cost of poor quality (COPQ) of 34 percent and in non-productive time (NPT) of 17 percent. These improvements have been driven by our intensified focus on process adherence and by greater use of management controls, such as our Design of Service process. As we discuss above, execution and Service Quality continue to be critical elements of our Journey to ZERO in 2015.

Another major SQ achievement is our leadership in the industry in applications for API Q2 certification, and we are targeting certification in every Halliburton location. API Q2 is an international standard, developed by teams from Halliburton and

other industry leaders, that outlines fundamental requirements for quality management systems critical to upstream operations.

### HSE Awards and Recognition

The following are examples of the HSE awards Halliburton received in 2014:

- For the second consecutive year, Halliburton operations in both Kuwait and Qatar were honored with the Gold Award for Health, Safety and Environment Excellence by the American Society of Safety Engineers – Gulf Cooperation Council.
- In August, the Voluntary Protection Programs Participants' Association honored the Halliburton manufacturing site in Carrollton, Texas, for its 30-plus years of participation in the Occupational Health and Safety Administration (OSHA) Voluntary Protection Program.
- On June 5, World Environment Day, the Halliburton facility in Tianjin, China, was commended by the municipal government of Tianjin for its industry-leading environmental protection efforts and timely disclosure of information to the public. Among the international oilfield service companies based in Tianjin, Halliburton was the only one to receive this honor.
- The Dow Jones Sustainability Index (DJSI) and RobecoSAM recognized Halliburton as one of the top five sustainability performers in our industry, awarding us a Bronze Award for sustainability performance, and including Halliburton in the DJSI World Index.

### Sustainable Building Awards

#### 2013

**GreenMark – Gold**  
Singapore 3, Phase 1

**LEED – Silver**  
North Belt – Technology Center

**LEED – Gold**  
North Belt – Life Center

#### 2014

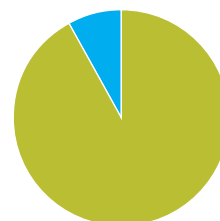
**GreenMark – Gold**  
Singapore 3, Phase 2

**LEED – Silver**  
North Belt – Administration Building

### 2014 Waste Generation

percent/metric tons

- Non-Hazardous Waste  
**92%** / 48,193
- Hazardous Waste  
**8%** / 4,087



# 3,795

## Patents

Halliburton has 3,795 active U.S. patents, of which 451 were issued in 2014.

# \$601m

## R&D Investment

Over the last five years, we have almost doubled our investment in research and development, expanding our capacity to innovate and meet market needs.

# 4 World Oil Awards

## 2014 Awards

Four *World Oil Awards* in 2014, for the CYPHER, DecisionSpace and SentinelCem technologies, and a Lifetime Achievement Award for Halliburton Technology Fellow John Quirein.

## BIG VISION: TECHNOLOGY & INNOVATION

### Guiding Principle

**Lead the industry in innovation, technology development and conscientious stewardship of global resources**

Halliburton offers the industry's most advanced technologies in almost every aspect of the upstream oil business. In 2014, our products and services received numerous technical awards, providing industry recognition of the exceptional performance that ensures our success with existing customers and our continued growth.

We bring to our customers sophisticated systems that provide comprehensive information about reservoir characteristics and well performance. With the most readily accessible energy reserves already discovered and developed, we enable customers to maximize production from existing reservoirs with technologies that improve access to hydrocarbons. Innovations that increase speed, safety and environmental performance – while reducing downtime and risk – help us deliver efficiencies and cost savings. In creating value for our customers, we also increase value for our shareholders by generating higher margins and new avenues for growth.

### Resources and Results

Over the last five years, we have increased our investment in research and development from \$325 million to \$601 million. We will continue to

invest in innovation as a foundation for future growth.

Our technology investments are yielding results: Our patent filing rate has more than quadrupled in the last five years. Halliburton has 3,795 active U.S. patents, of which 451 were issued in 2014.

In the last two years, we have expanded our technology headcount by 38 percent, including a 53 percent increase in our technology population outside the U.S. Additionally, the number of technology employees with doctoral and master's degrees has grown by 60 percent in the past two years.

In the past three years, the total percentage of female employees in technology has increased by 7 percentage points, including an increase of 9 percentage points in the number of females in technology leadership roles.





## Technology & Innovation cont.

### 2014 Technology Awards

Our products and services received many technical awards in 2014, recognizing innovation, creativity and expertise.

#### World Oil Awards

CYPHER<sup>SM</sup> Seismic-to-Stimulation Service in Best Visualization and Collaboration

DecisionSpace<sup>®</sup> G1 Edition Personal Edition in Best Data Management & Application Solution

SentinelCem<sup>™</sup> Cement in Best Drilling & Completions Fluid

John Quirein, Halliburton Technology Fellow, Lifetime Achievement Award

#### Offshore Technology Conference Spotlight on Technology Award

TDReam<sup>™</sup> Tool

#### Industry Innovation Award - Williston Basin Chapter of the American Petroleum Institute

Frac of the Future<sup>™</sup>

#### Hart Energy E&P Meritorious Award for Engineering Innovation

FlexRite<sup>®</sup> Multibranch Inflow Control (MIC) System

#### Oil & Gas Regional Awards

Northeast - Oilfield Services Company of the Year

West Coast - Oilfield Services Company of the Year

Southwest - Excellence in Well Completions, Oilfield Services Company of the Year, Water Management Company of the Year

Midcontinent - Oilfield Services Company of the Year

### Technology Centers and Remote Operating Centers

Our global network of 16 technology centers puts Halliburton technology teams in closer communication with clients and gives the Company access to a diverse global workforce.

The Company's 20 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 both risk and costs such as transportation.

In 2014, construction began on a Halliburton Drilling Testing and Training facility on a 1,300-acre tract of land in Cameron, Texas. The state-of-the-art facility will be a site for testing newly developed products and technologies, and for training operations personnel. The key goals for the facility are improvements in time-to-market, product readiness and service quality.

### Technology Fellows Program

The Technology Fellows Program is an important aspect of Halliburton's technology culture. "Technology Fellow" is a distinction earned by the Company's highest-performing engineers and scientists. Technology Fellows are focused on generating ideas and creating products. They also ensure the uninterrupted transfer of knowledge, identify exceptional performers, and cultivate our pool of scientists and engineers.

During 2014, we added two Technology Fellows, bringing the total to 12, and we plan to build significantly on that number.



### Technology Acquisitions

To complement the organic growth in our capacity to innovate, we have an active program to acquire technology-based companies that can make a significant contribution to our mission. The two most significant acquisitions in 2014 were:

**Europump Systems Inc.**, which manufactures progressive cavity pumping (PCP) systems used in heavy oil applications. Europump specializes in tailoring the entire PCP system; for instance, the engineering team has developed a process to join multiple PCP rotors together to reach a given length. This enables the downhole PCP system to provide an optimum amount of lift.

