

HALLIBURTON

Third Quarter 2023 Update

NYSE Stock Symbol: HAL

Common Dividend: \$0.16 in the third quarter 2023

Shares Outstanding: 895 million as of 10/18/2023

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Safe Harbor

The statements in this presentation that are not historical statements are forward-looking statements within the meaning of the federal securities laws. These statements are subject to numerous risks and uncertainties, many of which are beyond the company's control, which could cause actual results to differ materially from the results expressed or implied by the statements. These risks and uncertainties include, but are not limited to: changes in the demand for or price of oil and/or natural gas, including as a result of development of alternative energy sources, general economic conditions such as inflation and recession, the ability of the OPEC+ countries to agree on and comply with production quotas, and other causes; changes in capital spending by our customers; the modification, continuation or suspension of our shareholder return framework, including the payment of dividends and purchases of our stock, which will be subject to the discretion of our Board of Directors and may depend on a variety of factors, including our results of operations and financial condition, growth plans, capital requirements and other conditions existing when any payment or purchase decision is made; potential catastrophic events related to our operations, and related indemnification and insurance; protection of intellectual property rights; cyber-attacks and data security; compliance with environmental laws; changes in government regulations and regulatory requirements, particularly those related to oil and natural gas exploration, the environment, radioactive sources, explosives, chemicals, hydraulic fracturing services, and climate-related initiatives; assumptions regarding the generation of future taxable income, and compliance with laws related to and disputes with taxing authorities regarding income taxes; risks of international operations, including risks relating to unsettled political conditions, war, including the ongoing Russia and Ukraine conflict and any expansion of that conflict, the effects of terrorism, foreign exchange rates and controls, international trade and regulatory controls and sanctions, and doing business with national oil companies; weather-related issues, including the effects of hurricanes and tropical storms; delays or failures by customers to make payments owed to us; infrastructure issues in the oil and natural gas industry; availability and cost of highly skilled labor and raw materials; completion of potential dispositions, and acquisitions and integration and success of acquired businesses and joint ventures. Halliburton's Form 10-K for the year ended December 31, 2022, Form 10-Q for the quarter ended September 30, 2023, recent Current Reports on Form 8-K and other Securities and Exchange Commission filings discuss some of the important risk factors identified that may affect Halliburton's business, results of operations, and financial condition. Halliburton undertakes no obligation to revise or update publicly any forward-looking statements for any reason.

Agenda

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- Profitable international growth
- Maximizing value in North America
- Capital efficiency
- Digital and automation (Halliburton 4.0)
- Sustainable energy future

