HALLIBURTON

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

2020 PROXY STATEMENT

2019 ANNUAL REPORT ON FORM 10-K

Tuesday, May 19, 2020

9:00 a.m. Central Daylight Time

3000 N. Sam Houston Parkway East
Life Center - Auditorium
Houston, Texas 77032

HALLIBURTON

To Our Valued Shareholders:

April 7, 2020

Jeffrey A. Miller
Chairman of the Board,
President and Chief Executive Officer

> ***"Turning to 2020, . . . we will continue to deliver on our value proposition, stay focused on safety and service quality, exercise capital discipline, and work to drive margins, free cash flow, and returns."***

On behalf of our Board of Directors, we are pleased to invite you to attend the Halliburton Company Annual Meeting of Shareholders. The meeting will occur at the Halliburton Life Center Auditorium, 3000 N. Sam Houston Parkway East, Houston, Texas 77032, on Tuesday, May 19, 2020, at 9:00 a.m. Central Daylight Time.

As we turn the page on Halliburton's 100th year, we enter our next century with 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, more effectively and efficiently, safely and ethically, while minimizing environmental impact. We will continue to do what we do best – collaborate and engineer solutions to maximize our customers' asset value – while generating industry-leading returns and strong cash flow for our shareholders.

2019 marks the end of the first full decade of the shale revolution that propelled the United States to become the world's top hydrocarbon producer. Our company was an early participant in this development and invested and innovated alongside our customers from the beginning. As unconventionals entered the maturation phase, our North America customers shifted their focus from growth to capital discipline, which impacted our business through reduced customer activity and additional pricing pressure. In contrast, the recovery in international markets continued in 2019, and our international growth outpaced the market. Overall, I am pleased with the performance of our hardworking and dedicated employees. The Halliburton team executed our value proposition, delivered exceptional safety and service quality, and stayed focused on generating healthy returns and strong free cash flow.

Turning to 2020, like other companies in the energy industry and beyond, our business is being impacted by the COVID-19 virus and the unprecedented decline in commodity prices. Halliburton has withstood many challenges in the past and grown stronger as a result; many times in fact over the last 100 years. I am confident that this time will be no different. Halliburton is a market leader in an industry that's essential to the entire world. We have an excellent business, great customers, an outstanding workforce, and a strong balance sheet. The market will eventually recover. Until then, we will control what we can control and continue to deliver on our value proposition, stay focused on safety and service quality, exercise capital discipline, and work to drive margins, free cash flow, and returns.

Your vote and the representation of your shares are very important. Please review the proxy materials for detailed information on the proposals presented this year. We hope you will vote as soon as possible. If you attend the meeting, you may vote in person even if you have previously voted.

Thank you for your ongoing support of and continued interest in Halliburton. We look forward to seeing you at our Annual Meeting.

Sincerely,

Jeffrey A. Miller
Chairman of the Board,
President and Chief Executive Officer

Table of Contents

Proxy Statement Summary

This summary highlights information contained elsewhere in this proxy statement. This summary does not contain all of the information that you should consider, and you should read the entire proxy statement carefully before voting. Page references are supplied to help you find further information in this proxy statement.

Eligibility to Vote (page 60)

You can vote if you were a shareholder of record at the close of business on March 20, 2020.

How to Cast Your Vote (page 60)

You can vote by any of the following methods:

INTERNET
www.proxyvote.com
until 11:59 p.m.
Eastern Daylight Time
on May 18, 2020

BY TELEPHONE
until 11:59 p.m.
Eastern Daylight Time
on May 18, 2020

BY MAIL
Completing, signing, and returning your proxy or voting instruction card **before May 19, 2020**

IN PERSON
at the annual meeting: If you are a shareholder of record, we have a record of your ownership. If your shares are held in the name of a broker, nominee, or other intermediary, you must bring a proxy issued in your name from the record holder to the meeting. Attendees will be asked to present valid picture identification, such as a driver's license or passport.

Selection of Principal Independent Public Accountants (page 20)

During the year ended December 31, 2019, KPMG LLP served as our principal independent public accountants and provided certain tax and other services to us. Representatives of KPMG are expected to be present at the Annual Meeting and be available to respond to appropriate questions from shareholders.

As a matter of good corporate governance, we are requesting our shareholders to ratify the selection of KPMG LLP as our principal independent public accountants for the year ending December 31, 2020.

Voting Matters (pages 9, 20, 23, and 54)

	Board Vote Recommendation	Page Reference (for more detail)
Election of Directors	**FOR** Each Nominee	9
Ratification of Selection of Principal Independent Public Accountants	**FOR**	20
Advisory Approval of Executive Compensation	**FOR**	23
Proposal to Amend and Restate the Halliburton Company Stock and Incentive Plan	**FOR**	54

Governance Highlights

Our Board has long maintained a formal statement of its responsibilities, our Corporate Governance Guidelines, to ensure effective governance in all areas of its responsibilities. Our governance practices, as specified in those Guidelines and our By-laws, Code of Business Conduct, and policies and business practices, include the following:

Size of Board	**10**	Supermajority Voting Threshold for Mergers	**No**
Number of Independent Directors	**9**	Proxy Access	**Yes**
Average Age of Directors	**66**	Shareholder Action by Written Consent	**Yes**
Average Director Tenure	**6.8**	Shareholder Called Special Meetings	**Yes**
Annual Election of Directors	**Yes**	Poison Pill	**No**
Mandatory Retirement Age	**72**	Code of Conduct for Directors, Officers, and Employees	**Yes**
Women and Minority Board Members	**50%**	Stock Ownership Guidelines for Directors/Officers	**Yes**
Majority Voting in Director Elections	**Yes**	Anti-Hedging and Pledging Policy	**Yes**
Lead Independent Director	**Yes**	Compensation Recoupment Policy	**Yes**
Related Persons Transactions Policy	**Yes**	Corporate Political Contributions	**No**

Success for Halliburton and our shareholders and customers results from adherence to our core values.

Values

Integrity
Ethics and integrity are the foundation of our brand and the guiding principles for all we do.

Safety
Priority number one. We are focused on our own personal safety as well as the safety of others.

Collaboration
We work together with customers and understand that everyone has a role in providing the best solution.

Respect
We are honest with ourselves and each other. We value our diverse skills and talents, and know we are stronger together as one family.

Reliability
We deliver what we promise. We believe the quality of our service defines who we are.

Creativity
We are resourceful. We are innovative and strive to apply the right technology and solution every time.

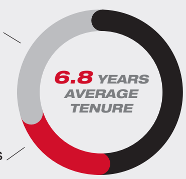
Competition
We compete to win. We know that competition makes everyone stronger.

Board Nominees (pages 11-13)

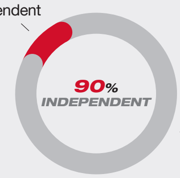
Director Highlights

10 Director Nominees

Tenure Balance



Independence

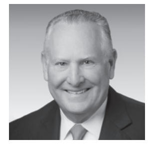


Diversity

Director Experience

Experience	Directors
Energy Industry	9
Accounting/Finance	9
Technology/Engineering	9
Strategic Planning	10
International Business	10
Health, Safety & Environment and Sustainability	8

Abdulaziz F. Al Khayyal
Retired Senior Vice President, Industrial Relations, Saudi Aramco
Age: 66
Director since 2014
INDEPENDENT
Committees:
● ○



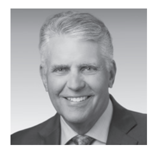
William E. Albrecht
Non-Executive Chairman of the Board of California Resources Corporation
Age: 68
Director since 2016
INDEPENDENT
Committees:
● ●

M. Katherine Banks
Vice Chancellor of Engineering and National Laboratories, The Texas A&M University System
Age: 60
Director since 2019
INDEPENDENT
Committees:
● ●

Alan M. Bennett
Retired President and CEO of H&R Block, Inc.
Age: 69
Director since 2006
INDEPENDENT
Committees:
★ ○

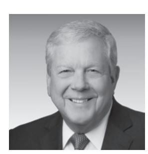
Milton Carroll
Executive Chairman of the Board of CenterPoint Energy, Inc.
Age: 69
Director since 2006
INDEPENDENT
Committees:
☆ ●

Nance K. Dicciani
Non-Executive Chair of the Board of AgroFresh Solutions, Inc.
Age: 72
Director since 2009
INDEPENDENT
Committees:
★ ●



Murry S. Gerber
Retired Executive Chairman of the Board of EQT Corporation
Age: 67
Director since 2012
INDEPENDENT
Committees:
★ ●

Patricia Hemingway Hall
Retired President and Chief Executive Officer of Health Care Services Corporation
Age: 67
Director since 2019
INDEPENDENT
Committees:
● ○



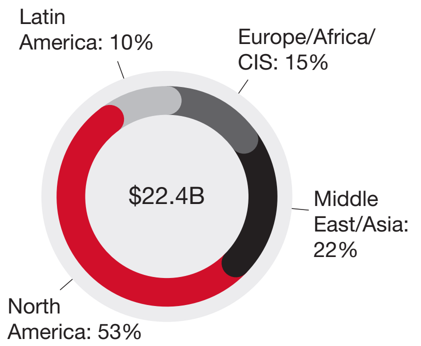
Robert A. Malone
Executive Chairman, President and Chief Executive Officer of First Sonora Bancshares, Inc.
Age: 68
Director since 2009
INDEPENDENT
Committees:
● ○

Jeffrey A. Miller
Chairman of the Board, President and CEO of Halliburton
Age: 56
Director since 2014
NOT INDEPENDENT
Committees:
None

☆ Chair ● Audit ● Compensation ● Health, Safety and Environment ○ Nominating and Corporate Governance

2019 Performance Highlights

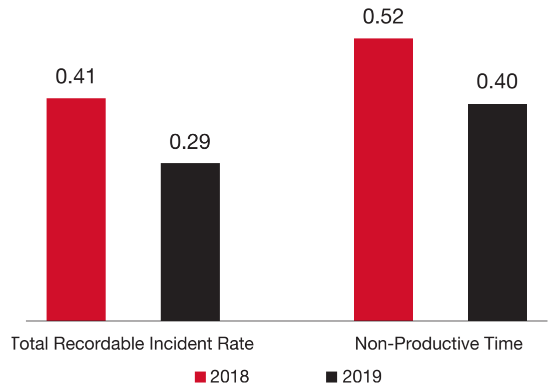
2019 Revenue



We generated **$22.4 billion** of total company revenue, with improvements across all of our international regions. Our international business outgrew the international rig count for the second year in a row.

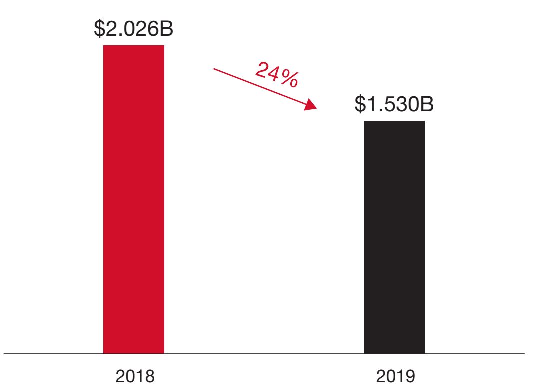
Safety and Service Quality

>20% Improvement



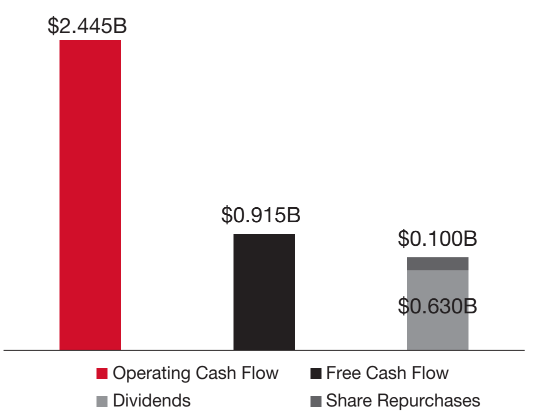
We achieved exceptional safety and service quality performance during 2019. Our total recordable incident rate and non-productive time **improved over 20%**, both historical bests across our business. This is a result of our employees' continued commitment to safety and process execution.

Capital Discipline



We quickly adapted to market conditions by reducing our capital expenditures by **24%** to approximately $1.5 billion in 2019. These capital expenditures were predominantly made in our Sperry Drilling, Production Enhancement, Artificial Lift, Wireline and Perforating, and Production Solutions product service lines.

Cash Flow Execution



During 2019, we generated $2.4 billion of operating cash flow and had $1.5 billion of capital expenditures, resulting in over **$900 million of free cash flow**. This demonstrates our ability to generate consistent free cash flow in different business environments. We additionally returned over $700 million to shareholders through dividends and share repurchases.

* Management believes free cash flow, defined as "operating cash flow" less "capital expenditures", is an important liquidity measure and useful to investors and management for assessing the business's ability to generate cash.

Named Executive Officers (page 25)

For 2019, our NEOs were:

Name	Age	Occupation
Jeffrey A. Miller	56	Chairman, President and Chief Executive Officer
Lance Loeffler	43	Executive Vice President and Chief Financial Officer
Eric J. Carre	54	Executive Vice President – Global Business Lines
Joe D. Rainey	63	President – Eastern Hemisphere
Mark J. Richard	58	President – Western Hemisphere

Executive Compensation (pages 23-53)

Objectives (page 29)

Our executive compensation program is composed of base salary, a short-term incentive, and long-term incentives and is designed to achieve the following objectives:

- Provide a clear and direct relationship between executive pay and our performance on both a short-term and long-term basis;
- Target market competitive pay levels with a comparator peer group;
- Emphasize operating performance drivers;
- Link executive pay to measures that drive shareholder value;
- Support our business strategies; and
- Maximize the return on our human resource investment.