**Neftex Petroleum Consultants Ltd.**, which delivers a 4D digital model of the subsurface, allowing geoscientists to use a single global platform to search, discover, analyze and integrate geoscience data and interpretations. With this content, operators can compare basins around the world to identify potential exploration prospects.

### Promoting Technology Education

In addition to expanding our own resources, 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.



TDReam™



RezConnect™  
Well Testing System

## Innovations that increase speed, safety and environmental performance – while reducing downtime and risk – help us deliver efficiencies and cost savings.

We continue to make software grants to universities, based on the strategic importance of a university to the region's business plan. In 2014, Halliburton awarded more than \$116 million in academic and research grants.

In 2014, our Technology Internship Program received more than 35 student interns, many of whom later accepted permanent positions on the Halliburton technology team.

### Strategic Area Highlights

Halliburton deployed a large number of award-winning technologies in 2014 – innovations that enable us to improve service delivery, efficiency and return on investment for our customers. Selected technologies for each of our strategic focus areas – deepwater, mature fields and unconventional resources – are discussed below.

### Deepwater Technology Highlights

In deepwater, we are delivering technologies that help clients identify new resources, access previously unreachable resources, build the best wells and protect the environment. New and prize-winning technologies in 2014 include:

**TDReam™ Tool** – Uniquely designed reamer that reduces operational risk when enlarging boreholes to total depth. It saves time and money by eliminating an extra trip downhole. The TDReam tool won an Offshore Technology Conference 2014 Spotlight on New Technology<sup>SM</sup> Award.

**SentinelCem™** helps prevent loss of fluid to the formation or aquifer during drilling and cementing. In fact, it has stopped such losses when other known methods could not. SentinelCem cement enhances well architecture stability, which improves well integrity and environmental sustainability. The technology received the Best Drilling and Completions Fluid award at the 2014 *World Oil Awards*.

### The FlexRite® Multibranch Inflow Control (MIC) System

is the first multilateral completion system that provides sand control at the junction and the ability to remotely control the flow of each branch of a multilateral well, without subsea intervention. It enables customers to recover more hydrocarbons with a smaller surface footprint. The FlexRite MIC system was awarded Hart Energy's *E&P* magazine's Meritorious Award for Engineering Innovation at the 2014 Offshore Technology Conference.

### RezConnect™ Well Testing System

is the industry's first fully acoustically actuated drillstem test system. It uses wireless acoustic telemetry to measure, control and analyze well tests, providing real-time dialogue with the reservoir. It obtains accurate reservoir characterization safely and efficiently.

**New Product Revenue**  
billion U.S. dollars



**Patents**



**Total Research & Development Spend**  
million U.S. dollars



**SandCastle® Diesel Savings**  
gallons, in thousands



## Technology & Innovation cont.



**Frac of the Future™** encompasses a range of products and services that reduce the physical footprint, capital cost and environmental impact of the hydraulic fracturing process. Its components – which include new pumping, storage and fluid systems – are changing the industry's practices and helping address a variety of challenges. Frac of the Future has been deployed in more than 30 percent of our North American fleet, reducing capital deployed by 25 percent and maintenance costs by up to 50 percent, and improving completion times in some cases by more than 50 percent at sites where it is employed.

**The Q10™ pumping unit** provides higher horsepower and more reliability than any other pump in the industry. Equipped with dual-fuel technology (natural gas and diesel), the pump helps reduce environmental footprint, and is compliant with EPA Tier 4 emission requirements.

**SandCastle® PS-2500 vertical storage system** is a proppant storage unit powered by gravity and solar power, thus reducing the onsite footprint and cutting diesel fuel consumption. Over the last four years, SandCastle units saved approximately 7.9 million gallons of diesel fuel, dramatically reducing emissions of carbon dioxide, carbon monoxide, non-methane hydrocarbons, nitrogen oxide and particulate matter.

**SmartWell® Electro-Hydraulic Disconnect Tool** was a finalist in the 2014 *World Oil Awards* Best Completion Technology category. This first-to-market product facilitates removal of the upper completion from the lower completion without any destructive or mechanical intervention. This minimizes the risk and costs associated with workovers by pulling the upper string, leaving lower intelligent completion undisturbed. It is a stepping stone to challenging deep-water arenas like the lower tertiary fields in the Gulf of Mexico.

### **Mature Fields Technology Highlights**

In a mature field, production has reached its peak and has started to decline. We provide integrated solutions to optimize reservoir management and long-term recovery in these assets, or to exploit entirely new parts of the reservoir by using technologies that were not available when the field was developed. Some of our major innovations in 2014 were:

**Artificial Lift InteLift™** remote monitoring system enables customers with production assets that employ artificial lift equipment to monitor their assets remotely, reducing the human footprint at the wellsite.

**Q-MAX™ Gas Bypass** is the most efficient gas mitigation product in the electrical submersible pumps (ESP) industry. Q-MAX technology enables operators to run ESPs with lower intake pressure, maximizing fluid extraction from the reservoir while withstanding the erosive effects of sand. Application of this technology has yielded an increase in oil production of up to 95 percent, with a decrease of more than 70 percent in pump intake pressure.



**EquiFlow® Autonomous Inflow Control Device (AICD)** helps prevent unwanted gas or water from flowing to the surface. This reduces the requirement to treat, dispose of or store these fluids at the surface. The EquiFlow AICD won Hart Energy's *E&P* magazine 2012 Meritorious Award for Engineering Innovation.

**Photonics sensing and fiber optic technologies** are enabling operators to monitor flow distribution in mature fields more efficiently and without interrupting well operations. With a dedicated Photonics Research Center, and increased investments in engineering and strategic acquisitions, Halliburton is delivering improved sensing performance, sensors that monitor new physical parameters, and reliable deployment in a wider range of environments.

### **Unconventional Resources Technology Highlights**

Our technologies enable us to deliver the lowest cost per barrel of oil equivalent via subsurface insight, customized chemistry and surface efficiency. Examples of these technologies that were introduced or gained industry recognition in 2014 include:

**CYPHER™ 2.0 Seismic-to-Stimulation Service** is a collaborative workflow that enables operators to better predict and produce unconventional reserves by integrating geoscience, reservoir, drilling and completion engineering. Customers using CYPHER have seen improvement of up to 35 percent in oil and gas production per well. CYPHER won the 2014 *World Oil Award* for Best Visualization and Collaboration.

## Halliburton deployed a large number of award-winning technologies in 2014 – innovations that enable us to improve service delivery, efficiency and return on investment for our customers.