Financial Results 23





Company Overview

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

Halliburton Global Footprint



- Locations
- TC Technology Centers
- ★ Corporate Headquarters

Founded
1919

Employees of
130 Nationalities
48,000*

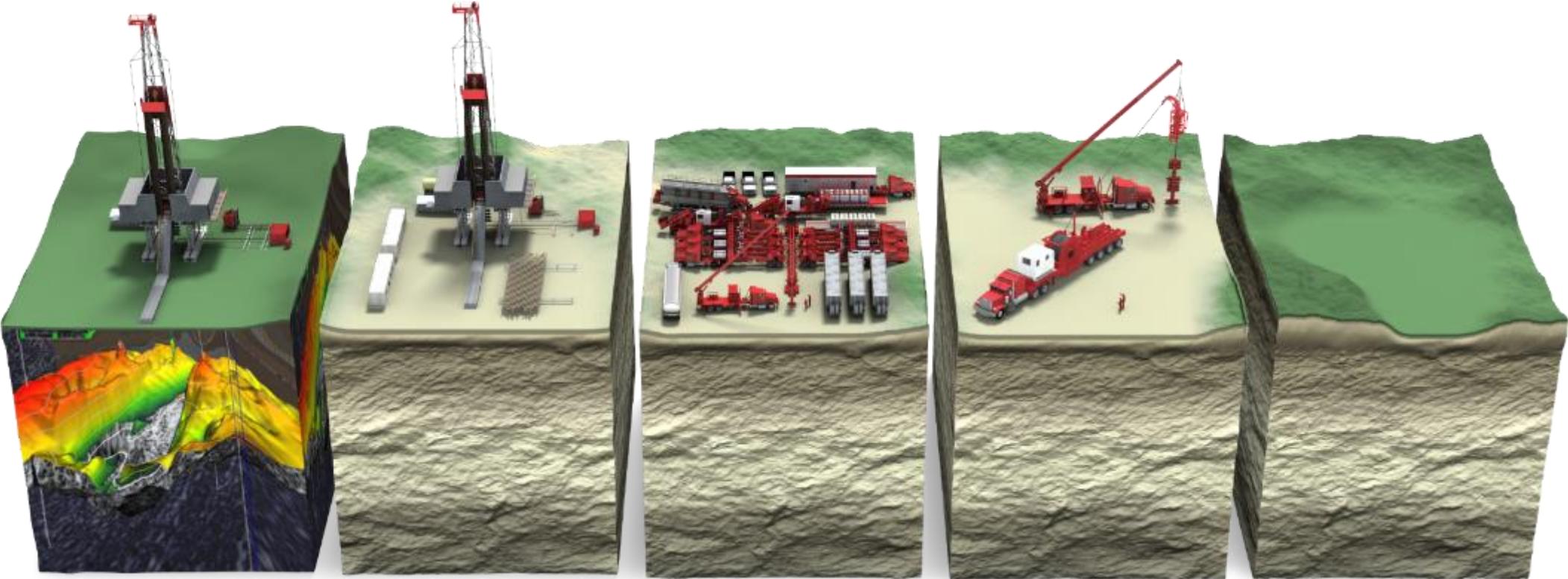
Operational Countries
70+

Research Centers
12

Corporate Headquarters
Houston

**approximately*

Halliburton Participates in Every Stage of Oilfield Life Cycle



Exploration

Well Construction

Completions

Production

Abandonment

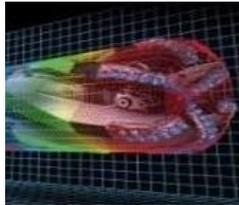
Halliburton Product Service Lines

HALLIBURTON

Drilling and Evaluation (D&E)



Sperry Drilling



Drill Bits & Services



Wireline & Perforating



Testing & Subsea

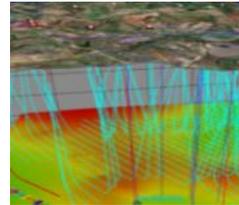


Baroid

Integrating All Product Service Lines*



Project Management

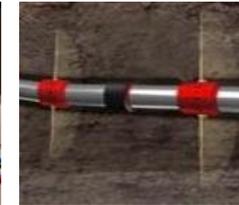


Landmark & Consulting

Completion and Production (C&P)



Cementing



Completion Tools



Production Enhancement



Artificial Lift & Multi Chem



Production Solutions



Pipeline & Process Services

* Financial results reported as part of Drilling and Evaluation division.

Halliburton Has Set and is Achieving its Key Strategic **Priorities**

We have a clear sense of purpose – to help our customers satisfy the world’s need for the affordable and reliable energy provided by oil and gas – in a more effective, efficient, safe, and ethical manner – while minimizing environmental impact. We achieve that by:

Deliver industry-leading returns and strong free cash flow* for our shareholders

 **Profitable International Growth**

- The right global footprint
- Competitive technology portfolio
- Growing integrated offerings

 **Maximizing Value in North America**

- The leader in North America
- Integrated premium provider
- Differentiated technology portfolio

 **Digital and Automation**

- Leading software provider
- Automation of the value chain
- Driving internal efficiencies

 **Capital Efficiency**

- Structurally lower capital intensity
- Driven by advances in technology
- Strong free cash flow* generation

 **Sustainable Energy Future**

- Support decarbonizing our customers' production base
- Committed to science informed targets
- Advance clean energy solutions through Halliburton Labs

* See slide 27 for reconciliation of Cash Flows from Operating Activities to Free Cash Flow.