2019 Shareholder Engagement

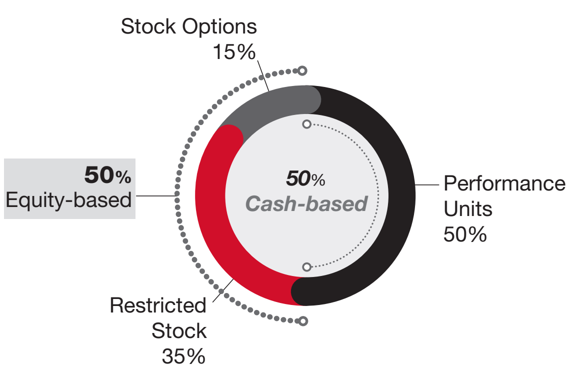
Halliburton has always maintained open communications with the shareholder community. Seeking feedback from our shareholders on a regular basis is a critical part of our approach to managing our executive compensation program. Our ongoing, open dialogue with our shareholders helps ensure that the Board and management have a regular pulse on the views of our shareholders. These communications provide us important perspectives on adjustments to improve and better explain our program.

During 2019, members of our senior management team participated in over 100 shareholder meetings and 19 conferences. As is our practice, in the fall of 2019, we also engaged in targeted outreach with numerous shareholders. **During this fall outreach, we contacted shareholders representing more than 50% of our outstanding common stock and met with many of those shareholders, who collectively hold 31% of our outstanding common stock. We previewed changes to our compensation program under consideration by our Compensation Committee and solicited their feedback on our compensation program, as well as our company strategy and performance, corporate governance, sustainability, and other topics. Our newly-appointed Compensation Committee Chair participated in this outreach effort.** Based on the most recent feedback from shareholders, we made several significant modifications to our compensation program for the 2020 plan year.

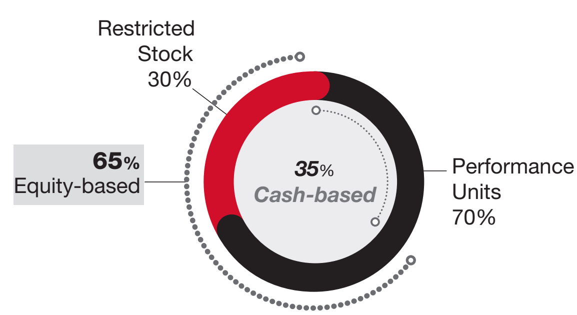
What we heard (during our ongoing 2019 investor discussions)		**What we did** (effective for the 2020 plan year)
Shareholders seek increased emphasis on free cash flow and capital discipline	>	Replaced CVA with two distinct metrics that focus on our ability to manage cash and generate earnings, given our capital intensive, cyclically driven business. Short-term incentives will be based on the following independent metrics and weightings: • 75% NOPAT • 25% Asset Turns
Shareholders support the use of three-year relative ROCE for long-term incentives, but would like an additional performance component directly linked to stock price	>	Introduced a relative TSR modifier that compares performance against the Oilfield Services Index (OSX); modifier imposes an award penalty for bottom quartile performance and provides an incentive for top quartile performance
Shareholders want more emphasis on performance-based long-term incentives	>	Changed the mix of long-term incentive vehicles for NEOs (as illustrated below) to 70% performance units and 30% restricted stock; stock options have been eliminated
Shareholders expressed concern about PUP awards being paid 100% in cash	>	Rebalanced the long-term incentive pay mix so that 65% is delivered in equity; changed PUP cycle to issue awards 50% in stock and 50% in cash (contingent on three-year performance period)

Increased Emphasis on Long-Term Performance-Based Equity

Historic Long-Term Incentive Mix



New Long-Term Incentive Mix



Notice of Annual Meeting of Shareholders to be held May 19, 2020

April 7, 2020

Halliburton Company, a Delaware corporation, will hold its Annual Meeting of Shareholders on Tuesday, May 19, 2020, at 9:00 a.m. Central Daylight Time at its corporate office at 3000 N. Sam Houston Parkway East, Life Center - Auditorium, Houston, Texas 77032.

At the meeting, the shareholders will be asked to consider and act upon the matters discussed in the attached proxy statement as follows:

1. To elect the ten nominees named in the attached proxy statement as Directors to serve for the ensuing year and until their successors shall be elected and shall qualify.
2. To consider and act upon a proposal to ratify the appointment of KPMG LLP as principal independent public accountants to examine the financial statements and books and records of Halliburton for the year ending December 31, 2020.
3. To consider and act upon advisory approval of our executive compensation.
4. To consider and act upon a proposal to amend and restate the Halliburton Company Stock and Incentive Plan.
5. To transact any other business that properly comes before the meeting or any adjournment or adjournments of the meeting.

These items are fully described in the following pages, which are made a part of this Notice. The Board of Directors has set the close of business on March 20, 2020, as the record date for the determination of shareholders entitled to notice of and to vote at the meeting and at any adjournment of the meeting.

Internet Availability of Proxy Materials

On or about April 7, 2020, we mailed our shareholders a Notice of Internet Availability of Proxy Materials containing instructions on how to access our 2020 proxy statement and 2019 Annual Report on Form 10-K and how to vote online. The notice also provides instruction on how you can request a paper copy of these documents if you desire. If you received your Annual Meeting materials via e-mail, the e-mail contains voting instructions and links to the proxy statement and Form 10-K on the Internet.

If You Plan to Attend

Attendance at the meeting is limited to shareholders and one guest each. Admission will be on a first-come, first-served basis. Registration will begin at 8:00 a.m., and the meeting will begin at 9:00 a.m. Each shareholder holding stock in a brokerage account will need to bring a copy of a brokerage statement reflecting stock ownership as of the record date. Please note that you will be asked to present valid picture identification, such as a driver's license or passport.

Potential Impact of Coronavirus (COVID-19) Pandemic on Meeting

We intend to hold our Annual Meeting in person. However, developments regarding the coronavirus (COVID-19) pandemic may change this. We are sensitive to the public health concerns our shareholders may have and the protocols that federal, state, and local governments may impose. In the event it is not possible or advisable to hold our Annual Meeting in person, we will announce alternative arrangements for the meeting as promptly as practicable, which may include holding the meeting solely by means of remote communication. We may also need to change the date or the time of the meeting. Please monitor our website at *www.halliburton.com* for updated information. If you are planning to attend our meeting, please check the website one week prior to the meeting date. As always, we encourage you to vote your shares prior to the Annual Meeting.

It is important that you retain a copy of the control number found on the proxy card, voting instruction form, or Notice of Internet Availability of Proxy Materials, as such number will be required in order for shareholders to gain access to any meeting held solely by means of remote communication.

By order of the Board of Directors,

Robb L. Voyles
Executive Vice President, Secretary and Chief Legal Officer

You are urged to vote your shares as promptly as possible by following the voting instructions in the Notice of Internet Availability of Proxy Materials.

Corporate Governance

Corporate Governance Guidelines and Committee Charters

Our Board has long maintained a formal statement of its responsibilities and guidelines to ensure effective governance in all areas of its responsibilities. Our Corporate Governance Guidelines are available on our website at *www.halliburton.com* by clicking on the tab "About Us", and then the "Corporate Governance" link. The guidelines are reviewed periodically and revised as appropriate to reflect the dynamic and evolving processes relating to corporate governance, including the operation of the Board.

In order for our shareholders to understand how the Board conducts its affairs in all areas of its responsibility, the full text of the charters of our Audit; Compensation; Health, Safety and Environment; and Nominating and Corporate Governance Committees are also available on our website.

Except to the extent expressly stated otherwise, information contained on or accessible from our website or any other website is not incorporated by reference into and should not be considered part of this proxy statement.

Code of Business Conduct

Our Code of Business Conduct, which applies to all of our employees and Directors and serves as the code of ethics for our principal executive officer, principal financial officer, principal accounting officer or controller, and other persons performing similar functions, is available on our website. Any waivers to our Code of Business Conduct for our Directors or executive officers can only be made by our Audit Committee. There were no waivers of the Code of Business Conduct in 2019.

Related Persons Transactions Policy

Our Board has adopted a written policy governing related persons transactions as part of the Board's commitment to good governance and independent oversight. The policy covers transactions involving any of our Directors, executive officers, nominees for Director, greater than 5% shareholders, or any of their immediate family members, among others.

The types of transactions covered by this policy are transactions, arrangements, or relationships, or any series of similar transactions, arrangements, or relationships, including any indebtedness or guarantee of indebtedness, in which (1) we or any of our subsidiaries were or will be a participant, (2) the aggregate amount involved exceeds $120,000 in any calendar year, and (3) any related person had, has, or will have a direct or indirect material interest.

Under the policy, we generally only enter into or ratify related persons transactions when the Board determines such transactions are in our best interests and the best interests of our shareholders. In determining whether to approve or ratify a related persons transaction, the Board will consider the following factors and other factors it deems appropriate:

- whether the related persons transaction is on terms comparable to terms generally available with an unaffiliated third party under the same or similar circumstances;
- the benefits of the transaction to us;
- the extent of the related person's interest in the transaction; and
- whether there are alternative sources for the subject matter of the transaction.

The Board of Directors and Standing Committees of Directors

The Board has standing Audit; Compensation; Health, Safety and Environment; and Nominating and Corporate Governance Committees. Each standing Committee is comprised of Directors who, in the business judgment of the Board, are independent, after considering all relevant facts and circumstances, including the independence standards set forth in our Corporate Governance Guidelines.

Our independence standards meet New York Stock Exchange, or NYSE, independence requirements. Our independence standards and compliance with those standards are periodically reviewed by the Nominating and Corporate Governance Committee. There were no relevant transactions, arrangements, or relationships not disclosed in this proxy statement that were considered by the Board in making its determination as to the independence of the Directors.

Board Leadership

Our Board believes that it is important to maintain flexibility to determine the appropriate leadership of the Board and whether the roles of Chairman and Chief Executive Officer should be combined or separate. Our Corporate Governance Guidelines provide that the Board consider annually whether it is appropriate for the same individual to fill both of those roles. When making that determination, the Board considers issues such as industry and financial expertise, in-depth knowledge of Halliburton and its business, and succession planning. In 2019, the Board decided that a combined leadership role would currently best serve the needs of the Company and its shareholders. The Board believes that Jeffrey A. Miller, our Chairman, President and Chief Executive Officer, with his industry expertise, financial expertise, and in-depth knowledge of Halliburton and its business, is the correct person to fill both roles. The Board also believes that Mr. Miller is best suited to lead the Board's discussion and evaluation of the Company's business, financial, and health, safety, environment and sustainability strategy and performance. With the exception of Mr. Miller, the Board is composed of independent Directors.

Robert A. Malone is our Lead Independent Director. The Lead Independent Director's role and responsibilities are set forth in the Lead Independent Director Charter adopted by the Board. These include the following:

Robert A. Malone
LEAD INDEPENDENT DIRECTOR

- ✓ liaises between the independent Directors and the Chairman
- ✓ advises management on and approves information sent to the Board
- ✓ approves agendas for Board meetings
- ✓ approves schedules for meetings of the Board
- ✓ presides over meetings and executive sessions of the independent Directors
- ✓ authorizes the retention of outside advisors and consultants who report directly to the Board
- ✓ leads the Board's annual evaluation of the CEO
- ✓ schedules meetings of the independent Directors as appropriate

Our Lead Independent Director Charter is available on our website at *www.halliburton.com.*

Board and Committee Risk Oversight

We have implemented an Enterprise Risk Management (ERM) program to identify and analyze enterprise-level risks and their potential impact on our business. The objectives of our ERM program are to:

- increase the probability of achieving higher returns on capital and reducing cash flow volatility by identifying:
  - current and developing risks; and
  - significant controls and potential gaps related to identified risks;
- ensure that our key risks are being effectively managed; and
- assess whether our compensation policies are reasonably likely to have a materially adverse effect on us.

Our internal processes to identify and manage risks include our Code of Business Conduct, extensive policies and business practices, our financial controls, Internal Assurance Services audits of our internal controls and health, safety, environment, and sustainability, the activities of the Ethics & Compliance group of the Law Department, and our ERM program.

The Board provides oversight of the ERM program. The Audit Committee receives an annual ERM report on risk assessment and risk management in which risks are identified and assigned a significance rating based on potential consequences of the risk and the likelihood of occurrence.

Our Chief Executive Officer, who is primarily responsible for managing our day-to-day business, is ultimately responsible to the Board for all risk categories. Our executive officers are assigned responsibility for the various risk categories. The Board has delegated to its Committees the responsibility to monitor certain risks and receive regular updates on those risks. Certain risks monitored by each Committee are shown below.

Board of Directors

Audit Committee	Compensation Committee	Nominating and Corporate Governance Committee	Health, Safety and Environment Committee
• Financial reporting and internal controls • Cybersecurity • Compliance with anti-corruption laws and regulations	• Evolving competitive landscape • Compensation-related risk	• Corporate governance • Board and management succession	• Catastrophic events from wellsite activities • Compliance with radioactive/explosives regulations

Independent Committees

The Board believes that it has a strong governance structure in place to ensure independent oversight on behalf of all shareholders. All standing Committees of the Board are comprised solely of independent Directors. We have established processes for the effective oversight of critical issues entrusted to independent Directors, such as:

- the integrity of our financial statements;
- CEO and senior management compensation;
- CEO and senior management succession planning;
- the election of our Lead Independent Director;
- membership of our independent Committees;
- Board, Committee, and Director evaluations; and
- nominations of Directors.