**TergoVis™ efficiency fluid** is a mud-removal system with specialized properties that aid in switching from drilling fluids to cement placement operations. These properties contribute to well integrity and effective zonal isolation, and help reduce costs by recovering premium oil-based mud (OBM). The primary material used for TergoVis fluid is a byproduct from another industry, which would otherwise be placed in landfills. In the last two years, more than 62 million pounds of this byproduct have been recycled to efficiently recover more than 220,000 barrels of OBM.

**The CoreVault™ sampling system** allows operators to bring reservoir fluids within rock samples to the surface, allowing for accurate volumetric measurements of the hydrocarbons in place. Unlike traditional coring tools, the CoreVault system provides samples that can reveal more oil and gas in place than previous estimates would indicate. This can significantly enhance economic value and reduce risk in exploration and development.

### Technology Headcount

#### Technology Headcount (Total)

<b>2,308</b>	<b>2,800</b>	<b>3,189</b>
2012	2013	2014

**38% change**

#### Technology Headcount (U.S.)

<b>1,808</b>	<b>2,264</b>	<b>2,425</b>
2012	2013	2014

**34% change**

#### Technology Headcount (Global)

<b>500</b>	<b>536</b>	<b>764</b>
2012	2013	2014

**53% change**

#### Advanced Degree

<b>31%</b>	<b>35%</b>	<b>36%</b>
2012	2013	2014

**5% points**

#### Female Headcount

<b>323</b>	<b>476</b>	<b>670</b>
2012	2013	2014

**107% change**

#### Females in Leadership Roles (Global)

<b>138</b>	<b>196</b>	<b>478</b>
2012	2013	2014

**245% change**

### University Collaborations

University of Oklahoma
Colorado School of Mines
University of California, Santa Barbara
University of Calgary
University of Edinburgh
University of Alberta
VRGeo Consortium
Reservoir Engineering Research Institute
Stanford University
University of Tulsa
Montana Tech University
The University of Adelaide
City College of New York
University of Houston
Rice University
Texas A&M University
University of Texas at Austin
Massachusetts Institute of Technology
Ohio State University
Louisiana State University
Colorado State University
Heriot-Watt University
University of Michigan
University of North Carolina, Chapel Hill
North Carolina State University
TU Bergakademie Freiberg – Institute of Drilling Technology and Fluid Mining
Pennsylvania State University
University of Toronto
Case Western Reserve University
Universidade Federal do Rio de Janeiro
King Abdullah University of Science and Technology



# 5 yrs

Industry-leading score in Human Capital Development in the Dow Jones Sustainability Index for the fifth consecutive year.

# \$2.6b

## **In-Kind Donations**

Software donations valued at \$2.6 billion were made to schools and universities around the world by our Landmark PSL in 2014.

# \$3.9m

## **Giving**

In 2014, the Halliburton Foundation donated \$3.9 million to the communities where we operate in the form of scholarships, grants and matching employee giving.

## **BIG VISION: GLOBAL CITIZENSHIP**

Guiding Principle

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

Our commitment to global citizenship encompasses the well-being of the communities in which we work and of our employees. We aim to have a positive social and economic impact in our communities. We value our talented and motivated employees, and we consider it a business essential to enhance their well-being.

### **Our Employees**

Halliburton is able to innovate, achieve, grow and lead for one reason: our people. We attract and retain the best talent by embracing diversity, maintaining a positive work environment and offering rewarding careers. We invest in our employees through competitive compensation plans, health benefits, work-life programs, and reward and incentive plans. We have the right people to develop the right technologies and bring innovative solutions to the industry – and we value those people as an unmatched competitive advantage.

#### **People, Performance and Results (PPR)**

Each year, all Halliburton employees agree to specific objectives in ethics, HSE, process assurance and service quality, and financial accountability

through the PPR process. Employees work with their supervisors to create competency-development plans for their current positions and for possible future positions. Individual performance objectives are aligned with corporate objectives and business-performance results, and progress on those objectives is linked to compensation. Managers are trained on performance management, feedback and coaching.

#### **Succession Management**

Through our succession management process, employees' leadership competencies are assessed to help the Company identify, develop and retain a pool of skilled leaders. The Talent Profile summary supports the succession management process by tracking the progress of high-potential employees. Managers use it to complete assessments, and employees use it to take control of their careers.



## Global Citizenship cont.

### Code of Business Conduct Training

courses completed



### Employee Training

million hours



### FCPA Training

courses completed



### Halliburton Charity Golf Tournament

The 21st Annual Halliburton Charity Golf Tournament set a new fundraising record with contributions totaling nearly \$2.4 million from participant donations and fees. The proceeds benefit 36 nonprofit organizations across the U.S. Over its history, the event has given nearly \$11 million to U.S. charities.

### Training and Development

Halliburton has 23 training facilities around the world to deliver technical, operational and leadership training for all employees.

We offer numerous structured development programs, including fast-track career development programs such as those offered by the Supply Chain and Human Resources teams. "Hire to Country Manager" is a Company-wide process among the PSLs that is designed to progress new operational and technical hires into key operations management positions globally. Participants complete a structured series of career movements, acquiring key competencies, training and on-the-job experience.

Halliburton University is a comprehensive online learning system that provides a streamlined process for accessing and documenting career development activities, including role-based competencies, competency assessments, technical training and online courses. It also helps employees identify gaps and determine the training they need to move to the next career level.

The Global Competency Assurance Program gives the PSLs and support functions a systematic approach for maintaining a strong workforce and fostering employee development. Our competency program is aligned with customer requirements, industry standards, and applicable laws and regulations. More than 60,000 employees use it to manage competency development. In 2014, Halliburton was again granted full accreditation for its Global Competency Assurance Program by the International Association of Drilling Contractors. Halliburton is

the only full-spectrum energy services company with full competency accreditation for positions in all the Company's PSLs and support functions worldwide.

Halliburton also offers a variety of specialized development opportunities for employees with leadership potential. These include stretch assignments in international locations, and courses such as Crew Leadership and Foundations of Leadership, and the Business Leadership Development series. In partnership with the Mays School of Business at Texas A&M University's Center for Executive Development, these courses and related team projects help prepare participants for executive-level decision making.

### Employee Benefits and 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 several programs that help employees cope effectively and constructively with well-being issues that arise at work and in their personal lives:

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

### Rewarding Innovation and Excellence

The Applause program invites all employees to recognize colleagues who exhibit outstanding performance in one of four categories: Technology Innovation, Ethical Behavior, Safety Leadership and Service Quality. In 2014, a total of 58,320 Applause awards were distributed, representing a value of almost \$6.5 million.