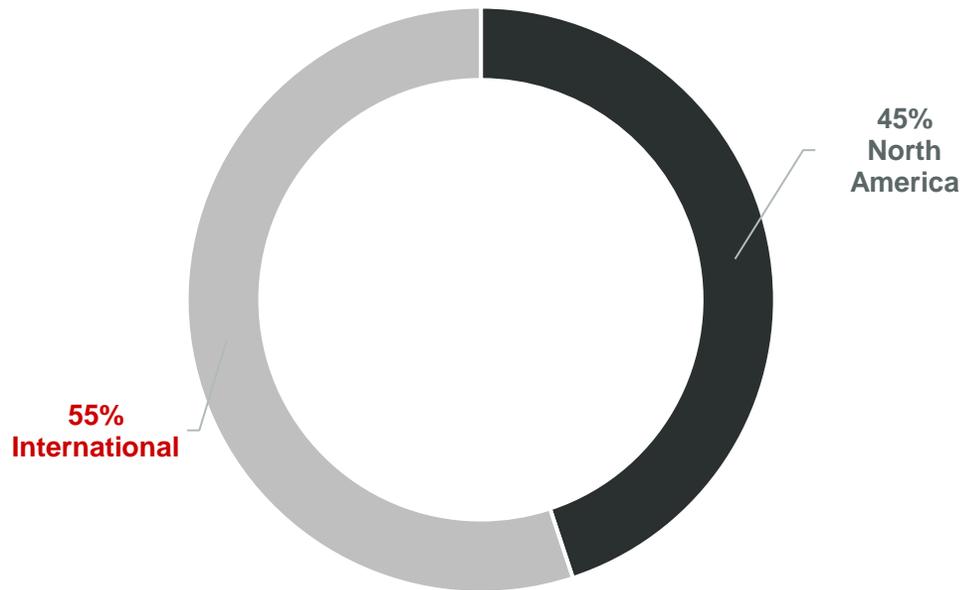
Profitable International Growth

Balance growth with improving margins and returns

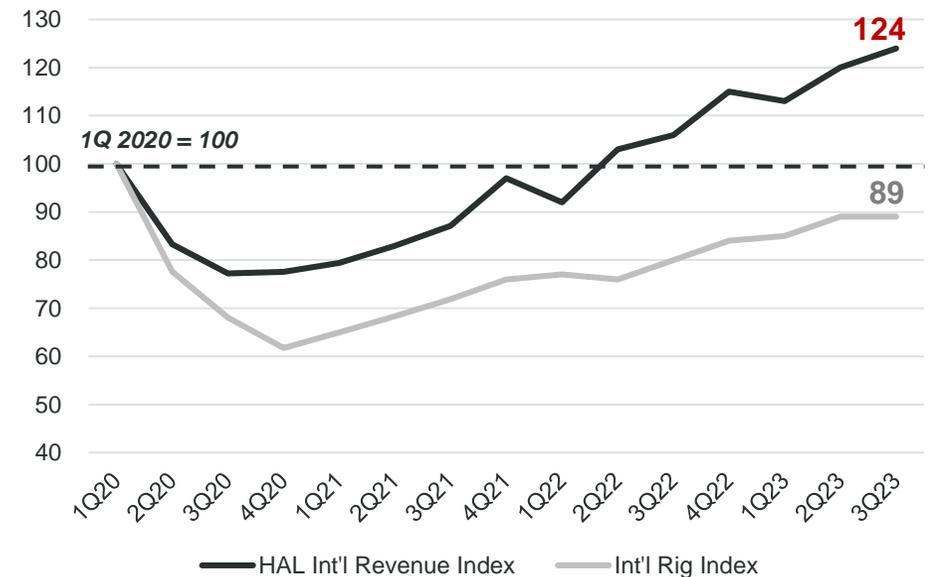
Profitable **International** Growth

Portfolio Strength Drives Market Outperformance

3Q 2023 Revenue



International Revenue Performance



>50% of Halliburton's revenue was generated internationally in 3Q23.

Competitive Drilling Technology Platforms

iCruise®

Intelligent Rotary Steerable System



- High mechanical specifications enable faster drilling
- Modern electronics allow for accurate steering and improved reliability
- Automated drilling delivers predictable results

iStar™

Intelligent Drilling & Logging Platform



- Industry leading subsurface insights for better reservoir understanding
- Superior drilling performance
- Consistent well delivery

LOGIX®

Autonomous Drilling Platform



- Fully autonomous closed loop system, integrated with geo-steering
- Combines physics-based models and machine learning to drill wells autonomously, consistently, and on-target



Maximizing Value in North America

Remain leader and maximize free cash flow

Zeus™ Electric Fracturing System



Power System

- Grid Power Solutions
 - Reciprocating Engines – VoltaGrid®
-

Patent Portfolio

- 50+ patents and applications
-

Performance

- Q10™ pump
 - Over 4 years operating at scale
 - Proven Service Quality
 - All-Electric Location
 - Robust Supply Chain
-

Hybrid Electric Solution

- Half dual fuel / half electric
- Transition to electric at customers' own pace
- Superior substitution

SmartFleet™ Intelligent Fracturing System

See and measure fracture performance in real time

Connected to the Subsurface

- Deploy fiber optics to see, measure, and act on real-time downhole measurements

Live 3D Visualization

- Real-time direct measurement for evaluating fracture performance and making decisions

Faster Learning

- Improve asset recovery and cost optimization





Capital Efficiency

Structurally lower capital intensity supports stronger free cash flow generation

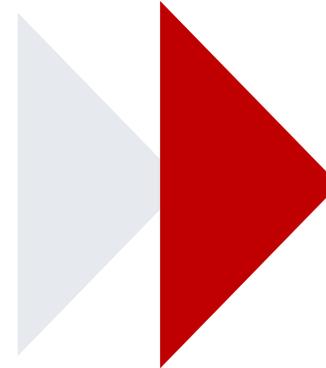
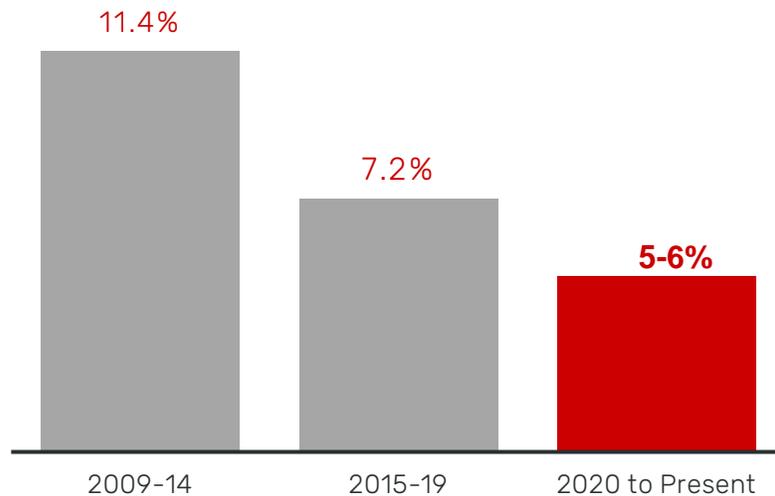
Capital Efficiency