Members of the Committees of Our Board of Directors

Audit Committee	Compensation Committee	Health, Safety and Environment Committee	Nominating and Corporate Governance Committee
M. Katherine Banks	William E. Albrecht	Abdulaziz F. Al Khayyal	Abdulaziz F. Al Khayyal
Alan M. Bennett*	Milton Carroll	William E. Albrecht	Alan M. Bennett
Nance K. Dicciani	Murry S. Gerber*	M. Katherine Banks	Milton Carroll*
Murry S. Gerber	Patricia Hemingway Hall	Nance K. Dicciani*	Patricia Hemingway Hall
	Robert A. Malone		Robert A. Malone

* *Chair*

Audit Committee

2019 Meetings	Committee Members	Responsibilities
7	M. Katherine Banks Alan M. Bennett *(Chair)* Nance K. Dicciani Murry S. Gerber	• Recommending to the Board the appointment of the independent public accountants to audit our financial statements (the principal independent public accountants); • Together with the Board, being responsible for the appointment, compensation, retention, oversight of the work, and evaluation of the principal independent public accountants; • Reviewing the scope of the principal independent public accountants' examination; • Reviewing the scope of activities of Internal Assurance Services and the Ethics & Compliance group; • Reviewing our financial statements and our significant financial policies and accounting systems and controls; and • Approving the services to be performed by the principal independent public accountants. The Board has determined that all members of the Audit Committee are independent under our Corporate Governance Guidelines. The Board has determined that Alan M. Bennett, Nance K. Dicciani, and Murry S. Gerber are "audit committee financial experts" as defined by the Securities and Exchange Commission, or SEC. A copy of the Audit Committee Charter is available on our website at *www.halliburton.com.*

Compensation Committee

2019 Meetings	Committee Members	Responsibilities
3	William E. Albrecht Milton Carroll Murry S. Gerber *(Chair)* Patricia Hemingway Hall Robert A. Malone	• Developing an overall executive compensation philosophy and strategy; • Overseeing the effectiveness of our compensation program in attracting, retaining, and motivating key employees; • Utilizing our compensation program to reinforce business strategies and objectives to enhance shareholder value; • Administering our compensation program, including our incentive plans, in a fair and equitable manner consistent with established policies and guidelines while monitoring risks associated with compensation plans; and • Performing additional roles and activities with respect to executive compensation as described under Compensation Discussion and Analysis. A copy of the Compensation Committee Charter is available on our website at *www.halliburton.com*.

Health, Safety and Environment Committee

2019 Meetings	Committee Members	Responsibilities
4	Abdulaziz F. Al Khayyal William E. Albrecht M. Katherine Banks Nance K. Dicciani *(Chair)*	• Reviewing and assessing our health, safety, environmental, and sustainable development policies and practices; • Overseeing the communication, implementation, and compliance with these policies, as well as applicable goals and legal requirements; and • Assisting the Board with oversight of our risk-management processes relating to health, safety, the environment, and sustainability. A copy of our Health, Safety and Environment Committee Charter is available on our website at *www.halliburton.com.*

Nominating and Corporate Governance Committee

2019 Meetings	Committee Members	Responsibilities
4	Abdulaziz F. Al Khayyal Alan M. Bennett Milton Carroll *(Chair)* Patricia Hemingway Hall Robert A. Malone	• Reviewing and recommending revisions to our Corporate Governance Guidelines; • Overseeing our Director self-evaluation process and performance reviews; • Identifying and screening candidates for Board and Committee membership; • Reviewing the overall composition profile of the Board for the appropriate mix of skills, characteristics, experience, and expertise; • Reviewing and making recommendations on Director compensation; and • Reviewing the management succession planning process. A copy of our Nominating and Corporate Governance Committee Charter is available on our website at *www.halliburton.com.*

Board Attendance

During 2019, the Board held 4 meetings and met in Executive Session, without management present, on 4 occasions.

Committee meetings were held as follows:

Audit Committee	7
Compensation Committee	3
Health, Safety and Environment Committee	4
Nominating and Corporate Governance Committee	4

Nine members of the Board attended 100% of the total number of meetings of the Board and the Committees on which he or she served during 2019 and all members of the Board attended at least 94% of those meetings.

All of our Directors attended the 2019 Annual Meeting, as required by our Corporate Governance Guidelines.

Evaluation of Board and Director Performance

The Board believes that a rigorous evaluation process is an essential component of strong corporate governance practices. The Nominating and Corporate Governance Committee annually conducts a three-part evaluation process to evaluate Board effectiveness and aid in succession planning. This process consists of a full Board evaluation, Committee evaluations, and individual Director evaluations. The evaluations, which are distributed and obtained through a third party platform, seek feedback on Board and Committee performance, processes, effectiveness, and opportunities for improvement. The results of the evaluations are reviewed and discussed with the Board, its Committees, and each individual Director.

As part of the annual process, each Director also completes a skill set survey. The Board uses the survey responses to evaluate the experience and expertise of existing Directors and to identify the skills and characteristics of future Director candidates to achieve and maintain an optimum mix of skills and characteristics.

PROCESS IS INITIATED

The Nominating and Corporate Governance Committee reviews and approves the process to evaluate the performance of the Board of Directors, its four standing Committees (Audit; Compensation; Health, Safety and Environment; and Nominating and Corporate Governance), and each individual Director. The Committee also approves a skill set survey.

Questionnaires are distributed through a third party web-based platform. This process encourages candid responses from our Directors and promotes productive discussions.

EVALUATION

Each Director completes written questionnaires that are designed to gather suggestions to improve Board, Committee, and Director performance and effectiveness and to identify opportunities for improvement. The questionnaires solicit feedback on a range of issues, including:

- Board operations
- succession planning
- Committee composition, processes, and responsibilities
- information flow from management
- overall Board dynamics
- Director preparation, participation, and contribution
- alignment of skills and characteristics to business needs and strategy
- leadership
- agenda topics

ANALYSIS

Completed questionnaires are analyzed and summarized by the chair of the Nominating and Corporate Governance Committee. A skill set matrix is created from the survey responses.

PRESENTATION OF FINDINGS

The chair of the Nominating and Corporate Governance Committee reviews the results of the evaluations with the full Board and each Committee to determine whether changes are needed to their structure or processes. Discussions are held with individual Directors by the chair of the Nominating and Corporate Governance Committee or the Lead Independent Director, as necessary. The completed skill set matrix is considered in identifying those skills and characteristics suitable for future Director candidates.

Shareholder Nominations of Directors

Our By-laws provide that shareholders may nominate persons for election to the Board at a meeting of shareholders.

Shareholder nominations require written notice to the Corporate Secretary at the address of our principal executive offices set forth on page 60 of this proxy statement, and for the Annual Meeting of Shareholders in 2021, must be received not less than 90 days nor more than 120 days prior to the anniversary date of the 2020 Annual Meeting of Shareholders, or no later than February 18, 2021, and no earlier than January 19, 2021. The shareholder notice must contain, among other things, certain information relating to the shareholder and the proposed nominee as described in our By-laws. In addition, the proposed nominee may be required to furnish other information as we may reasonably require to determine the eligibility of the proposed nominee to serve as a Director.

Our By-laws also provide for proxy access for shareholder nominations of directors. The provision permits up to 20 shareholders owning 3% or more of our outstanding common stock continuously for at least three years to nominate and include in our proxy materials for a meeting of shareholders up to two directors or 20% of the Board, whichever is greater, provided that the shareholder(s) and the nominee(s) satisfy the requirements specified in the By-laws.

Our By-laws further provide that if a shareholder owning at least 1% of our issued and outstanding common stock continuously for at least one year as of the date the written notice of the nomination is submitted to us proposes a nominee not submitted under the proxy access provision, our Corporate Secretary will (i) obtain from such nominee any additional relevant information the nominee wishes to provide in consideration of his or her nomination, (ii) report on each such nominee to the Nominating and Corporate Governance Committee, and (iii) facilitate having each such nominee meet with the Nominating and Corporate Governance Committee as the Committee deems appropriate.

Qualifications of Directors

Candidates nominated for election or reelection to the Board should possess the following qualifications:

- Personal characteristics:
  - high personal and professional ethics, integrity, and values;
  - an inquiring and independent mind; and
  - practical wisdom and mature judgment;
- Broad training and experience at the policy-making level in business, government, education, or technology;
- Expertise that is useful to us and complementary to the background and experience of other Board members, so that an optimum balance of experience and expertise of members of the Board can be achieved and maintained;
- Willingness to devote the required amount of time to carry out the duties and responsibilities of Board membership;
- Commitment to serve on the Board for several years to develop knowledge about our business;
- Willingness to represent the best interests of all of our shareholders and objectively evaluate management performance; and
- Involvement only in activities or interests that do not create a conflict with the Director's responsibilities to us and our shareholders.

The Nominating and Corporate Governance Committee is responsible for assessing the appropriate mix of skills and characteristics required of Board members and periodically reviews and updates the criteria. In selecting Director nominees, the Board considers the personal characteristics, experience, and other criteria as set forth in our Corporate Governance Guidelines, as well as our specific needs and the needs of our Board at the time.

We value all types of diversity, including diversity of our Board. In evaluating the overall qualifications of a potential nominee, the Committee and Board take into account overall Board diversity in personal background, race, gender, age, and nationality.

Process for the Selection of New Directors

The Board is responsible for filling vacancies on the Board and ensuring regular refreshment of the Board. Our Corporate Governance Guidelines provide that each non-management Director shall retire from the Board immediately prior to the annual meeting of shareholders following his or her seventy-second (72nd) birthday. The Board has delegated to the Nominating and Corporate Governance Committee the duty of selecting and recommending candidates to the Board for approval. The Nominating and Corporate Governance Committee will consider candidates for Board membership recommended by Board members, our management, and shareholders. The Committee may also retain an independent executive search firm to identify candidates for consideration and to gather additional information about the candidate's background, experience, and reputation. A shareholder who wishes to recommend a candidate should notify our Corporate Secretary.

The Nominating and Corporate Governance Committee, in consultation with the Board, will determine the specific criteria for a new Director candidate. After the Nominating and Corporate Governance Committee identifies a candidate, the Committee will determine the appropriate method to evaluate the candidate. The preliminary determination regarding a candidate is based on the likelihood that the candidate will meet the Board membership criteria listed in our Corporate Governance Guidelines. The Committee will determine, after discussion with the Chairman of the Board and other Board members, whether a candidate should continue to be considered. If a candidate warrants additional consideration, the Committee and others, as appropriate, will interview the candidate. Once the evaluation and interviews are completed, the Committee will recommend to the Board whether the candidate should be appointed to the Board or proposed for election by shareholders and the Board will act on such recommendation.

IDENTIFICATION OF QUALIFIED CANDIDATES	DUE DILIGENCE SCREENING	MEETINGS WITH SHORTLISTED CANDIDATES	DECISION AND NOMINATION
Nominating and Corporate Governance Committee considers candidates for Board membership recommended by Board members, management, and shareholders	Review of qualifications to determine if candidate meets Board membership criteria	Committee members and, as appropriate, other Board members and management interview the shortlisted candidates	Selection of Director nominees best qualified to serve the interests of Halliburton shareholders

Communication to the Board

To foster better communication from our shareholders and other interested persons, we maintain a process for shareholders and others to communicate with the Audit Committee and the Board. The process has been approved by both the Audit Committee and the Board and meets the requirements of the NYSE and the SEC. The methods of communication with the Board include telephone, mail, and e-mail.

888.312.2692
or
770.613.6348

Board of Directors
c/o Director of Business Conduct
Halliburton Company
P.O. Box 42806
Houston, Texas 77242-2806
USA

BoardofDirectors@halliburton.com

Our Director of Business Conduct, an employee, reviews all communications directed to the Audit Committee and the Board. The Chair of the Audit Committee is promptly notified of any substantive communication involving accounting, internal accounting controls, or auditing matters. The Lead Independent Director is promptly notified of any other significant communication, and any Board-related matters which are addressed to a named Director are promptly sent to that Director. Copies of all communications are available for review by any Director. Some communications, such as advertisements, business solicitations, junk mail, resumes, and any communication that is overly hostile, threatening, or illegal, will not be forwarded to the Board. Communications may be made anonymously or confidentially. Confidentiality shall be maintained unless disclosure is:

- required or advisable in connection with any governmental investigation or report;
- in the interests of Halliburton, consistent with the goals of our Code of Business Conduct; or
- required or advisable in our legal defense of a matter.

Information regarding these methods of communication is also on our website at *www.halliburton.com.*

Proposal No. 1 Election of Directors

In considering whether a current Director should be nominated for election as a Director, the Nominating and Corporate Governance Committee and the Board considered, among other matters, the expertise and experience of the Director, the annual performance evaluation of the Director, the Director's attendance at, preparation for, and engagement in Board and Committee meetings, the diversity of the Board, the tenure of the Director, and the overall distribution of tenure among Directors to ensure sufficient experience with the Company's operations, performance, and technology and the cycles of the industry. A summary of the qualifications and experience of our non-management Directors is provided under Information about Nominees for Director.

AFTER CONSULTATION WITH THE NOMINATING AND CORPORATE GOVERNANCE COMMITTEE, THE BOARD OF DIRECTORS RECOMMENDS A **VOTE FOR** THE ELECTION OF EACH OF THE DIRECTOR NOMINEES LISTED UNDER INFORMATION ABOUT NOMINEES FOR DIRECTOR.

The ten nominees are all current Directors. If any nominee is unwilling or unable to serve, favorable and uninstructed proxies will be voted for a substitute nominee designated by the Board. If a suitable substitute is not available, the Board will reduce the number of Directors to be elected. Each nominee has indicated approval of his or her nomination and his or her willingness to serve if elected. The Directors elected will serve for the ensuing year and until their successors are elected and qualify.

Our Corporate Governance Guidelines provide that each non-management Director shall retire from the Board immediately prior to the annual meeting of shareholders following his or her seventy-second (72^{nd}) birthday. Though she has reached age 72, the Board has requested that Nance K. Dicciani, Chair of the Board's Health, Safety and Environment Committee and a long-term member of the Audit Committee, stand for reelection. Given the several recent additions to our Board and the Board's tenure balance, the Board believes that it is in the best interest of the Company and its shareholders to retain Ms. Dicciani's intimate knowledge of the Company, its health, safety, environment, and sustainability matters, and its financial statements and significant accounting systems and controls.