**U.S. Employee Education Assistance Program**  
Dollars paid

**\$1,303,556**

2012

**\$1,424,056**

2013

**\$1,610,899**

2014

**Applause Awards**

**58,320**

Nominations approved

**\$6,458,425**

Total dollar value awarded

Maximizing Value-added Performance (MVP) awards give organizations within the Company additional options for recognizing outstanding achievement by individuals or teams. These awards emphasize efforts that benefit the Company and its stakeholders. A total of 7,347 MVP awards, worth more than \$7 million, were made in 2014.

**Diversity and Inclusion**

Halliburton has a comprehensive strategy to make diversity and inclusion as essential to our corporate culture as safety, technology and integrity. Like our customers, we recognize the value and business benefits of a diverse workforce.

**Diversity and Inclusion Goals**

Hiring and retaining diverse talent is a business imperative, and it shapes how we operate and how we win business. 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. Exceptional progress has been made in our Technology group, where the size of the female workforce has increased by 107 percent in the three years to the end of 2014, as discussed on page 30.

Our global leadership team must 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.

We encourage a global culture of inclusion with an ongoing internal campaign highlighting the value of differing perspectives. We continue to ensure that our branding – both

internally and externally – conveys the importance of diversity and inclusion at Halliburton.

In addition to internal initiatives, Halliburton has partnered with various organizations to promote diversity industrywide. In 2014, Halliburton partnered with the Society of Petroleum Engineers to present a workshop on "Breaking the Cycle of Discrimination – Workplace Challenges in the Oil and Gas Industry."

Other organizational partnerships for diversity and inclusion include:

- Catalyst Inc. – Global
- Women's Energy Network – US
- Women in Science and Engineering (WISE) – UK
- National Diversity Council – US

**Women Sharing Excellence (WSE)**

WSE is an internal diversity network designed to promote employee development, build leadership competencies and increase employee retention. Open to all Halliburton professionals, WSE provides support in career planning and self-development through mentoring, training, community-service events, spotlight recognition and a workplace conversation series.

WSE has more than 900 members globally, with local chapters serving Houston, Texas; Carrollton, Texas; the Gulf of Mexico region; Singapore; and Calgary, Alberta, Canada.

**Leadership Development**

Selected high-potential female employees in operations, engineering, geoscience and technology are mentored by managers who foster their career development. The Diversity and Inclusion team also works with

**MVP Awards**

total number of awards



**MVP Awards**

total U.S.  
\$ in millions



**We attract and retain the best talent by embracing diversity, maintaining a positive work environment and offering rewarding careers.**



## Global Citizenship cont.

### Diversity & Inclusion Awards

#### Industry Awards

*Professional Woman's Magazine* named Halliburton one of its "Top Energy, Gas and Oil Companies."

The *Black Equal Opportunity Employment Journal* named Halliburton among its "Best of the Best – Top Utility, Energy, Gas and Oil Companies," for outstanding outreach and accessibility to African-American, Hispanic/Latino, veteran and female populations.

The *Hispanic Network Magazine* named Halliburton to its list: "Best of the Best – Top Utilities, Energy, Gas and Oil Companies."

The *Oil and Gas Diversity Council* named Christina Ibrahim, vice president, chief commercial counsel – Western Hemisphere and corporate secretary, as one of its eight "Influential Women Leaders" in the oil and gas industry.

*Woman Engineer Magazine* ranked Halliburton No. 42 on its 22nd annual "Top 50 Employers" list.

#### National Awards

*Profiles in Diversity Journal* selected Halliburton to receive a 2014 "Diversity Leader" award.

The *National Association of Professional Women* recognized Becky Noe, an audit manager, with its "VIP Professional Woman of the Year" award.

The *National Diversity Council* selected Cindy Bigner, senior director of Corporate Affairs and Diversity Initiatives, as one of its "Most Powerful and Influential Women of Texas" for 2014.

The *National Association of Colleges and Employers* selected Halliburton as a finalist for its "Diversity and Inclusion Excellence" award.

*Profiles in Diversity Journal* named Cindy Bigner to its "Women Worth Watching" list for 2014.

*Profiles in Diversity Journal* recognized Halliburton with an "Award of Excellence" at its 11th Annual Innovation in Diversity Awards.

*Women's Energy Network* selected Cindy Bigner to receive its inaugural "Spirit of WEN" award.

global human-asset managers to help these employees complete robust leadership-development plans.

#### Women's Global Leadership Conference

Twenty-four Halliburton employees attended the Women's Global Leadership Conference in Energy held in Houston, Texas. The event was attended by nearly 700 industry professionals. The Halliburton delegation, which included executives who participated in panel discussions and presentations, was the conference's largest corporate representation.

#### Enhanced Partnerships

Halliburton participated in more than 90 global 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 2014 national convention. Halliburton also contributed to the following events: Women in Leadership symposiums; the Women's Leadership Forum; Corporate Counsel Women of Color Conference; the Houston Women's Conference; and the Women with Energy Summit.

Halliburton sponsored a women's leadership luncheon at the University of Aberdeen in Scotland, attended by university students and mid-career professionals. The Company also sponsored the WISE awards, which are presented to women in science, technology and engineering for their contributions to industry and innovation.

## Our Communities

Halliburton and its employees take direct action to make a difference wherever we have a presence. Our commitment to good corporate citizenship is a fundamental part of creating sustained value for society, our Company and our stakeholders.

Some of the events and causes that Halliburton supported in 2014 included:

#### Consumer Energy Alliance

**2014 Energy Day:** This is Houston's largest annual festival showcasing science, technology, engineering and mathematics. The Halliburton exhibit demonstrated our fluids and spotlighted their components. Attendees included students, educators and business leaders.

**Amom Foundation:** This is a U.S.-based nonprofit organization dedicated to improving education for children from disadvantaged backgrounds across Central Africa. Halliburton is partnering with the Amom Foundation to reconstruct St. Louis Catholic Primary School in the village of Nfiengong, in Douala, Cameroon, which was destroyed by a windstorm in 2011.

#### In-Kind Donations

Through its Landmark PSL, Halliburton made in-kind donations of software valued at more than \$2.6 billion to schools and universities during 2014. 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. Recipients included the Mewbourne College of Earth and Energy at the University of Oklahoma, which received Landmark Graphics software valued at nearly \$263 million.

### Halliburton Foundation

Established in 1965, the Halliburton Foundation is a nonprofit organization that promotes educational and charitable purposes, and supports education at all levels. The foundation provides direct grants, scholarships and matching funds for employee donations. In 2014, the Halliburton Foundation contributed more than \$3.9 million to schools and higher-education institutions.

### Employee Giving

Through the annual employee giving program, "Giving Choices," employees donate to charities they select. The Company provides a match for all eligible employee donations, and pays administrative costs. In 2014, employees in 17 participating countries pledged more than \$3.2 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.