Lower Capital Intensity

CAPEX at 5-6% of revenue

- Equipment design enhancements
- New materials
- Higher asset velocity
- Digital technologies
- Changing portfolio mix

CAPEX as % of Revenue



Strengthen FCF Profile

~\$1.3B average annual FCF*
(2019-2022)



* See slide 27 for reconciliation of Cash Flows from Operating Activities to Free Cash Flow.



Digital and Automation (Halliburton 4.0)

*Transforming the way we work to make a
quantum leap in productivity*

Halliburton 4.0



Subsurface 4.0

Evergreen subsurface at planet scale

Adaptive risk and uncertainty

Agile field development



Well Construction 4.0

Optimize well program

Automate drilling

Lean supply chain

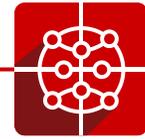


Reservoir Recovery 4.0

Optimize capacity

Maximize uptime

Increase recovery



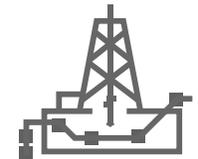
Enterprise 4.0

Process and workflows

Cloud

Data and analytics

Smart tools



Solutions Partners



Digital Partners

DecisionSpace[®]365 powered by iEnergy[®]

Subscription based suite of E&P cloud services

Subsurface

- Gain invaluable insights to reduce subsurface risk and uncertainty.



Reservoir and Production

- Optimize production and reservoir recovery.



Sustainability

- Provide tools for more effective carbon management.



Open architecture, plug and play solutions, with intelligent business processes for efficiency and data driven decisions.

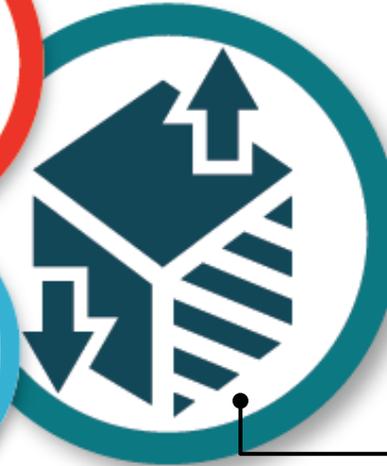
Well Construction

- Plan, design and construct safe, cost effective, and productive wells.



Agile Field Management

- Optimal asset decisions to reduce exploration to production timeline.



DS365.ai

- Augment subsurface, drilling and production decisions with precision AI and ML.





Sustainable Energy Future

Delivering affordable and reliable energy while lowering overall emissions

ESG Commitments

Environmental



- Engage customers on the emissions reduction journey
- Develop low environmental impact solutions and technology
- Provide reliable and data-based approach to reduce emissions

Social



- Provide a diverse and inclusive environment for our employees
- Target to outperform our sector in HSE performance
- Progress our Journey To Zero initiatives