NON-MANAGEMENT DIRECTOR QUALIFICATIONS AND EXPERIENCE

	A. F. Al Khayyal	W. E. Albrecht	M. K. Banks	A. M. Bennett	M. Carroll	N. K. Dicciani	M. S. Gerber	P. Hemingway Hall	R. A. Malone
TENURE									
Year Elected	2014	2016	2019	2006	2006	2009	2012	2019	2009
Mandatory Retirement	2026	2024	2032	2023	2023	2020*	2025	2024	2024
GENERAL									
Independence	●	●	●	●	●	●	●	●	●
Diversity	●		●		●	●		●	
Board or Board Committee Leadership	●	●	●	●	●	●	●	●	●
Public Company Experience	●	●	●	●	●	●	●	●	●
Private Company Experience	●	●	●		●		●	●	●
Not-for-Profit Experience	●	●	●	●	●	●	●	●	●
Government Experience			●		●		●		●
Academia			●	●	●	●			
Community Leadership/Philanthropic	●	●		●	●		●	●	●
DECISION-MAKING EXPERIENCE AT EXECUTIVE LEVEL OR OTHER SUBSTANTIAL EXPERIENCE									
Energy Industry	A	A	B	A	A	A	A		A
Accounting/Finance	A	A	A	A		A	A	A	A
Technology/Engineering	A	A	A	A	A	A	A		A
Legal/Compliance	A	A	A	A		A	A	A	A
Mergers & Acquisitions	A	A		A	B	A	A	A	A
Human Resources/Compensation	A	A	A	A	A	A	A	A	A
Strategic Planning	A	A	A	A	A	A	A	A	A
International Business	A	A	A	A	A	A	A	A	A
Health, Safety & Environment and Sustainability	A	A	A	A		A	A		A
Public Policy	A	A	A	A	B	A	A	A	A
Corporate Governance	A	A	B	A	A	A	A	A	A

LEGEND

A Decision-making experience at Executive or Board level

B Other Substantial Experience

** As discussed above, the Board requested that Ms. Dicciani continue to serve beyond her retirement date.*

Information about Nominees for Director

ABDULAZIZ F. AL KHAYYAL

Age 66

Director since: **2014**

INDEPENDENT

Professional Experience:

- Retired Senior Vice President of Industrial Relations of Saudi Arabian Oil Company (Saudi Aramco) (the world's largest producer of crude oil)
- Senior Vice President of Industrial Relations of Saudi Aramco from 2007 to 2014 and served as a director of Saudi Aramco from 2004 to 2014

Skills and Expertise:

The Board determined that Mr. Al Khayyal should be nominated for election as a Director because of his exceptional knowledge of the energy industry, including significant international industry experience and executive experience with the world's largest producer of crude oil.

Other Company Directorships:

- Marathon Petroleum Corporation (since 2016)

Former Directorships in the Past 5 Years:

- None

WILLIAM E. ALBRECHT

Age 68

Director since: **2016**

INDEPENDENT

Professional Experience:

- Non-Executive Chairman of the Board of California Resources Corporation (a publicly traded oil and natural gas exploration and production company) since 2016 and Executive Chairman of the Board from 2014 to 2016
- Vice President of Occidental Petroleum Corporation from 2008 to 2014
- President of Oxy Oil & Gas, Americas from 2012 to 2014

Skills and Expertise:

The Board determined that Mr. Albrecht should be nominated for election as a Director because of his extensive experience in the domestic oil and natural gas industry and executive experience with a public oil and gas exploration and production company and an international offshore drilling company.

Other Company Directorships:

- Lead Independent Director of Valaris plc (since 2019)

Former Directorships in the Past 5 Years:

- Chairman of the Board and director of Rowan Companies plc (2015-2019)

M. KATHERINE BANKS

Age 60

Director since: **2019**

INDEPENDENT

Professional Experience:

- Vice Chancellor of Engineering and National Laboratories for The Texas A&M University System and Dean of the College of Engineering at Texas A&M University (a public research university) since 2012

Skills and Expertise:

The Board determined that Dr. Banks should be nominated for election as a Director because of her extensive experience in engineering and technology and executive experience in leading one of the largest engineering schools in the country and overseeing the engineering, academic, and research programs at seven universities.

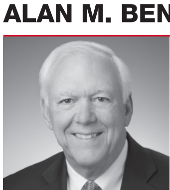
Other Company Directorships:

- None

Former Directorships in the Past 5 Years:

- None

ALAN M. BENNETT



Age 69

Director since: **2006**

INDEPENDENT

Professional Experience:

- Retired President and Chief Executive Officer of H&R Block, Inc. (a tax and financial services provider)
- President and Chief Executive Officer of H&R Block, Inc. from 2010 to 2011
- Interim Chief Executive Officer of H&R Block, Inc. from 2007 to 2008
- Senior Vice President and Chief Financial Officer of Aetna, Inc. from 2001 to 2007

Skills and Expertise:

The Board determined that Mr. Bennett should be nominated for election as a Director because of his business and financial expertise, ranging from internal audit to corporate controller to chief financial officer of a large, public company. He is a certified public accountant and also has chief executive officer experience.

Other Company Directorships:

- Fluor Corporation (since 2011)
- TJX Companies, Inc. (since 2007)

Former Directorships in the Past 5 Years:

- None

MILTON CARROLL

Age 69

Director since: **2006**

INDEPENDENT

Professional Experience:

- Executive Chairman of the Board of CenterPoint Energy, Inc. (a public utility holding company) since 2013. In that role, Mr. Carroll's primary function is to provide leadership for the CenterPoint Board and to coordinate its activities.
- Non-Executive Chairman of the Board of CenterPoint Energy, Inc. from 2002 to 2013

Skills and Expertise:

The Board determined that Mr. Carroll should be nominated for election as a Director because of his public company board experience, corporate governance expertise, and knowledge of the oil and gas services industry. The Board also determined that Mr. Carroll's duties as Chairman of CenterPoint do not impede his ability to fulfill his responsibilities as a Director.

Other Company Directorships:

- Chairman of Health Care Service Corporation (since 2002)

Former Directorships in the Past 5 Years:

- LyondellBasell Industries (2010-2016)
- Western Gas Holdings, LLC, the general partner of Western Gas Partners L.P. (2008-2019)
- Western Midstream Partners, LP (February 2019-August 2019)

NANCE K. DICCIANI

Age 72

Director since: **2009**

INDEPENDENT

Professional Experience:

- Non-Executive Chair of the Board of AgroFresh Solutions, Inc. (a global leader in advanced proprietary technologies for the horticultural market) since 2015
- Interim Co-Principal Executive Officer of AgroFresh Solutions, Inc. from March 2016 to October 2016
- President and Chief Executive Officer of Honeywell International Specialty Materials (a diversified technology and manufacturing company) from 2001 to 2008

Skills and Expertise:

The Board determined that Ms. Dicciani should be nominated for election as a Director because of her technical expertise in the chemical industry, international operations expertise, executive experience as a chief executive officer of a multi-billion dollar strategic business group of a major multinational corporation, and her intimate knowledge of Halliburton's health, safety, environment, and sustainability matters.

Other Company Directorships:

- LyondellBasell Industries (since 2013)
- Linde plc (since 2018)

Former Directorships in the Past 5 Years:

- Praxair, Inc. (2008-2018)

MURRY S. GERBER

Age 67

Director since: **2012**

INDEPENDENT

Professional Experience:

- Retired Executive Chairman of the Board of EQT Corporation (a leading producer of unconventional natural gas)
- Executive Chairman of the Board of EQT Corporation from 2010 to 2011
- Chairman and Chief Executive Officer of EQT Corporation from 2000 to 2010
- Chief Executive Officer and President of EQT Corporation from 1998 to 2007

Skills and Expertise:

The Board determined that Mr. Gerber should be nominated for election as a Director because of his executive leadership skills and extensive business experience in the energy industry and domestic unconventional oil and natural gas basins.

Other Company Directorships:

- BlackRock, Inc. (since 2000)
- United States Steel Corporation (since 2012)

Former Directorships in the Past 5 Years:

- None

PATRICIA HEMINGWAY HALL

Age 67

Director since: **2019**

INDEPENDENT

Professional Experience:
- Retired President and Chief Executive Officer of Health Care Service Corporation (nation's largest mutual health insurance company which operates five Blue Cross and Blue Shield Plans)
- Chief Executive Officer of Health Care Service Corporation from 2008 to 2015
- President of Health Care Services Corporation from 2007 to 2015

Skills and Expertise:

The Board determined that Ms. Hemingway Hall should be nominated for election as a Director because of her executive leadership skills, business experience, public company board experience, and substantial corporate governance experience.

Other Company Directorships:
- ManpowerGroup Inc. (since 2011)
- Cardinal Health, Inc. (since 2013)

Former Directorships in the Past 5 Years:
- Celgene Corporation (2018-2019)

ROBERT A. MALONE

Age 68

Director since: **2009**

INDEPENDENT

Professional Experience:
- Executive Chairman, President and Chief Executive Officer of First Sonora Bancshares, Inc. (a bank holding company) since 2014
- Chairman, President and Chief Executive Officer of The First National Bank of Sonora, Texas (a community bank owned by First Sonora Bancshares, Inc.) since 2014
- Executive Vice President of BP plc, and Chairman of the Board and President, BP America Inc. (one of the nation's largest producers of oil and natural gas) from 2006 to 2009

Skills and Expertise:

The Board determined that Mr. Malone should be nominated for election as a Director because of his energy industry expertise and executive leadership experience, including crisis management and safety performance.

Other Company Directorships:
- Non-Executive Chairman of the Board of Peabody Energy Corporation (since 2016) following the Company's emergence from bankruptcy and director (since 2009)
- Teledyne Technologies Incorporated (since 2015)
- BP Midstream Partners GP LLC, the general partner of BP Midstream (since 2017)

Former Directorships in the Past 5 Years:
- None

JEFFREY A. MILLER

Age 56

Director since: **2014**

CHAIRMAN, PRESIDENT AND CHIEF EXECUTIVE OFFICER

Professional Experience:
- Chairman of the Board, President and Chief Executive Officer of Halliburton since 2019
- Member of the Board of Directors, and President and Chief Executive Officer of Halliburton from 2017 to 2018
- Member of the Board of Directors and President of Halliburton from 2014 to 2017

Skills and Expertise:

The Board determined that Mr. Miller should be nominated for election as a Director because of his energy industry expertise, executive and business development experience, and in-depth knowledge of Halliburton's global operations.

Other Company Directorships:
- None

Former Directorships in the Past 5 Years:
- Atwood Oceanics, Inc. (2013-2017)

Directors' Compensation

Directors' Fees

All non-management Directors receive an annual retainer of $115,000, which remains unchanged since 2014. The Lead Independent Director receives an additional annual retainer of $30,000, and the chair of each Committee receives an additional annual retainer for serving as chair as follows: Audit - $25,000; Compensation - $20,000; Health, Safety and Environment - $15,000; and Nominating and Corporate Governance - $15,000. Non-management Directors are permitted to defer all or part of their fees under the Directors' Deferred Compensation Plan.

Directors' Equity Awards

All non-management Directors receive an annual equity award with a value of approximately $185,000, which remains unchanged since 2014, consisting of restricted stock units (RSUs), each of which represents the right to receive a share of common stock at a future date. These annual awards are made on or about the first day of August. The actual number of RSUs is determined by dividing $185,000 by the average of the closing price of our common stock on the NYSE on each business day during the month of July. The value of the award may be more or less than $185,000 based on the methodology described above for determining the number of RSUs to be awarded and the closing price of our common stock on the NYSE on the date of the award. Non-management Directors are permitted to defer all of their RSUs under the Directors' Deferred Compensation Plan.

Additionally, when a non-management Director first joins the Board, he or she receives an equity award shortly thereafter of RSUs equal to a prorated value of the annual equity award of $185,000. The factor used to determine the prorated award is the number of whole months of service from the beginning of the month in which Board service begins to the following first of August divided by 12. The number of RSUs awarded is determined by dividing the prorated award amount by the average of the closing price of our common stock on the NYSE on each business day during the month immediately preceding the Director joining the Board.

Directors may not sell, assign, otherwise transfer, or encumber restricted shares (which were previously granted to non-management Directors) or RSUs until the restrictions are removed. Restrictions on RSUs lapse 25% a year over four years of service with the applicable underlying shares of common stock distributed annually to the non-management Director unless the Director elected to defer receipt of the shares under the Directors' Deferred Compensation Plan. If a non-management Director has a separation of service from the Board before completing four years of service from the applicable award date, any unvested RSUs would be forfeited, unless the Board determines to accelerate vesting. Restrictions on restricted shares and RSUs lapse following termination of Board service only under specified circumstances, which include death or disability, retirement under the Director mandatory retirement policy, or early retirement after at least four years of service.

During the restriction period, Directors have the right to (i) vote restricted shares, but not shares underlying RSUs, and (ii) receive dividends or dividend equivalents in cash on restricted shares and RSUs that have not been deferred. RSUs that have been deferred receive dividend equivalents under the Directors' Deferred Compensation Plan.

Directors' Deferred Compensation Plan

The Directors' Deferred Compensation Plan is a nonqualified deferred compensation plan and participation is completely voluntary. Under the plan, non-management Directors are permitted to defer all or part of their retainer fees and all of the shares of common stock underlying their RSUs when they vest. If a non-management Director elects to defer retainer fees under the plan, then the Director may elect to have his or her deferred fees accumulate under an interest-bearing account or translate on a quarterly basis into Halliburton common stock equivalent units (SEUs) under a stock equivalents account. If a non-management Director elects to defer receipt of the shares of common stock underlying his or her RSUs when they vest, then those shares are retained as deferred RSUs under the plan. The interest-bearing account is credited daily with interest at the prime rate of Citibank, N.A. The SEUs and deferred RSUs are credited quarterly with dividend equivalents based on the same dividend rate as Halliburton common stock and those amounts are translated into additional SEUs or RSUs, respectively.