### 2014 Corporate Giving

**\$3,900,000**

**Halliburton Foundation**  
More than \$3.9 million to schools in the U.S.

**\$2,600,000,000**

**In-Kind Donations**  
Landmark software products valued at approximately \$2.6 billion

**\$1,800,000**

**Direct Cash Donations**

**\$2,605,700,000**  
**Total Donations**

### Employees: Percent of Total Workforce

	11	12	13	14
North America	53%	50%	48%	49%
Latin America	13%	15%	14%	13%
Europe/Africa/CIS	18%	19%	19%	18%
Middle East/Asia	16%	17%	19%	19%

### Business Leadership Development Course

Number of Attendees

Year	Level I Attendees	Level II Attendees	Level III Attendees
2011	545	175	54
2012	597	225	48
2013	762	289	82
2014	871	319	88

### Veterans Employment

Many of the characteristics and skills acquired through military experience – leadership, teamwork, integrity, versatility and resiliency – perfectly prepare veterans to contribute significantly in a competitive business environment.

Halliburton actively recruits veterans, attending military-focused job fairs and on-base activities. In 2014, we hired more than 850 veterans for positions in the U.S. and internationally.

Halliburton maintains a focused recruiting microsite for veterans (<http://Halliburton-veterans.jobs>). The site provides a "military skills translator" that matches military capabilities and experience to career opportunities.

Halliburton formed the Veterans Leadership Forum, an internal diversity network open to all employees and focused on advancing employee development and leadership competencies, and on increasing retention of veterans in the organization.

Our commitment to Veterans Employment was recognized by *G.I. Jobs* and by *Military Friendly*, which designated Halliburton a Military Friendly Employer, ranking us in the Top 100 in its annual survey of U.S. employers.

### Local Orphanage in West Africa

Halliburton employees in Côte d'Ivoire volunteered at an all-girls orphanage in Mondoukou, serving as mentors to the girls.

The team raised over \$2,000 and collected medical supplies, toys and food. With help from the Halliburton Community Relations team, the orphanage also received an Energy to Help™ grant of \$1,500 from Halliburton.

### Clothing Drive in India

Members of the Halliburton Volunteer Council at the Company Technology Centre in Pune, India, held a clothing drive to provide garments and blankets to people in Paud, India, a village in the heart of the Mulshi valley.

Enough clothing, shoes and blankets were collected to help 300 of the villagers.

# GRI G4

Began our transition to the GRI G4 sustainability reporting framework to enhance the information provided to stakeholders.

# 76,000

#### **MSDSs**

Halliburton discloses approximately 76,000 Material Safety Data Sheets in 28 languages.

# 14

#### **Major Events**

Investor Relations and executives participated in 14 investor-focused events in 2014 as speakers and panelists, or in other key roles. This is in addition to our regular meetings and calls with analysts and investors.

## **BIG VISION: TRANSPARENCY**

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 HSE and Sustainable Development executive committee performs this function. The elements of our transparency efforts are detailed below.

#### **Ethics and Code of Business Conduct**

Halliburton individuals or Company groups that report regularly to the board of directors and/or to its committees are: the controller; chief ethics and compliance officer; general counsel; COBC manager; Enterprise Risk Management, 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.

#### **Enterprise Risk Management**

Halliburton's Enterprise Risk Management process ranks the Company's enterprise risks (financial, compliance and operational), and assigns each risk to the risk owners who are responsible for management and control of risks within their functions. Functions are reviewed periodically to monitor risk-mitigation activities and to identify changing risk profiles and emerging issues.





---

## Transparency cont.

The program is coordinated by an interdisciplinary group headed by the treasurer, who reports to the board of directors annually. The CEO is considered to be the Company's chief risk officer. Enterprise Risk Management projects and initiatives are carried out by a working team that includes subject matter experts from Risk Management, Internal Assurance Services, Treasury, Operations, IT, Legal and other departments as necessary.

### 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 2014 events in which Halliburton executives made presentations, participated in panels, or had other key roles:

- Credit Suisse Energy Summit
- Simmons Energy Conference
- Howard Weil Energy Conference
- Susquehanna Energy & Resources Conference
- Citi Global Energy & Utilities Conference
- UBS Global Oil & Gas Conference
- RBC Capital Market's Global Energy & Power Conference
- Credit Suisse London Energy Conference
- Tudor Pickering Summer Energy Conference
- Simmons European Energy Conference
- Barclays CEO Energy-Power Conference
- Bank of America Merrill Lynch Global Energy Conference
- Jefferies Global Energy Conference
- Capital One Securities Energy Conference

Our engagement with the investment community received recognition from *Institutional Investor* magazine in its 2015 All-American Executive Team rankings. The magazine ranked Halliburton third overall, and Dave Lesar was named Best CEO in the Oil and Gas Services sector. Mark McCollum, then chief financial officer for Halliburton, and our Investor Relations team were also the top ranked in the sector.

### 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 group for review and appropriate action.

Employees and the public can contact the Halliburton Board of Directors 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.

### 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 29.

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 (SD) 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 material safety data sheets (MSDSs) for all our product lines, including products used in hydraulic fracturing. MSDSs communicate detailed information about the safe use, chemical substance management and potential hazards of our products. In addition, for all its chemical products, Halliburton is updating thousands of MSDSs to the GHS standard described on page 26. All current MSDSs are available to download from our website.

Halliburton's website holds approximately 76,000 chemical documents. Of these, approximately 55,000 are Halliburton MSDSs available in 28 languages. There are also approximately 21,000 vendor-supplied MSDSs in 13 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 our Chemistry Scoring Index, discussed on page 26.

### **Global Reporting Initiative**

The Global Reporting Initiative (GRI) is a globally recognized framework for sustainability reporting; it is used by many of the world's largest companies. We have adopted many aspects of the current GRI G3.1 framework in this 2014 sustainability report, and have begun implementation of the new GRI G4 framework as set out in the indexes at the end of the document. A GRI section on the sustainability area of our website provides GRI-specific performance data. The adoption of the GRI framework validates our reporting practices and helps us to continually improve reporting and transparency. Our 2015 reporting will be further enhanced as we continue the transition to the new iteration of the Global Reporting Initiative.



## Town Halls

2014 saw the launch of Executive Town Halls where senior management interact directly with employees in person and via live webcast.

## 30+

Collaboration with over 30 universities around the world on research and student development.

## \$701m

Our spend with minority- and women-owned suppliers increased 71% to \$701 million.

# BIG VISION: MUTUAL COLLABORATION

## Guiding Principle

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

We actively communicate with our key stakeholders to help achieve mutual objectives. This includes working with our suppliers, customers, technology partners, employees, industry partners and the wider public. The steps we take to actively engage with each of these stakeholder groups to work toward long-term financial, environmental and social sustainability are outlined below.