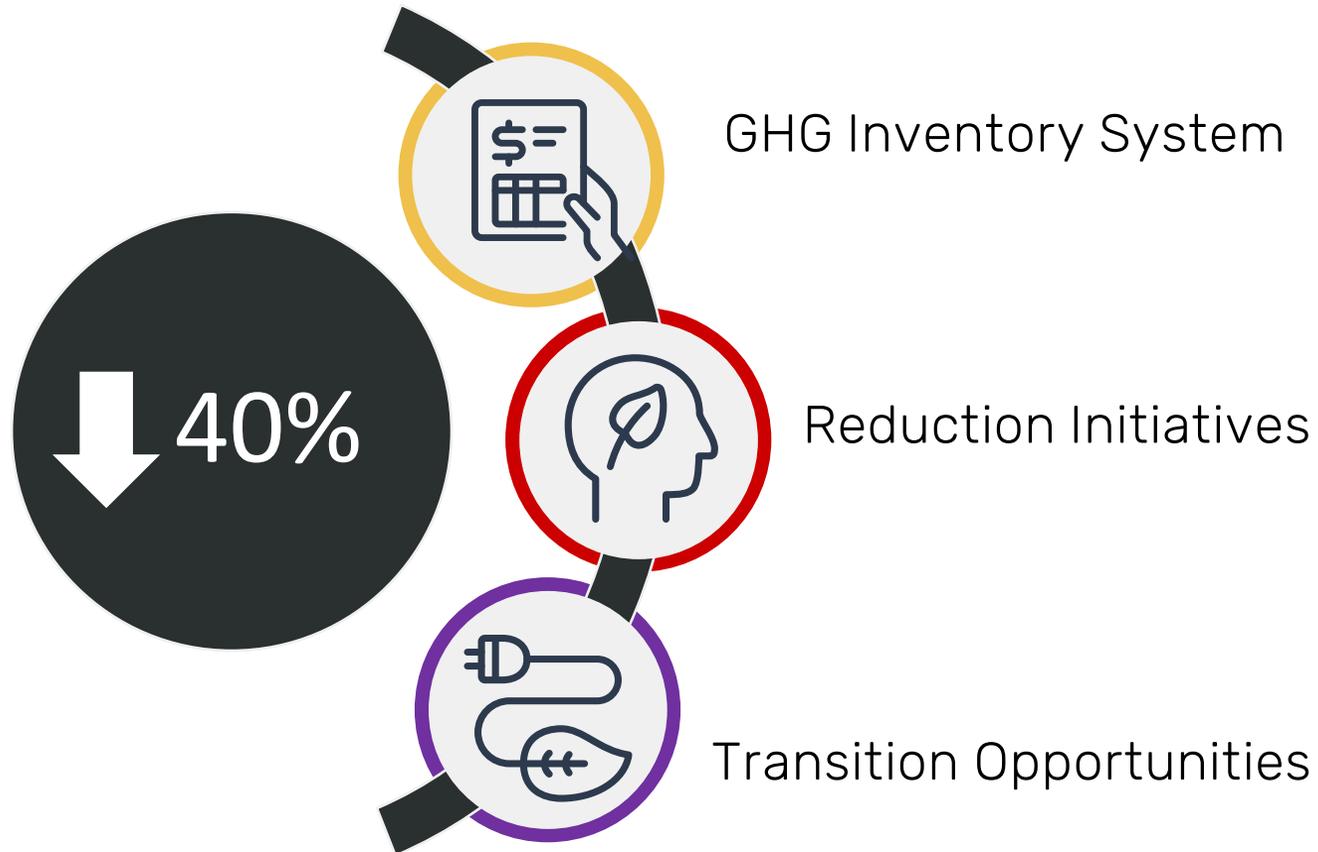
Governance



- Streamline our risk management
- Cultivate a sustainable supply chain
- Maintain qualified and diverse Board of Directors

Environmental Focus

Emissions Reduction Target: reduce Scope 1 and Scope 2 emissions by 40% by 2035 from our baseline year of 2018



- Standardize and operationalize GHG data capture
- Process and governance of emissions sources and calculation
- Emissions data quality assurance and reporting in our [Annual & Sustainability Report](#)
- Use data-based approach to reduce Halliburton's emissions and environmental impact
- Reduce customers' operational emissions by providing lower environmental impact solutions (ex. Zeus™ electric frac)
- Build on progressively achieving emissions target
- Customer-focused transition solutions
- Collaborate in carbon capture and storage and geothermal projects
- Halliburton Labs - clean energy accelerator program for early-stage companies



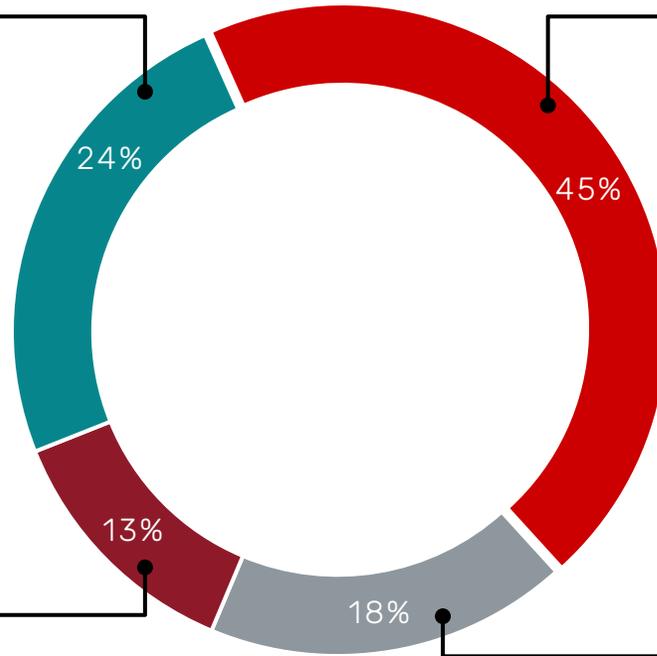
Financial Results

Third Quarter 2023

3Q23 Revenue Breakdown

Middle East/Asia

- 3Q23 revenue of \$1.4 billion, flat sequentially.
- Primarily driven by higher well construction in Iraq, increased drilling-related services and improved completion tool sales in Qatar, and higher pressure pumping and fluid services in Asia
- Partially offset by decreased activity across multiple product service lines in Kuwait and India.