After a Director's retirement, distributions under the plan are made to the Director in a single distribution or in annual installments over a 5- or 10-year period as elected by the Director. Distributions under the interest-bearing account are made in cash, while distributions of SEUs under the stock equivalents account and deferred RSUs are made in shares of Halliburton common stock. Ms. Dicciani and Messrs. Al Khayyal, Bennett, Boyd, and Carroll have deferred retainer fees under the plan. Ms. Dicciani and Messrs. Al Khayyal, Albrecht, Bennett, Boyd, Carroll, and Grubisich have deferred RSUs under the plan.

Directors' Stock Ownership Requirements

We have stock ownership requirements for all non-management Directors to further align their interests with our shareholders. As a result, all non-management Directors are required to own Halliburton common stock in an amount equal to or in excess of the greater of (A) the annual base retainer in effect on the date the non-management Director is first elected to the Board multiplied by five or (B) $500,000. The Nominating and Corporate Governance Committee reviews the holdings of all non-management Directors, which include restricted shares, other Halliburton common stock, and RSUs owned by the Director, at each May meeting. Each non-management Director has five years to meet the requirements, measured from the date he or she is first elected to the Board. Each non-management Director currently meets the stock ownership requirements or is on track to do so within the requisite five-year period.

Director Clawback Policy

We have a clawback policy under which we will seek, in all appropriate cases, to recoup incentive compensation paid to, awarded to, or credited for the benefit of a Director, if and to the extent that:

- it is determined that, in connection with the performance of that Director's duties, he or she breached his or her fiduciary duty by knowingly or recklessly engaging in a material violation of a U.S. federal or state law, or recklessly disregarded his or her duty to exercise reasonable oversight; or
- the Director is named as a defendant in a law enforcement proceeding for having breached his or her fiduciary duty by knowingly or recklessly engaging in a material violation of a U.S. federal or state law, the Director disagrees with the allegations relating to the proceeding, and either (A) we initiate a review and determine that the alleged action is not indemnifiable or (B) the Director does not prevail at trial, enters into a plea arrangement, agrees to the entry of a final administrative or judicial order imposing sanctions, or otherwise admits to the violation in a legal proceeding.

The disinterested members of the Board and the disinterested members of the Compensation Committee and the Nominating and Corporate Governance Committee may be involved in reviewing, considering, and making determinations regarding the Director's alleged conduct, whether recoupment is appropriate or required, and the type and amount of incentive compensation to be recouped from the Director.

The policy also provides that, to the extent permitted by applicable law and not previously disclosed in a filing with the SEC, we will disclose in our proxy statement the circumstances of any recoupment arising under the policy or that there has not been any recoupment pursuant to the policy for the prior calendar year. There was no recoupment under the policy in 2019.

Matching Gift Programs

To further our support for charities, Directors may participate in the Halliburton Foundation's matching gift programs for educational institutions, not-for-profit hospitals, and medical foundations. For each eligible contribution, the Halliburton Foundation makes a contribution of 2.25 times the amount contributed by the Director, subject to approval by its Trustees. The maximum aggregate of all contributions each calendar year by a Director eligible for matching is $50,000, resulting in a maximum aggregate amount contributed annually by the Halliburton Foundation in the form of matching gifts of $112,500 for any Director who participates in the programs. Neither the Halliburton Foundation nor we have made a charitable contribution, within the preceding three years, to any charitable organization in which a Director serves as an employee or an immediate family member of the Director serves as an executive officer that exceeds in any single year the greater of $1 million or 2% of such charitable organization's consolidated gross revenues.

2019 Director Compensation

Name	Fees Earned or Paid in Cash ($)	Stock Awards ($)	Change in Pension Value and Nonqualified Deferred Compensation Earnings ($)	All Other Compensation ($)	Total ($)
Abdulaziz F. Al Khayyal	115,000	173,865	0	22,537	311,402
William E. Albrecht	115,000	173,865	0	12,792	301,657
M. Katherine Banks(1)	101,264	267,408	0	5,239	373,911
Alan M. Bennett	140,000	173,865	0	179,258	493,123
James R. Boyd(2)	50,440	0	0	88,789	139,229
Milton Carroll	130,000	173,865	0	63,991	367,856
Nance K. Dicciani	130,000	173,865	0	156,778	460,643
Murry S. Gerber	127,582	173,865	0	10,595	312,042
José C. Grubisich(3)	5,431	0	0	11,323	16,754
Patricia Hemingway Hall(4)	101,264	267,408	0	117,739	486,411
Robert A. Malone	145,000	173,865	0	132,342	451,207

(1) Dr. Banks joined the Board on February 13, 2019.
(2) Mr. Boyd retired from the Board on May 15, 2019.
(3) Mr. Grubisich resigned from the Board on January 17, 2019.
(4) Ms. Hemingway Hall joined the Board on February 13, 2019.

Fees Earned or Paid In Cash. The amounts in this column represent retainer fees earned in fiscal year 2019, but not necessarily paid in 2019. Refer to the section Directors' Fees for information on annual retainer fees.

Stock Awards. The amounts in the Stock Awards column reflect the grant date fair value of RSUs awarded in 2019. We calculate the fair value of equity awards by multiplying the number of RSUs granted by the closing stock price as of the award's grant date.

The number of restricted shares, RSUs, and SEUs held at December 31, 2019, by non-management Directors are:

Name	Restricted Shares	RSUs	SEUs
Abdulaziz F. Al Khayyal	0	29,142	8,215
William E. Albrecht	0	21,948	0
M. Katherine Banks	0	11,075	0
Alan M. Bennett	25,236	39,393	37,169
James R. Boyd	0	31,232	40,735
Milton Carroll	20,271	39,393	38,032
Nance K. Dicciani	14,843	35,639	14,466
Murry S. Gerber	2,000	14,373	0
José C. Grubisich	0	15,818	0
Patricia Hemingway Hall	0	11,075	0
Robert A. Malone	14,843	14,373	0

Change in Pension Value and Nonqualified Deferred Compensation Earnings. None of the Directors had a change in pension value or nonqualified deferred compensation earnings that represented above market earnings in 2019.

All Other Compensation. This column includes compensation related to the matching gift programs under the Halliburton Foundation, the Accidental Death and Dismemberment program, dividends or dividend equivalents on restricted shares or RSUs, and dividend equivalents associated with the Directors' Deferred Compensation Plan.

Directors who participated in the matching gift program and the corresponding match provided by the Halliburton Foundation in 2019 are: Mr. Bennett - $112,500; Mr. Boyd - $33,750; Ms. Dicciani - $112,500; Ms. Hemingway Hall - $112,500; and Mr. Malone - $112,500.

Non-management Directors are provided an Accidental Death and Dismemberment benefit the annual premium for which is $155.

Directors who received dividends or dividend equivalents on restricted shares or RSUs held on Halliburton record dates are: Dr. Banks - $5,084; Mr. Bennett - $18,170; Mr. Boyd - $4,542; Mr. Carroll - $14,595; Ms. Dicciani - $18,157; Mr. Gerber - $10,440; Ms. Hemingway Hall - $5,084; and Mr. Malone - $19,687.

Directors who received dividend equivalents attributable to their stock equivalents account under the Directors' Deferred Compensation Plan are: Mr. Al Khayyal - $4,665; Mr. Bennett - $23,480; Mr. Boyd - $28,291; Mr. Carroll - $24,287; and Ms. Dicciani - $10,213.

Directors who received dividend equivalents attributable to their deferred RSUs under the Directors' Deferred Compensation Plan are: Mr. Al Khayyal - $17,717; Mr. Albrecht - $12,637; Mr. Bennett - $24,954; Mr. Boyd - $22,051; Mr. Carroll - $24,954; Ms. Dicciani - $15,752; and Mr. Grubisich - $11,168.

Stock Ownership Information

Delinquent Section 16(a) Reports

The Company believes, based on our records and review of filings with the SEC, that during the fiscal year ended December 31, 2019, our Directors and executive officers complied with the filing requirements of Section 16(a) of the Securities Exchange Act of 1934, with one exception. A Form 4 required to be filed by Robb L. Voyles was filed one day late due to an administrative error, resulting in one transaction not being reported on a timely basis.

Stock Ownership of Certain Beneficial Owners and Management

The following table sets forth beneficial ownership information about persons or groups that own or have the right to acquire more than 5% of our common stock, based on information contained in Schedules 13G filed with the SEC.

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of Class
BlackRock, Inc. 55 East 52nd Street, New York, NY 10055	61,944,873(1)	7.1%
Dodge & Cox 555 California Street, 40th Floor, San Francisco, CA 94104	45,291,595(2)	5.2%
The Vanguard Group 100 Vanguard Blvd, Malvern, PA 19355	96,217,135(3)	10.96%

(1) BlackRock, Inc. is a parent holding company and is deemed to be the beneficial owner of 61,944,873 shares. BlackRock has sole power to vote or to direct the vote of 53,384,788 shares and has sole power to dispose or to direct the disposition of 61,944,873 shares.

(2) Dodge & Cox is an investment adviser and is deemed to be the beneficial owner of 45,291,595 shares. Dodge & Cox has sole power to vote or to direct the vote of 42,943,745 shares and has sole power to dispose or to direct the disposition of 45,291,595 shares.

(3) The Vanguard Group is an investment adviser and is deemed to be the beneficial owner of 96,217,135 shares. The Vanguard Group has sole power to vote or to direct the vote of 1,311,320 shares and has sole power to dispose or to direct the disposition of 94,741,635 shares. The Vanguard Group has shared power to vote or to direct the vote of 249,359 shares and has shared power to dispose or to direct the disposition of 1,475,500 shares.

The following table sets forth information, as of March 16, 2020, regarding the beneficial ownership of our common stock by each Director, each Named Executive Officer, and by all Directors and executive officers as a group.

	Amount and Nature of Beneficial Ownership		
Name of Beneficial Owner or Number of Persons in Group	**Sole Voting and Investment Power[(1)]**	**Shared Voting or Investment Power**	**Percent of Class**
Abdulaziz F. Al Khayyal	0		*
William E. Albrecht	16,000		*
M. Katherine Banks	762		*
Alan M. Bennett	27,236		*
Eric J. Carre	277,019		*
Milton Carroll	20,271		*
Nance K. Dicciani	23,044		*
Murry S. Gerber	224,879		*
Patricia Hemingway Hall	762		*
Lance Loeffler	174,388		*
Robert A. Malone	37,096		*
Jeffrey A. Miller	1,141,051		*
Joe D. Rainey	584,655		*
Mark J. Richard	282,875		*
Shares owned by all current Directors and executive officers as a group (20 persons)	4,226,484		*

* *Less than 1% of shares outstanding.*

(1) *The table includes shares of common stock eligible for purchase pursuant to outstanding stock options within 60 days of March 16, 2020, for the following: Mr. Carre – 112,336; Mr. Loeffler – 90,829; Mr. Miller – 482,234; Mr. Rainey – 309,167; Mr. Richard – 123,985; and six unnamed executive officers – 718,502. Until the options are exercised, these individuals will not have voting or investment power over the underlying shares of common stock, but will only have the right to acquire beneficial ownership of the shares through exercise of their respective options. The table also includes restricted shares of common stock over which the individuals have voting power but no investment power.*

Proposal No. 2 Ratification of Selection of Principal Independent Public Accountants

The Audit Committee is responsible for the appointment, compensation, retention, oversight of the work, and evaluation of the principal independent public accountants retained to audit our financial statements. The Audit Committee and Board have approved the selection of KPMG LLP as our principal independent public accountants to examine our financial statements and books and records for the year ended December 31, 2020, and a resolution will be presented at the Annual Meeting to ratify this selection. The Audit Committee and Board believe that the continued retention of KPMG to serve as our principal independent public accountants for the year ended December 31, 2020, is in the best interests of Halliburton and our shareholders. Representatives of KPMG are expected to be present at the Annual Meeting and be available to respond to appropriate questions from shareholders.

KPMG began serving as our principal independent public accountants for the year ended December 31, 2002. The Audit Committee routinely reviews the performance and retention of our independent public accountants, including an evaluation of service quality, the nature and extent of non-audit services, and other factors required to be considered when assessing independence from Halliburton and its management. The Audit Committee also periodically considers whether there should be a rotation of the principal independent public accountants.

The affirmative vote of the holders of a majority of the shares of our common stock represented at the Annual Meeting and entitled to vote on the matter is needed to approve the proposal.

If the shareholders do not ratify the selection of KPMG, the Board will reconsider the selection of independent public accountants.

THE BOARD OF DIRECTORS RECOMMENDS A **VOTE FOR** RATIFICATION OF THE APPOINTMENT OF KPMG LLP AS PRINCIPAL INDEPENDENT PUBLIC ACCOUNTANTS TO EXAMINE OUR FINANCIAL STATEMENTS AND BOOKS AND RECORDS FOR THE YEAR ENDING DECEMBER 31, 2020.

Audit Committee Report

We operate under a written charter, a copy of which is available on Halliburton's website at *www.halliburton.com*. As required by the charter, we review and reassess the charter annually and recommend any changes to the Board for approval. We are also mindful of the observations provided in the Securities and Exchange Commission's Statement on Role of Audit Committees in Financial Reporting and Key Reminders Regarding Oversight Responsibilities.