### Supplier Engagement

Halliburton contractually requires our suppliers to follow all global and local legal requirements, and to comply with all local and international laws and regulations governing business conduct. Suppliers are also subject to billing and quality audits, and must maintain their records for potential audit by Halliburton.

Suppliers are also expected to provide conflict minerals information on any product they supply; this supports Halliburton's compliance with the Dodd-Frank Wall Street Reform and Consumer Protection Act.

Halliburton builds and maintains a global network of strategic suppliers, and tracks their performance by using a supplier scorecard and key performance indicators. Suppliers are

expected to meet all Halliburton requirements and to support continuous improvement efforts through standardized quality processes and procedures.

We support local businesses, including small, and 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 comply with all customer requirements, and we support many customers by providing reports on second-tier spend, which helps them with their good-faith reporting requirements and shows the impact of second-tier spend in the local community. We also encourage our prime suppliers to build relationships with diverse suppliers, as suppliers that





## Mutual Collaboration cont.



subcontract work to diverse businesses provide added value to Halliburton.

Local supply chain teams are integral in developing and expanding supplier relationships to support customer demand and ensure that suppliers have ready access to HSE training and materials. These strategic relationships allow our suppliers to grow with Halliburton and create solutions that are beneficial to the supplier and to us and our customers. Examples of our supply chain engagement in 2014 include:

- HSE reviews were completed across the China supplier base, helping suppliers to fully understand Halliburton's HSE culture and establish plans to meet improvement goals.
- Suppliers in India received training on HSE compliance, Halliburton's Life Rules and COBC practices. This was followed up with audits and improvement targets to empower them to make positive changes.
- Halliburton hosted a Supplier Day in Kuala Lumpur focused on service quality and HSE compliance, helping our suppliers to build their capabilities.
- Halliburton partnered with the Ghana Enterprise Development Centre to provide educational workshops to local suppliers.

### 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 improvement programs, driving continuous improvement in service delivery and execution.

### Technology Collaboration

Halliburton is collaborating with customers on more than 50 research and development projects, developing technology to address specific technical challenges. Additionally, Halliburton has established technology collaborations with more than 30 universities globally, as discussed on page 32.

### Employee Engagement

We engage our employees by demonstrating how highly their Company values them and how crucial a role they play in the Company's success. We provide outstanding training and development opportunities to help employees enhance their professional growth and build the careers they want. Succession planning and various specialized leadership-oriented programs, such as the President's Leadership Excellence Program, open doors for high-potential employees. Our commitment to employee development is evidenced by the industry-leading ranking we received from the DJSI in the category "Human Capital Development."

---

A key way we engage employees in the Company's strategic success is the annual event called Halliburton Academy. Each year, we bring together approximately 1,000 employees from all over the world – rising stars as well as veterans – for this week-long event. Participants receive intensive training on our top technologies; marketing and sales training; and strategy briefings from corporate officers, hemisphere presidents and divisional vice presidents. At the end of the week, attendees are responsible for taking the information – and their enthusiasm – back to their teams.

On a more personal basis, we urge employees to connect with their local neighbors on behalf of the Company. Employees who are involved in community projects are the face of Halliburton in their communities, and the Company supports volunteerism globally, as discussed in the Global Citizenship section of this report.

In 2014, Halliburton's senior leaders initiated the Executive Town Hall Series – quarterly meetings, where executives engage directly with employees on key topics of global interest. These events are attended in person by local employees and are also webcast live, and all participants can submit questions for the presenters.

### **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. The Company's 2014 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
- 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

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.

### **Public Engagement**

Working with state legislators and regulators, and with the public, Halliburton provides in-depth information on all aspects of our operations, while delivering the best technologies and products for our customers' challenges.

An example of this is our involvement in the hydraulic-fracturing debate that has extended to more than 50 groups in the U.S., Canada, Europe, Australia and South Africa. We also work with the Ground Water Protection Council (GWPC) to promote the FracFocus website and with major operators to help them in populating the site with information.

### **About Our Reporting**

This report contains descriptions of our 2014 sustainability strategy, initiatives and performance, arranged under the themes of our six Guiding Principles for Sustainability and based on the GRI G3 and G4 standards. The application of these guidelines is set out in the indexes on the following 4 pages.

# BIG VISION: GRI G3 CONTENT INDEX

	2014 CSR Reference	Page Number
<b>1. STRATEGY AND ANALYSIS</b>		
1.1 Statement from CEO	●	P. 4
1.2 Key impacts, risks and opportunities	⊙	P. 4-5, 8-11, 14-15, 42-45
<b>2. ORGANIZATIONAL PROFILE</b>		
2.1 Name of the organization	●	P. 6
2.2 Primary brands, products and/or services	●	P. 6
2.3 Operational structure	●	P. 7
2.4 Location of the organization's headquarters	●	P. 6
2.5 Countries where the organization operates	●	P. 6
2.6 Nature of ownership and legal form	●	IBC
2.7 Markets served	●	P. 6
2.8 Scale of reporting organization	●	P. 6
2.9 Significant changes during the reporting period	●	IBC
2.10 Awards received in the reporting period	●	P. 29, 32, 40, 41
<b>3. REPORT PARAMETERS</b>		
3.1 Reporting period	●	IBC
3.2 Date of most recent previous report	●	IBC
3.3 Reporting cycle	●	IBC
3.4 Contact point regarding the report or its contents	●	IBC
3.5 Process for defining report content	●	IBC
3.6 Boundary of the report	●	IBC
3.7 Limitations on the scope or boundary of the report	●	IBC
3.8 Basis for reporting on joint ventures, subsidiaries and other entities	●	IBC
3.9 Data measurement techniques and the bases of calculations	●	IBC
3.10 Restatements of information provided in earlier reports	●	IBC
3.11 Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report	●	IBC
3.12 GRI reference table	●	P. 50-53
3.13 Independent assurance	○	
<b>4. GOVERNANCE, COMMITMENTS AND ENGAGEMENT</b>		
4.1 Governance structure of the organization	●	P. 14
4.2 Indicate whether the chairman is also an executive officer	●	P. 14
4.3 Independent and/or non-executive members of the highest governance body	●	P. 14
4.4 Mechanisms for shareholders to provide recommendations	●	P. 15
4.5 Linkage between compensation and the organization's performance	●	P. 15
4.6 Conflicts of interest	●	P. 14-15
4.7 Qualifications of the members of the highest governance body	●	P. 14-15
4.8 Mission or values, codes of conduct, and principles	●	P. 8-11, 12-13, 16-19
4.9 Procedures to identify, and management of, economic, environmental and social performance	●	P. 14-15, 16-19, 45
4.10 Processes for evaluating the board's performance	●	P. 14-15
4.11 Methods for addressing the precautionary principle	○	
4.12 Adoption of external economic, social and environmental codes and principles	○	
4.13 Memberships in industry associations	●	P. 18, 49
4.14 List of stakeholder groups engaged by the organization	●	P. 44, 46-49
4.15 Basis for identification and selection of stakeholders with whom to engage	●	P. 46
4.16 Approaches to stakeholder engagement	●	P. 44, 46-49
4.17 Key topics and concerns that have been raised through stakeholder engagement and actions taken	●	P. 44, 46-49
<b>ECONOMIC PERFORMANCE</b>		
DMA EC Disclosure on management approach	○	
EC1 Direct economic value generated and distributed	●	P. 20-21
EC2 Financial implications and risks of climate change	○	
EC3 Coverage of defined benefit plan obligations	○	
EC4 Significant financial assistance from government	○	
EC6 Policy, practices and proportion of spending on locally based suppliers	●	P. 46
EC7 Local hiring	○	
EC8 Development of infrastructure investments and services provided primarily for public benefit	○	