North America

- 3Q23 revenue of \$2.6 billion, a 3% decrease when compared to 2Q23.
- Primarily driven by decreased pressure pumping services in U.S. land and lower well intervention services in the Gulf of Mexico.
- Partially offset by improved completion tool sales in the Gulf of Mexico.

Europe/Africa

- 3Q23 revenue of \$734 million, a 5% increase when compared to 2Q23.
- Primarily driven by improved well construction services, higher completion tool sales, and improved wireline activity in Norway and higher completion tool sales in the Caspian area.
- Partially offset by lower activity in Africa across multiple product service lines.

Latin America

- 3Q23 revenue of \$1.0 billion, a 5% increase when compared to 2Q23.
- Primarily driven by increased pressure pumping services and fluids activity in Argentina, improved completion tool sales in Brazil, and higher project management and drilling-related services in Colombia and Ecuador.
- Partially offset by lower software sales, decreased project management activity, and lower well construction services in Mexico.

Segment and Geographic Results

Millions of dollars

Revenue	Q121	Q221	Q321	Q421	Q122	Q222	Q322	Q422	Q123	Q223	Q323	2021	2022	YTD 2023
<i>By segment results:</i>														
Completion and Production	\$ 1,870	\$ 2,048	\$ 2,136	\$ 2,356	\$ 2,353	\$ 2,911	\$ 3,136	\$ 3,182	\$ 3,409	\$ 3,476	\$ 3,487	\$ 8,410	\$ 11,582	\$ 10,372
Drilling and Evaluation	1,581	1,659	1,724	1,921	1,931	2,163	2,221	2,400	2,268	2,322	2,317	6,885	8,715	6,907
Total	\$ 3,451	\$ 3,707	\$ 3,860	\$ 4,277	\$ 4,284	\$ 5,074	\$ 5,357	\$ 5,582	\$ 5,677	\$ 5,798	\$ 5,804	\$ 15,295	\$ 20,297	\$ 17,279

By geographic region:

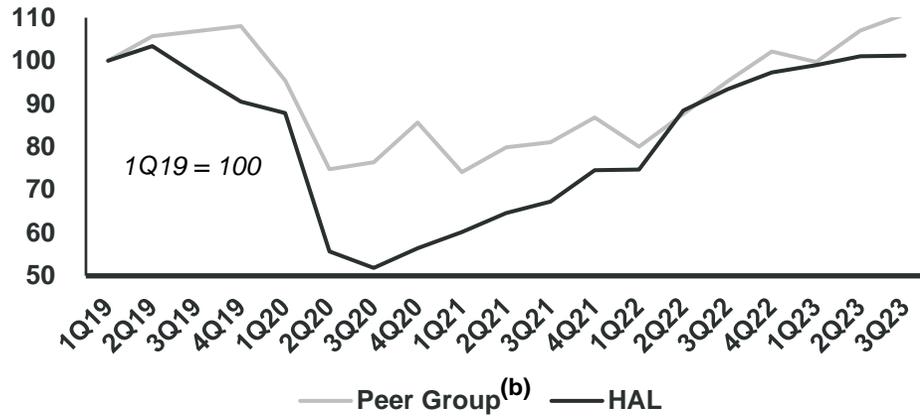
North America	\$ 1,404	\$ 1,569	\$ 1,615	\$ 1,783	\$ 1,925	\$ 2,426	\$ 2,635	\$ 2,611	\$ 2,765	\$ 2,696	\$ 2,608	\$ 6,371	\$ 9,597	\$ 8,069
Latin America	535	534	624	669	653	758	841	945	915	994	1,048	2,362	3,197	2,957
Europe / Africa / CIS	634	679	676	730	677	718	639	657	662	698	734	2,719	2,691	2,094
Middle East / Asia	878	925	945	1,095	1,029	1,172	1,242	1,369	1,335	1,410	1,414	3,843	4,812	4,159
Total	\$ 3,451	\$ 3,707	\$ 3,860	\$ 4,277	\$ 4,284	\$ 5,074	\$ 5,357	\$ 5,582	\$ 5,677	\$ 5,798	\$ 5,804	\$ 15,295	\$ 20,297	\$ 17,279