Halliburton's management is responsible for preparing Halliburton's financial statements and the principal independent public accountants are responsible for auditing those financial statements. The Audit Committee's role is to provide oversight of management in carrying out management's responsibility and to appoint, compensate, retain, oversee the work of, and evaluate the principal independent public accountants. The Audit Committee is not providing any expert or special assurance as to Halliburton's financial statements or any professional certification as to the principal independent public accountants' work.

In fulfilling our oversight role for the year ended December 31, 2019, we:

- reviewed and discussed Halliburton's audited financial statements with management;
- discussed with KPMG LLP, Halliburton's principal independent public accountants, the matters required by Auditing Standard 1301 relating to the conduct of the audit;
- received from KPMG the written disclosures and the letter required by the Public Company Accounting Oversight Board regarding KPMG's independence;
- evaluated KPMG's service quality; and
- discussed with KPMG its independence and reviewed other matters required to be considered under Securities and Exchange Commission rules regarding KPMG's independence.

Based on the foregoing, we recommended to the Board that the audited financial statements be included in Halliburton's Annual Report on Form 10-K for the fiscal year ended December 31, 2019, for filing with the Securities and Exchange Commission.

THE AUDIT COMMITTEE

M. Katherine Banks
Alan M. Bennett
Nance K. Dicciani
Murry S. Gerber

Fees Paid to KPMG LLP

During 2018 and 2019, we incurred the following fees for services performed by KPMG LLP.

	2018	2019
	(In millions)	(In millions)
Audit fees	$ 11.8	$ 10.7
Audit-related fees	0.2	0.1
Tax fees	0.3	0.5
TOTAL	**$ 12.3**	**$ 11.3**

Audit Fees

Audit fees represent the aggregate fees for professional services rendered by KPMG for the integrated audit of our annual financial statements for the fiscal years ended December 31, 2018, and December 31, 2019. Audit fees also include the audits of many of our subsidiaries in regards to compliance with statutory requirements in foreign countries and reviews of our financial statements included in the Forms 10-Q we filed during fiscal years 2018 and 2019.

Audit-Related Fees

Audit-related fees were incurred for assurance and related services that are traditionally performed by the independent public accountants. These services primarily include attestation engagements required by contractual or regulatory provisions.

Tax Fees

The aggregate fees for tax services primarily consisted of international tax compliance and tax return services related to our expatriate employees. In 2018, tax compliance and preparation fees total $0.2 million and tax advisory fees total $0.1 million, and in 2019, tax compliance and preparation fees total $0.1 million and tax advisory fees total $0.4 million.

Fee Approval Policies and Procedures

The Audit Committee has established a written policy that requires the approval by the Audit Committee of all services provided by KPMG as the principal independent public accountants that examine our financial statements and books and records and of all audit services provided by other independent public accountants. Prior to engaging KPMG for the annual audit, the Audit Committee reviews a Principal Independent Public Accountants Auditor Services Plan. KPMG then performs services throughout the year as approved by the Committee. KPMG reviews with the Committee, at least quarterly, a projection of KPMG's fees for the year. Periodically, the Audit Committee approves revisions to the plan if the Committee determines changes are warranted. Our Audit Committee also considered whether KPMG's provision of tax services as reported above are compatible with maintaining KPMG's independence as our principal independent public accountants. All of the fees described above for services provided by KPMG were approved in accordance with the policy.

Proposal No. 3 Advisory Approval of Executive Compensation

Pursuant to Section 14A of the Securities Exchange Act of 1934, our shareholders are being presented with the opportunity to vote to approve, on an advisory basis, the compensation of our Named Executive Officers (NEOs) as disclosed in this proxy statement. As reaffirmed by our shareholders at the 2017 Annual Meeting of Shareholders, consistent with our Board's recommendation, we are submitting this proposal for a non-binding vote on an annual basis.

As described in detail under Compensation Discussion and Analysis, our executive compensation program is designed to attract, motivate, and retain our NEOs, who are critical to our success. Under the program, our NEOs are rewarded for the achievement of specific annual, long-term, and strategic goals, corporate goals, and the realization of increased shareholder returns. Please read Compensation Discussion and Analysis for additional details about our executive compensation program, including information about the fiscal year 2019 compensation of our NEOs and our Board's ongoing commitment to ensure that our program aligns with our long-term strategy and shareholder value creation.

The Compensation Committee continually reviews the compensation program for our NEOs to ensure the program achieves the desired goals of aligning our executive compensation structure with our shareholders' interests and current market practices. We believe our executive compensation program achieves the following objectives identified under Compensation Discussion and Analysis:

- Provide a clear and direct relationship between executive pay and our performance on both a short-term and long-term basis;
- Target market competitive pay levels with comparator peer group;
- Emphasize operating performance drivers;
- Link executive pay to measures that drive shareholder returns;
- Support our business strategies; and
- Maximize the return on our human resource investment.

We are asking our shareholders to indicate their support for our NEOs' compensation as described in this proxy statement and vote "FOR" the following resolution at the Annual Meeting:

"RESOLVED, that the compensation paid to Halliburton's Named Executive Officers, as disclosed in this proxy statement pursuant to Item 402 of Regulation S-K, including the Compensation Discussion and Analysis, compensation tables, and narrative discussion, is hereby approved."

Our Board and our Compensation Committee value the opinions of our shareholders. The say-on-pay vote is advisory and, therefore, not binding on us, our Board, or our Compensation Committee. However, the Compensation Committee considers shareholder feedback in its ongoing review of our executive compensation program.

THE BOARD OF DIRECTORS RECOMMENDS A **VOTE FOR** THE APPROVAL, ON AN ADVISORY BASIS, OF THE COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS.

Compensation Committee Report

We have reviewed and discussed the Compensation Discussion and Analysis with Company management and, based on such review and discussion, we recommended to the Board that the Compensation Discussion and Analysis be included in this proxy statement.

THE COMPENSATION COMMITTEE

William E. Albrecht
Milton Carroll
Murry S. Gerber
Patricia Hemingway Hall
Robert A. Malone

Compensation Discussion and Analysis

2019 CD&A At-A-Glance

This year's Compensation Discussion and Analysis (CD&A) reviews the objectives and elements of Halliburton's executive compensation program and discusses the 2019 compensation earned by our NEOs. It also explains the significant actions the Compensation Committee took based on its ongoing commitment to consider shareholder feedback and to ensure our senior leadership team continues to deliver the reliable execution, strong cash flow, and industry-leading returns that our shareholders expect. During 2019, we:

Continued robust shareholder engagement, with a key focus on executive compensation matters	Contacted shareholders representing more than 50% of our outstanding common stock to obtain their views on our program; we met with shareholders representing approximately 31% of our outstanding common stock
Continued robust Board involvement in shareholder engagement	The newly-appointed Chair of the Compensation Committee participated in numerous shareholder meetings
Modified financial metrics for determining short-term incentives to increase our emphasis on free cash flow and capital discipline	Replaced CVA with two distinct metrics for the 2020 plan year: • Net Operating Profit After-Taxes (NOPAT) • Asset Turns
Increased emphasis on performance-based long-term incentives	Modified our long-term incentive mix starting with the 2020 plan year: • Increased weight of performance units to 70% (up from 50%) • Reduced weight of restricted stock to 30% • Eliminated stock options for NEOs
Added a second financial metric for determining long-term performance-based awards under the Performance Unit Plan (PUP)	Added a relative Total Shareholder Return (TSR) modifier for the 2020 PUP performance cycle; compares performance to the Oilfield Services Index (OSX); penalizes bottom quartile performance or rewards top-quartile performance
Increased equity component of long-term incentives	Changed PUP to issue awards 50% in stock (previously delivered entirely in cash) starting in 2020 so that 65% of long-term incentives is delivered in equity (contingent on three-year performance period)
Approved new "double-trigger" change-of-control provisions	Amended the Stock and Incentive Plan on February 13, 2019, for future grants

Despite the challenging market dynamics in 2019 with reduced customer activity and pricing pressure in North America, we grew revenue across all of our international regions and outperformed the international rig count for the second year in a row. In total, we generated $22.4 billion of revenue and approximately $2.4 billion of cash from operating activities during the year.

Our Return on Capital Employed (ROCE) for the three-year period ending December 31, 2019, was 3.36%, which positioned the Company above the 75th percentile relative to our performance peer group.

Despite outperforming our performance peer group, there were no annual incentives paid to any of our NEOs for the 2019 plan year. Additionally, the Compensation Committee decided base salaries would remain unchanged for 2020, except for Messrs. Loeffler and Richard, both of whom received the second half of their two-year promotion-related increases.

More information about our 2019 business achievements, and the resulting compensation actions taken by the Compensation Committee, are described in 2019 Performance Overview.

2019 Named Executive Officers

Name	Age	Occupation
Jeffrey A. Miller	56	Chairman, President and Chief Executive Officer
Lance Loeffler	43	Executive Vice President and Chief Financial Officer
Eric J. Carre	54	Executive Vice President – Global Business Lines
Joe D. Rainey	63	President – Eastern Hemisphere
Mark J. Richard	58	President – Western Hemisphere

Results of 2019 Advisory Vote on Executive Compensation

In 2019, our compensation program received the support of 63% of the total votes cast at our Annual Meeting. These results showed measurable improvement from the prior year and indicated that we are headed in a good direction. Nevertheless, as discussed below, we continued our extensive outreach efforts as part of our commitment to ensure shareholder support for our compensation program moving forward. During the fall of 2019, we contacted shareholders representing more than 50% of our outstanding common stock and met with many of those shareholders, who collectively hold 31% of our outstanding common stock. We solicited their feedback on company strategy and performance, corporate governance, executive compensation, sustainability, and other topics. We continue to hear from our shareholders that they support our overall compensation program design and are appreciative of our ongoing efforts to consider their feedback as our program evolves. As detailed below, based on the most recent feedback from shareholders, the Committee made several significant modifications to our compensation program for the 2020 plan year.

Key Activities and Changes

Board Responsiveness to Shareholder Feedback

Halliburton has always maintained open communications with the shareholder community. Seeking feedback from our shareholders on a regular basis is a critical part of our approach to managing our executive compensation program. Our ongoing, open dialogue with our shareholders helps ensure that the Board and management have a regular pulse on the views of our shareholders. These communications validate that our shareholders continue to be broadly supportive of the overall philosophy, objectives, and design of our program. They also provide us important perspectives on how to improve and better explain our program. While continuing to emphasize performance-based pay, shareholder feedback has resulted in several enhancements to our compensation program over the years, including:

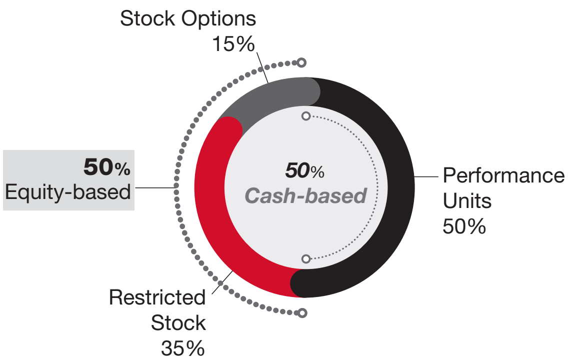
- Increased transparency around the target setting process, metric selection rationale, and the associated payout calculations.
- Eliminated special or one-time stock grants for internal promotions.
- Eliminated most executive perquisites.
- Implemented a double-trigger change-of-control provision in our Stock and Incentive Plan.

During 2019, members of our senior management team participated in over 100 shareholder meetings and 19 conferences. As is our practice, in the fall of 2019, we also engaged in targeted outreach with numerous shareholders. **During this fall outreach, we contacted shareholders representing more than 50% of our outstanding common stock and met with many of those shareholders, who collectively hold 31% of our outstanding common stock. We previewed changes to our compensation program under consideration by our Compensation Committee and solicited their feedback on our compensation program, as well as our company strategy and performance, corporate governance, sustainability, and other topics. Our newly-appointed Compensation Committee Chair participated in this outreach effort.** Based on the most recent feedback from shareholders, we made several significant modifications to our compensation program for the 2020 plan year.

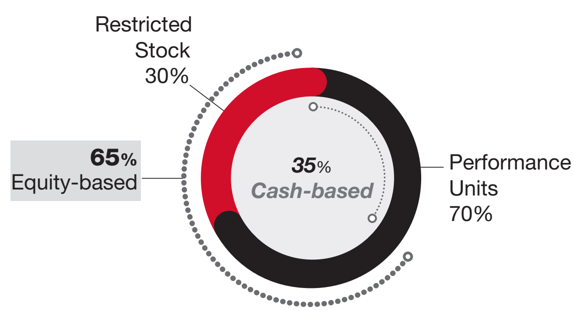
What we heard (during our ongoing 2019 investor discussions)		**What we did** (effective for the 2020 plan year)
Shareholders seek increased emphasis on free cash flow and capital discipline	›	Replaced CVA with two distinct metrics that focus on our ability to manage cash and generate earnings, given our capital intensive, cyclically driven business. Short-term incentives will be based on the following independent metrics and weightings: • 75% NOPAT • 25% Asset Turns
Shareholders support the use of three-year relative ROCE for long-term incentives, but would like an additional performance component directly linked to stock price	›	Introduced a relative TSR modifier that compares performance against the Oilfield Services Index (OSX); modifier imposes an award penalty for bottom quartile performance and provides an incentive for top quartile performance
Shareholders want more emphasis on performance-based long-term incentives	›	Changed the mix of long-term incentive vehicles for NEOs (as illustrated below) to 70% performance units and 30% restricted stock; stock options have been eliminated
Shareholders expressed concern about PUP awards being paid 100% in cash	›	Rebalanced the long-term incentive pay mix so that 65% is delivered in equity; changed PUP cycle to issue awards 50% in stock and 50% in cash (contingent on three-year performance period)

Increased Emphasis on Long-Term Performance-Based Equity

Historic Long-Term Incentive Mix



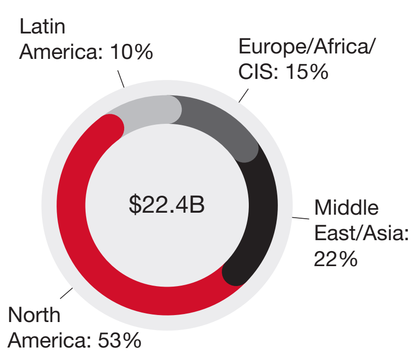
New Long-Term Incentive Mix



2019 Performance Overview

We experienced challenging market dynamics in 2019 as our customers in the North American market fundamentally shifted from growth to capital discipline, impacting our business through reduced customer activity and additional pricing pressure, while the international markets continued on the road to recovery. We executed our value proposition, delivered exceptional safety and service quality, and remained focused on generating healthy returns and strong cash flow. 2019 marked the end of the first full decade of the shale revolution that propelled the United States to become the world's top hydrocarbon producer. Our company was an early participant in this development and invested and innovated alongside our customers since the beginning. As unconventionals enter the maturation phase, we are committed to the North American market and are taking appropriate actions to thrive in the new environment. We intend to continue our cost containment measures and to right size our fleet, high grade our customer portfolio, systematically improve our service delivery, grow our share of services per well, and develop differentiating technology that benefits both Halliburton and our customers. Internationally, we will continue focusing on profitable growth and improving our margins. We believe we have the right footprint and an enhanced technology portfolio to compete successfully across the international markets.