● = Yes   ⊙ = Partial   ○ = No   IBC = inside back cover



Halliburton declares that this  
2014 Corporate Sustainability Report  
meets a “C” application level.

		2014 CSR Reference	Page Number
<b>ENVIRONMENTAL PERFORMANCE</b>			
DMA	EN Disclosure on management approach	○	
EN1	Materials used by weight/volume	○	
EN2	Percent of materials recycled	○	
EN3	Direct energy consumption by primary energy source	⊙	P. 27
EN4	Indirect energy consumption by primary source	⊙	P. 27
EN8	Water withdrawal by source	○	
EN11	Location of lands adjacent to high biodiversity areas	○	
EN12	Description of significant impacts of activities on biodiversity	○	
EN16	Direct greenhouse gas emissions	●	P. 27-28
EN17	Other indirect greenhouse gases by weight	○	
EN19	Emissions of ozone depleting substances	○	
EN20	NOx, SOx and other significant air emissions by type and weight	○	
EN21	Total water discharge by quality/destination	○	
EN22	Total weight of waste by type and disposal method	⊙	P. 29
EN23	Total number and volume of significant spills	●	P. 27
EN26	Initiatives to mitigate environmental impacts of products and services	●	P. 10, 27-28, 30-35
EN27	Percentage of products sold and packaging reclaimed	○	
EN28	Monetary value of fines and penalties	○	
<b>LABOR PRACTICES</b>			
DMA	LA Disclosure on management approach	○	
LA1	Total workforce by region	●	P. 41
LA2	New hires/turnover by age, gender, region	○	
LA4	Employees covered by collective bargaining	○	
LA5	Minimum notice for operational changes	○	
LA7	Rates of injury, occupational diseases, lost days, fatalities	●	P. 22-27
LA8	Education, training, counseling, prevention on serious diseases	○	
LA10	Employee training	●	P. 36-40
LA13	Composition of governance bodies	●	P. 14-15
LA14	Men-to-women salary ratios	○	
LA15	Return to work/retention rates after leave	○	
<b>HUMAN RIGHTS</b>			
DMA	HR Disclosure on management approach	⊙	P. 16-19
HR1	Agreements that include human rights clauses	○	
HR2	Suppliers/contractors undergoing HR screening	○	
HR3	Employee training on HR issues	●	P. 16-19, 36-40
HR4	Incidents of discrimination and corrective actions	○	
HR5	Operations/suppliers violating collective-bargaining freedom	○	
HR6	Operations/suppliers at risk for use of child labor	●	P. 18
HR7	Operations/suppliers at risk for use of forced labor	○	
HR10	Operations subjected to HR reviews	○	
HR11	Grievances filed on HR issues	○	
<b>SOCIETY</b>			
DMA	SO Disclosure on management approach	○	
SO1	Programs on impacts of operations	○	
SO2	Business units analyzed for risk from corruption	○	
SO3	Employees trained in organization's anti-corruption policies and procedures	●	P. 16-18, 38
SO4	Actions taken in response to incidents of corruption	○	
SO5	Public policy on lobbying	●	P. 19
SO8	Fines/penalties for noncompliance	○	
SO9	Operations with negative impacts on communities	○	
SO10	Prevention/mitigation of negative impacts on communities	○	
<b>PRODUCT RESPONSIBILITY</b>			
DMA	PR Disclosure on management approach	○	
PR1	Life-cycle stages evaluations of products and services	○	
PR3	Product/service information required by procedures	○	
PR6	Programs for adherence to laws on marketing	○	
PR9	Fines/penalties for noncompliance with product use laws	○	



# BIG VISION: GRI G4 CONTENT INDEX

		2014 CSR Reference	Page Number
<b>STRATEGY AND ANALYSIS</b>			
G4-1	CEO Statement	●	P. 4
G4-2	Provide a description of the key impacts, risks and opportunities	⊙	P. 4-5, 8-11, 14-15, 42-45
<b>ORGANIZATIONAL PROFILE</b>			
G4-3	Name of the organization	●	P. 6
G4-4	Primary brands, products and services	●	P. 6
G4-5	Location of the organization's headquarters	●	P. 6
G4-6	Countries of operations	●	P. 6
G4-7	Nature of ownership and legal form	●	IBC
G4-8	Markets served	●	P. 6
G4-9	Scale of reporting organization	●	P. 6
G4-10	Employee headcount data	⊙	P. 6
G4-11	Percentage of employees covered by collective bargaining agreements	○	
G4-12	Supply chain description	●	P. 46
G4-13	Significant changes during the reporting period	●	IBC
G4-14	Report whether and how the precautionary approach or principle is addressed by the organization	○	
G4-15	Externally developed economic, environmental and social charters, principles and other initiatives	○	
G4-16	Association memberships	●	P. 18, 49
<b>IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES</b>			
G4-17	Entities included in the organization's consolidated financial statements	●	IBC
G4-18	Process for defining the report content and the Aspect Boundaries	●	IBC
G4-19	Material aspects identified	○	
G4-20	Aspect boundary within the organization	○	
G4-21	Aspect boundary outside the organization	○	
G4-22	Effect of restatements	●	IBC
G4-23	Significant changes from previous reporting periods	●	IBC
<b>STAKEHOLDER ENGAGEMENT</b>			
G4-24	Stakeholder groups engaged by the organization	●	P. 44, 46-49
G4-25	Basis for identification and selection of stakeholders with whom to engage	●	P. 46
G4-26	Approaches to stakeholder engagement	⊙	P. 44, 46-49
G4-27	Key topics and concerns that have been raised through stakeholder experience	●	P. 44, 46-49
<b>REPORT PROFILE</b>			
G4-28	Reporting period	●	IBC
G4-29	Date of previous report	●	IBC
G4-30	Reporting cycle	●	IBC
G4-31	Contact point for questions regarding the report	●	IBC
G4-32	In accordance option chosen	○	
G4-33	External Assurance	○	