Operating Income/(Loss)	Q121	Q221	Q321	Q421	Q122	Q222	Q322	Q422	Q123	Q223	Q323	2021	2022	YTD 2023
Completion and Production	\$ 252	\$ 317	\$ 322	\$ 347	\$ 296	\$ 499	\$ 583	\$ 659	\$ 666	\$ 707	\$ 746	\$ 1,238	\$ 2,037	\$ 2,119
Drilling and Evaluation	171	175	186	269	294	286	325	387	369	376	378	801	1,292	1,123
Corporate and other	(53)	(58)	(50)	(66)	(57)	(67)	(62)	(70)	(58)	(59)	(64)	(227)	(256)	(181)
SAP S4 Upgrade Expense	—	—	—	—	—	—	—	—	—	(13)	(23)	—	—	(36)
Impairments and other charges	—	—	(12)	—	(22)	(344)	—	—	—	—	—	(12)	(366)	—
Total	\$ 370	\$ 434	\$ 446	\$ 550	\$ 511	\$ 374	\$ 846	\$ 976	\$ 977	\$ 1,011	\$ 1,037	\$ 1,800	\$ 2,707	\$ 3,025

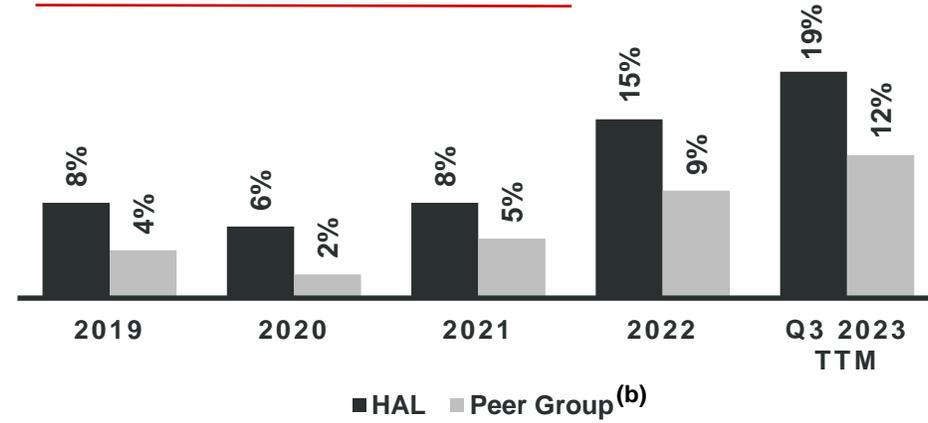
CAPEX	\$ 104	\$ 191	\$ 188	\$ 316	\$ 189	\$ 221	\$ 251	\$ 350	\$ 268	\$ 303	\$ 409	\$ 799	\$ 1,011	\$ 980
DDA	226	223	224	231	232	238	234	236	241	245	256	904	940	742

Financial Metrics

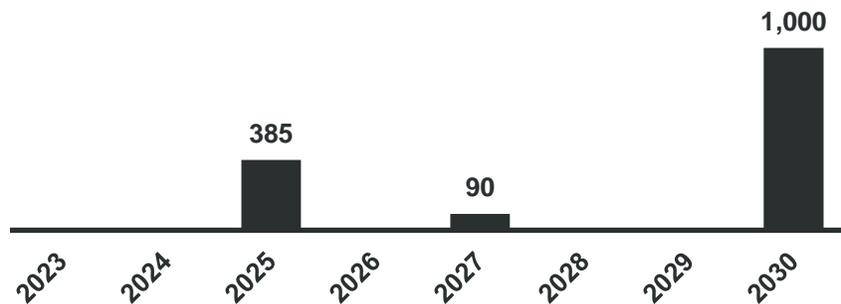
Total Revenue^(a)



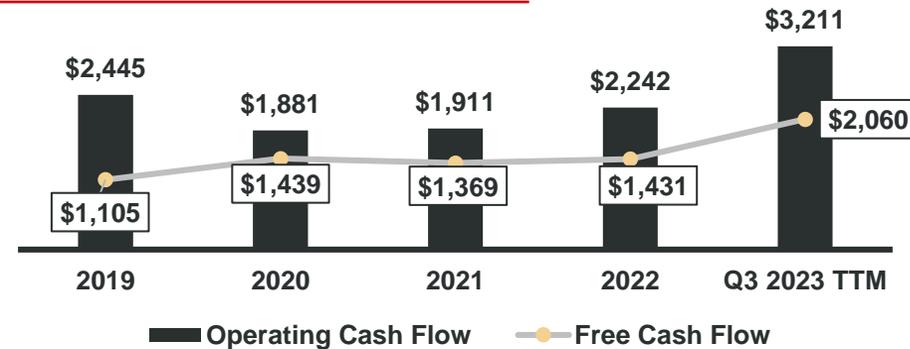
Adjusted Return on Capital Employed^(d)



Debt Maturity Profile^(c) (\$M)



Cash Flow Performance^(e) (\$M)



(a) Company and peer group revenue is indexed to 100 for Q1 2019.

(b) Peer Group includes SLB and Baker Hughes Company. Data for peers is from published financial documents.