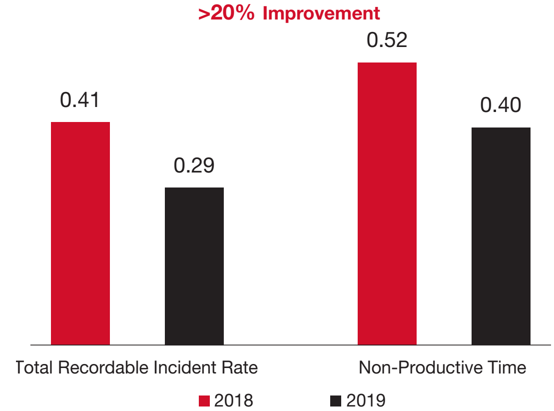
2019 Revenue



We generated **$22.4 billion** of total company revenue, with improvements across all of our international regions. Our international business outgrew the international rig count for the second year in a row.

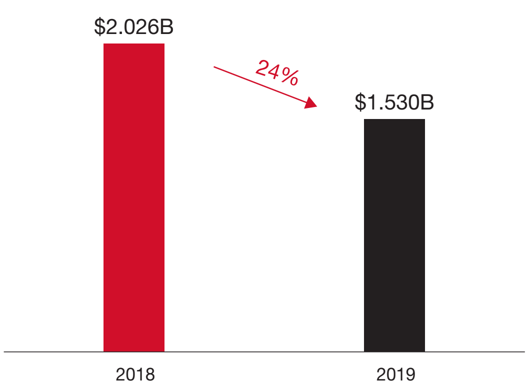
Safety and Service Quality

>20% Improvement



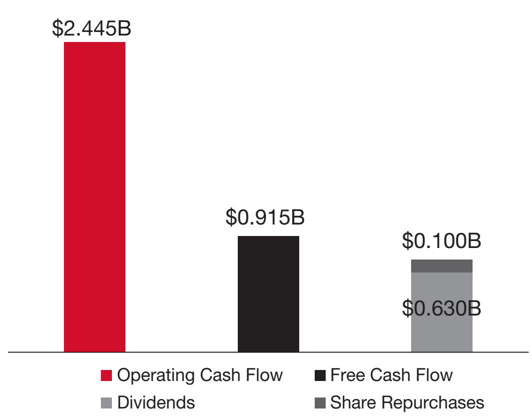
We achieved exceptional safety and service quality performance during 2019. Our total recordable incident rate and non-productive time **improved over 20%**, both historical bests across our business. This is a result of our employees' continued commitment to safety and process execution.

Capital Discipline



We quickly adapted to market conditions by reducing our capital expenditures by **24%** to approximately $1.5 billion in 2019. These capital expenditures were predominantly made in our Sperry Drilling, Production Enhancement, Artificial Lift, Wireline and Perforating, and Production Solutions product service lines.

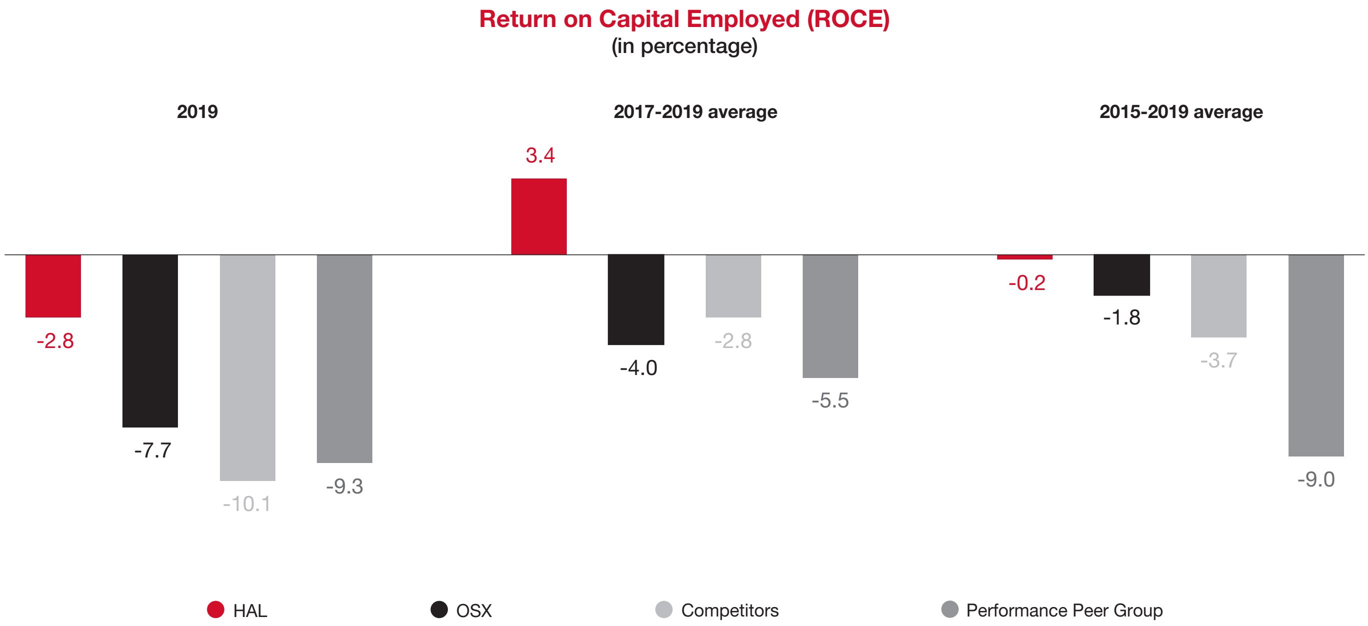
Cash Flow Execution



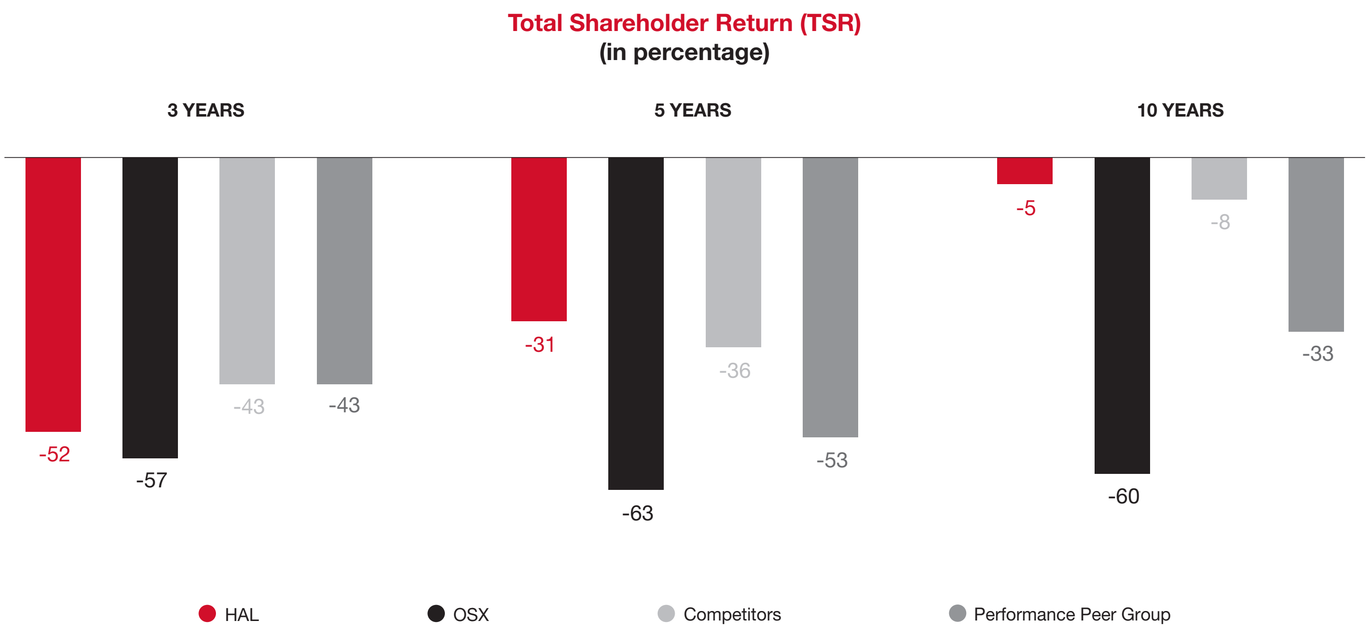
During 2019, we generated $2.4 billion of operating cash flow and had $1.5 billion of capital expenditures, resulting in over **$900 million of free cash flow**. This demonstrates our ability to generate consistent free cash flow in different business environments. We additionally returned over $700 million to shareholders through dividends and share repurchases.

* Management believes free cash flow, defined as "operating cash flow" less "capital expenditures", is an important liquidity measure and useful to investors and management for assessing the business's ability to generate cash.

We delivered superior ROCE performance over the one-, three-, and five-year period ending December 31, 2019, relative to the Oilfield Services Index (OSX), our two largest competitors, and our performance peer group. The details are depicted in the chart below:



We delivered TSR over the three-, five-, and ten-year period ending December 31, 2019, that exceeded the TSR of the OSX. We also outperformed our two largest competitors and our performance peer group for the five- and ten-year period ending December 31, 2019. The details are depicted in the chart below:



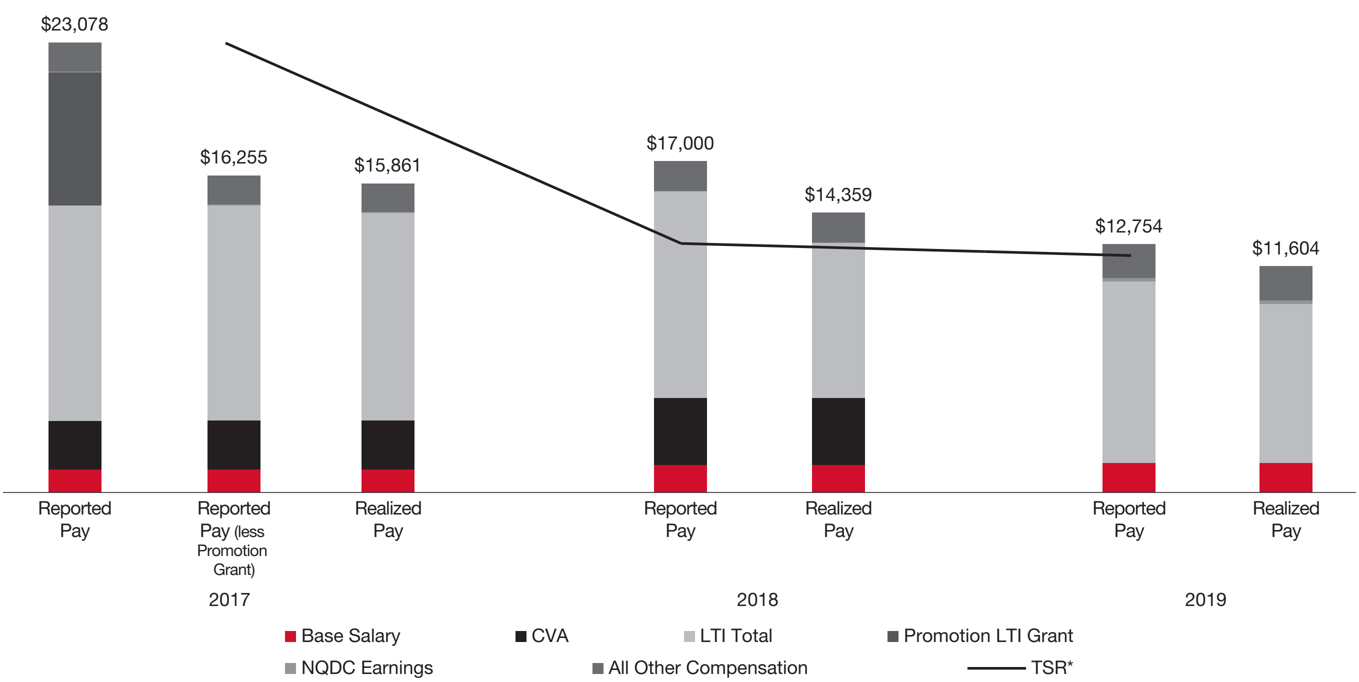
CEO Pay: Reported vs. Realized

In reviewing executive compensation, the Compensation Committee considers the difference between total compensation as reported in the Summary Compensation Table ("reported pay") and realized pay. Since Mr. Miller was appointed CEO in 2017, his realized pay was consistently lower than reported pay, demonstrating the "at-risk" nature of his compensation and our compensation program's pay-for-performance design. In the illustration below, total realized compensation consisted of the following:

- base salary paid;
- cash incentive payouts under the Halliburton Annual Performance Pay Plan;
- the value realized upon exercise of stock options;
- value of restricted stock vested during the year; and
- performance-based award paid for the year.