● = Yes   ⊙ = Partial   ○ = No   IBC = inside back cover

		2014 CSR Reference	Page Number
<b>GOVERNANCE , COMMITMENTS AND ENGAGEMENT</b>			
G4-34	Governance structure of the organization	●	P. 14
G4-35	Process for delegating authority for economic, environmental and social topics	●	P. 14-15, 16-19, 45
G4-36	Appointment of an executive-level position with responsibility for economic, environmental and social topics	●	P. 45
G4-37	Processes for consultation between stakeholders and the highest governance body to the highest governance body.	●	P. 15
G4-38	Composition of the highest governance body and its committees	●	P. 14-15
G4-39	Report whether the Chair of the highest governance body is also an executive officer	●	P. 14
G4-40	Nomination and selection processes for the highest governance body and its committees	●	P. 14-15
G4-41	Conflicts of interest	●	P. 14-15
G4-42	Development, approval, and updating of the organization's purpose, value or mission statements, strategies, policies, and goals related to economic, environmental and social impacts.	●	P. 14-15, 16-19, 45
G4-43	Measures taken to develop and enhance the highest governance body's collective knowledge of economic, environmental and social topics.	●	P. 14-15
G4-44	Processes for evaluating the board's performance	●	P. 14-15
G4-45	Board's role in the identification and management of economic, environmental and social impacts, risks, and opportunities	●	P. 14-15, 16-19, 45
G4-46	Board's role in reviewing the effectiveness of the organization's risk management processes for economic, environmental and social topics.	●	P. 14-15, 16-19, 45
G4-47	Frequency of the board's review of economic, environmental and social impacts, risks, and opportunities.	●	P. 15
G4-48	Reviews and approval of the sustainability report	●	P. 45
G4-49	Process for communicating critical concerns to the highest governance body.	●	P. 15
G4-51	Remuneration policies for the board and senior executives	●	P. 15
G4-52	Process for determining remuneration for the board and senior executives	●	P. 15
<b>ETHICS AND INTEGRITY</b>			
G4-56	Values, principles, standards and norms of behavior	●	P. 16-19
G4-57	Internal and external mechanisms for seeking advice on ethical and lawful behavior	●	P. 16-19, 44
G4-58	Internal and external mechanisms for reporting concerns about unethical or unlawful behavior	●	P. 16-19, 44
<b>GENERAL STANDARD DISCLOSURE: STAKEHOLDER ENGAGEMENT</b>			
G4-27	Perspectives and views of indigenous peoples	○	
<b>SPECIFIC STANDARD DISCLOSURES</b>			
<b>ECONOMIC</b>			
G4-EC1	Direct Economic Value generated	●	P. 20-21
G4-EC2	Financial implications and risks of climate change	○	
G4-EC7	Development of infrastructure investments and services provided primarily for public benefit	○	
<b>ENVIRONMENTAL</b>			
G4-EN11	Materials used by weight or volume	○	
G4-EN9	Water sources significantly affected by withdrawal of water	○	
G4-EN15	Direct greenhouse gas emissions (Scope 1)	●	P. 28
G4-EN16	Indirect greenhouse gas emissions (Scope 2)	●	P. 28
G4-EN17	Other indirect greenhouse gas emissions (Scope 3)	○	
G4-EN18	Greenhouse gas emissions intensity	●	P. 28
G4-EN19	Reduction of greenhouse gas emissions	●	P. 28
G4-EN21	NOx, SOx and other significant air emissions by type and weight	○	
G4-EN23	Total weight of waste by type and disposal method	○	P. 29
G4-EN24	Total number and volume of significant spills	●	P. 27
G4-EN27	Initiatives to mitigate environmental impacts of products and services	●	P. 10, 27-28, 30-35
<b>LABOR RIGHTS</b>			
G4-LA6	Rates of injury, occupational diseases, lost days, fatalities	●	P. 22-27
<b>HUMAN RIGHTS</b>			
G4-HR7	Security personnel trained in the organization's human rights policies	●	P. 19
<b>SOCIETY</b>			
G4-S08	Monetary value of fines and penalties	○	



A close-up photograph of the side of a red truck door. The door is made of red-painted metal with visible rivets. On the left side of the door, there is a vertical strip of perforated metal. To the right of this strip, the word "HALLIBURTON" is printed in large, white, sans-serif capital letters. Below this, the number "11973391" is printed in white. Further down, the text "USDOT" is printed in white, followed by the number "126693". At the bottom of this section, "Houston, TX" is printed in white. To the right of the text, there is a rectangular window with a black frame. To the left of the window, there is a small, rectangular, black-framed handle or latch. The overall lighting is bright, and the red paint is vibrant.

**HALLIBURTON**

**11973391**

**USDOT**

**126693**

**Houston, TX**

# REPORT INFORMATION

## Previous Reports

### 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*

## Report Parameters

Reporting period:

Calendar Year 2014

Published date of previous report:

March 2014

Reporting cycle: Annual

Printed on FSC-certified paper that contains 100 percent post-consumer recovered fiber. FSC certification ensures that this paper meets Forest Stewardship Council standards for responsible forest management.

## For More Information

For additional copies,  
please contact:

Halliburton Global  
Manager of Sustainability  
Global HSE & SQ  
3000 N. Sam Houston Parkway E  
Houston, Texas 77032  
United States

Email:

[sustainability@halliburton.com](mailto:sustainability@halliburton.com)

Halliburton is a publicly traded corporation registered in Delaware. There were no significant changes to the size, structure or ownership of the Company in 2014.

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 2014 sustainability initiatives. Wherever possible, assessments of performance trends from 2012 to 2014 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 significance of topics relates to the Company's short- and long-term strategies, and takes into consideration:

- Issues included in surveys sent to companies by sustainability indexes and financial rating agencies for the assessment of sustainability performances.
- Public information coming from institutions, governments, nongovernment organizations (NGOs) and associations, at both international and local levels.
- Benchmark analysis and monitoring of the oil and gas sector.

The boundaries of this report correspond to those of the 2014 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.

The 2014 Corporate Sustainability Report was drafted in accordance with the Reporting Guidelines of the Global Reporting Initiative, version G3.1.





# HALLIBURTON

281.871.2699  
[www.halliburton.com](http://www.halliburton.com)

© 2015 Halliburton. All Rights Reserved.  
Printed in the USA  
H011711