(c) As of September 30th, 2023, total debt outstanding beyond 2030 is \$6,379 MM.

(d) Excludes certain charges. Average capital employed is a statistical mean of the combined values of debt and shareholders' equity for the beginning and end of the period. Adjusted ROCE is calculated as: "Adjusted operating profit, net of taxes" divided by "Adjusted average capital employed". See slide 28 for reconciliation of our Return on Capital Employed to Adjusted Return on Capital Employed.

(e) See slide 27 for reconciliation of Cash Flows from Operating Activities to Free Cash Flow.

Reconciliation of Cash Flows from Operating Activities to Free Cash Flow

(\$millions)	2019	2020	2021	2022	Q3 2023 TTM
Total cash flows provided by operating activities	\$2,445	\$1,881	\$1,911	\$2,242	\$3,211
Capital expenditures	(1,530)	(728)	(799)	(1,011)	(1,330)
Proceeds from sales of property, plant, and equipment	190	286	257	200	179
Free cash flow (a)	\$1,105	\$1,439	\$1,369	\$1,431	\$2,060

(a) Free Cash Flow is a non-GAAP financial measure which is calculated as “Total cash flows provided by operating activities” less “Capital expenditures” plus “Proceeds from sales of property, plant, and equipment”. Management believes that Free Cash Flow is a key measure to assess liquidity of the business and is consistent with the disclosures of Halliburton’s direct, large-cap competitors.

Reconciliation of ROCE to **Adjusted ROCE**

(\$millions)	2019	2020	2021	2022	Q3 2023 TTM
As reported net income (loss) attributable to company	(\$1,131)	(\$2,945)	\$1,457	\$1,572	\$ 2,634
Interest expense, net of taxes	596	650	407	404	374
Operating profit (loss), net of taxes (b)	(\$535)	(\$2,295)	\$1,864	\$1,976	\$3,008
Adjustments, net of taxes (d)	2,215	3,521	(492)	384	81
Adjusted operating profit, net of taxes (d)	\$1,680	\$1,226	\$1,372	\$2,360	\$3,089
Average capital employed (c)	\$19,105	\$16,571	\$15,320	\$15,858	\$16,241
Average adjustments, net of taxes (e)	1,111	2,868	1,515	(54)	(20)
Adjusted average capital employed (e)	\$20,216	\$19,439	\$16,835	\$15,804	\$16,221
ROCE (a)	(3%)	(14%)	12%	12%	19%
Adjusted ROCE (e)	8%	6%	8%	15%	19%

- (a) Management believes that net income (loss) adjusted for "Interest expense, net of taxes" is useful to investors to assess and understand operating performance, especially when comparing results with previous and subsequent periods or forecasting performance for future periods, primarily because management views this expense to be outside of the company's normal operating results. Management analyzes net income (loss) without the impact of this expense as an indicator of performance, to identify underlying trends in the business, and to establish operational goals. Return on capital employed (ROCE) is a non-GAAP financial measure Halliburton uses to determine how efficiently it uses capital to generate profits. ROCE is calculated as: "Operating profit (loss), net of taxes" divided by "Average capital employed".
- (b) Operating profit (loss), net of taxes is calculated as: "As reported net income (loss) attributable to company" plus "Interest expense, net of taxes".
- (c) Average capital employed is a statistical mean of the combined values of total debt and company shareholders' equity, as presented on the company's consolidated financial statements and the notes thereto, for the beginning and end of the TTM period.
- (d) Adjusted operating profit, net of taxes is calculated as: "Operating profit (loss), net of taxes" plus "Adjustments, net of taxes". "Adjustments, net of taxes" are items comprising impairments and other charges for the TTM period.
- (e) Adjusted average capital employed is calculated as "Average capital employed" plus "Average Adjustments, net of taxes". "Average adjustments, net of taxes" is calculated as the sum of the TTM average of "Adjustments, net of taxes" at the beginning and end of the respective period. "Adjusted ROCE" is calculated as: "Adjusted operating profit, net of taxes" divided by "Adjusted average capital employed".



Capital Returns

Delivering Returns to Shareholders

Announced Capital Return Framework

At Least

50%

of Annual Free Cash Flow^a Returned to Shareholders going forward

Form of Distribution

Dividends

- Increased dividend 33% to \$0.16 / share in Q1 2023

Share Repurchases

- Repurchased ~\$100M of securities in Q1 2023^b
- Repurchased ~\$248M of securities in Q2 2023^c
- Repurchased ~\$198M of securities in Q3 2023^d
- ~\$4.3 billion repurchase authorization remaining

a) See slide 27 for reconciliation of Cash Flows from Operating Activities to Free Cash Flow.

b) Repurchased ~2.9M shares.

c) Repurchased ~8.1M shares

d) Repurchased ~5.1M shares.



THANK YOU

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