In 2017, Mr. Miller received a one-time stock award in connection with his promotion to President and CEO, a practice that was discontinued in 2018 in response to shareholder feedback. The chart shows Mr. Miller's 2017 reported pay with and without this internal promotion grant. It also shows how TSR aligns with CEO pay over three years.

CEO: Reported Pay vs. Realized Pay
(in 000's)



** TSR has been indexed to December 31, 2017*

Our Executive Compensation Program Objectives

Our executive compensation program is designed to achieve the following objectives:

- Provide a clear and direct relationship between executive pay and our performance on both a short-term and long-term basis;
- Target market competive pay levels with comparator peer group;
- Emphasize operating performance drivers;
- Link executive pay to measures that drive shareholder returns;
- Support our business strategies; and
- Maximize the return on our human resource investment.

Good Compensation Governance Practices At-A-Glance

What We Do	What We Don't Do
Use mix of relative and absolute financial metrics	No repricing of underwater stock options
The majority of total direct compensation opportunity is performance-based, at-risk, and long-term (65% of long-term incentives is equity-based effective 2020)	No excessive perquisites
Deliver rewards that are based on the achievement of long-term objectives and the creation of shareholder value	No guaranteed bonuses or uncapped incentives
Maintain a clawback policy in the event of a material financial restatement or fraud	No single trigger vesting upon a change of control (applicable to awards to NEOs for 2019 forward)
Maintain robust executive and Director stock ownership requirements	No excise tax gross-ups
Use an independent, external compensation consultant	No hedging or pledging of company securities by executives and Directors
Benchmark against a relevant group of peer companies	No buyout or exchange of underwater options
Rigorous oversight of incentive metrics, goals, and pay-for-performance relationship	No special or one-time stock grants for internal promotions
Hold an annual say-on-pay vote	No liberal share counting or recycling

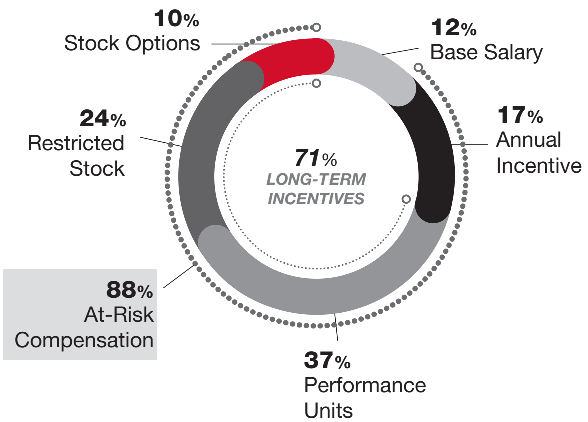
Elements of our Executive Compensation Program for 2019

Halliburton's executive compensation program for the 2019 plan year was composed of base salary, a short-term incentive, and long-term incentives as described below (changes for the 2020 plan year are highlighted in red):

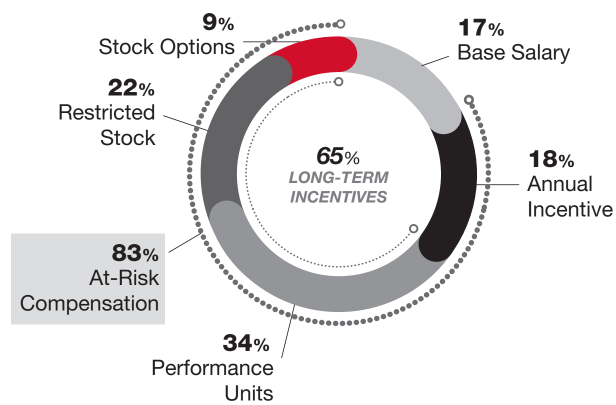
	Reward Element	Objective	Key Features	How Award Value is Determined	2019 Decisions
FIXED	**Base Salary**	Compensates executives based on their responsibilities, experience, and skillset.	Fixed element of compensation paid in cash.	Benchmarked against a group of comparably sized corporations and industry peers.	Base salaries were adjusted consistent with our compensation philosophy. (Page 35)
AT RISK	**Short-Term Incentive**	To motivate and incentivize performance over a one-year period.	Award value and measures are reviewed annually. Targets are set at the beginning of the year.	Performance measured against Cash Value Added (CVA) performance measures. For 2020, performance measured against: • 75% NOPAT • 25% Asset Turns	Award values were targeted at the market median for 2019. (Page 35)
AT RISK	**Long-Term Incentives**	To motivate and incentivize sustained performance over the long-term. Aligns interests of our NEOs with long-term shareholders.	Value is delivered 50% performance units; 35% restricted stock; and 15% stock options. Performance units measured over three years against targets set at the beginning of the performance period. For 2020: • 70% performance units measured over three years (1/2 in stock; 1/2 in cash) with relative TSR modifier • 30% restricted stock • Stock options eliminated	The 2019 performance units measured against ROCE performance relative to performance peers. Restricted stock and stock options have time-based vesting and value is driven by our share price.	Awards were targeted at the market median for 2019. (Page 36)

As illustrated below, the majority of our CEO's and NEOs' total direct compensation opportunity is performance-based, at-risk, and long-term. The graphs depict the mix of total target direct compensation set for our CEO and NEOs for the 2019 plan year. As part of its process, the Compensation Committee makes decisions about target long-term incentive award opportunities for the following year during its regular December meeting. For the 2019 plan year, the Compensation Committee approved restricted stock and stock option grants in December 2018.

2019 CEO Compensation Mix



2019 Other NEO Compensation Mix(1)



(1) Reflects the compensation mix of Messrs. Loeffler, Carre, and Rainey. Mr. Richard was not included because he was not a NEO for the entire year.

Setting Executive Compensation

Role of the Compensation Committee

The Compensation Committee oversees the executive compensation program and has overall responsibility for making final decisions about total compensation for all of the NEOs, except for the CEO, which is set by the entire Board of Directors. As part of its annual process, the Committee works closely with senior management (as appropriate) and the Committee's independent compensation consultant. This process ensures consistency from year to year and adherence to the responsibilities listed in the Committee's Charter, which is available on our website.

The CEO does not provide recommendations concerning his own compensation, nor is he present when his compensation is discussed by the Committee. The Committee, with input from its independent compensation consultant, discusses the elements of his compensation in executive session and makes a recommendation to all of the non-management Directors for discussion and final approval. At the Committee's request, a member of our management team may attend the executive session to answer questions from the Committee.

The CEO, with input from the Committee's independent compensation consultant, assists the Committee in setting compensation for the other NEOs.

Use of Independent Consultants and Advisors

The Committee engaged Pearl Meyer as its independent compensation consultant during 2019. Pearl Meyer does not provide any other services to us. The primary responsibilities of the independent compensation consultant were to:

- Provide independent and objective market data;
- Conduct compensation analysis;
- Recommend potential changes to the comparator peer group and performance peer group;
- Recommend plan design changes;
- Advise on risks associated with compensation plans; and
- Review and advise on pay programs and pay levels.

These services are provided as requested by the Committee throughout the year. Based on their review of our executive compensation program, Pearl Meyer concluded that our compensation plans do not appear to present any material risks to the Company or its shareholders in the design, metrics, interaction between, or administration of the incentive plans.

Role of Benchmarking, Peer Companies, and Market Data

The Committee regularly assesses the market competitiveness of the Company's executive compensation program based on data from a comparator peer group. The companies comprising the comparator peer group are selected based on the following considerations:

- Market capitalization;
- Revenue and number of employees;
- Global impact and reach; and
- Industry affiliation.

Industry affiliation includes companies that are involved in the oil and natural gas and energy services industries. The comparator peer group is reviewed annually by the Committee to ensure relevance, with data provided to the Committee by the independent compensation consultant.

The 2019 comparator peer group was composed of the following peer companies within the energy industry, as well as selected companies representing general industry. This peer group was utilized to determine market levels of total compensation for the 2019 plan year and was unchanged from 2018:

3M Company	Hess Corporation
Anadarko Petroleum Corporation	Honeywell International Inc.
Apache Corporation	Johnson Controls International plc
Baker Hughes	National Oilwell Varco, Inc.
Caterpillar Inc.	Occidental Petroleum Corporation
ConocoPhillips	Raytheon Company
Deere and Company	Schlumberger Limited
Emerson Electric Co.	Transocean Ltd.
Fluor Corporation	Weatherford International plc

Because of variances in market capitalization and revenue size among the companies comprising our comparator peer group, the market data is size adjusted by revenue as necessary so that it is comparable with our trailing 12 months revenue. These adjusted values are used to compare our executives' compensation to those of the comparator peer group.

Total compensation for each NEO is structured to target market competitive pay levels in base salary and short- and long-term incentive opportunities. We also place an emphasis on variable pay at risk, which enables this compensation structure to position actual pay above or below the 50th percentile of our comparator peer group depending on performance.

A consistent pre-tax, present value methodology is used in assessing stock-based and other long-term incentive awards.

The independent compensation consultant gathers and performs an analysis of market data for each NEO, comparing each of their individual components of compensation and total compensation to that of the comparator peer group. This competitive analysis consists of comparing the market data of each of the pay elements and total compensation at the 25th, 50th, and 75th percentiles of the comparator peer group to current compensation for each NEO.

Pay for Performance Analysis

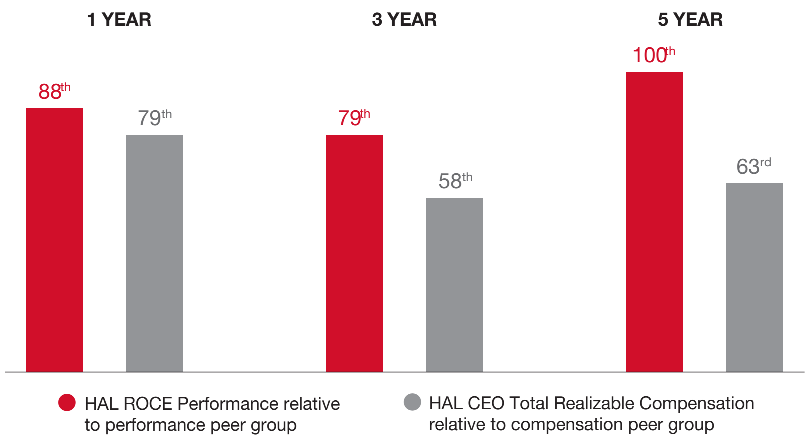
As part of its analysis, the Committee reviews one-, three-, and five-year pay for performance against our performance peer group as identified in the section entitled "Long-term Incentives". The review examines the degree of alignment between our ROCE performance compared to the ROCE performance of our performance peer group and our CEO's realizable compensation relative to the realizable compensation of the CEOs in our comparator peer group.

Total realizable compensation consisted of the following:

- base salary paid;
- cash incentive payouts;
- in-the-money value of stock options grants during the one-, three-, and five-year periods valued as of December 31, 2018;
- face value of restricted stock grants during the one-, three-, and five-year periods valued as of December 31, 2018; and
- for performance-based awards, (i) target value for awards still outstanding as of December 31, 2018, and (ii) realized value for performance periods beginning and ending within the one-, three-, and five-year periods.

This analysis supported the Committee's determination that our pay and performance are appropriately aligned.

Pay for Performance Analysis
Periods Ending December 31, 2018
(in percentile)



Determination of CEO and NEO Target Total Compensation

When determining target total compensation for the CEO, the Committee takes into consideration competitive market pay levels for the CEOs in the comparator peer group. The Committee also considers the CEO's performance and accomplishments in the areas of business development and expansion, management succession, development and retention of management, ethical leadership, and the achievement of financial and operational objectives.

Each year, our CEO and the members of the Board agree upon a set of objectives addressing the following areas:

- Leadership and vision;
- Integrity;
- Keeping the Board informed on matters affecting Halliburton;
- Performance of the business;
- Development and implementation of initiatives that provide long-term economic benefits;
- Accomplishment of strategic objectives; and
- Development of management.

The Board determined that Mr. Miller met these objectives in 2019 through the following achievements:

LEADERSHIP AND VISION

- Managed through a seamless CFO and Western Hemisphere leadership transition
- Facilitated the addition of two Directors to the Board
- Led the organization through the business cycle with effective stakeholder communication and maintained high visibility with employees, shareholders, and customers

INTEGRITY

- Maintained unwavering commitment to our Code of Business Conduct

KEEPING THE BOARD INFORMED

- Communicated regularly with the members of the Board providing status reports and notifications on business issues and providing unfettered access to management and subject matter experts

PERFORMANCE OF THE BUSINESS

- Outperformed the OSX, our two largest competitors, and our performance peer group in terms of ROCE over the one-, three-, and five-year periods ending December 31, 2019; delivered superior TSR performance relative to the OSX over the three-, five-, and ten-year periods ending December 31, 2019, and outperformed our two largest competitors and our performance peer group and in terms of TSR for the five- and ten-year period ending December 31, 2019
- Maintained unwavering commitment to our Health, Safety and Environment program

DEVELOP AND IMPLEMENT INITIATIVES THAT PROVIDE LONG-TERM ECONOMIC BENEFITS

- Continued Company focus on evolving market trends, first of its kind technology development, and automation
- Continued to institutionalize Continuous Improvement which drives profitability, capacity, and greater flexibility

ACCOMPLISHMENT OF STRATEGIC OBJECTIVES

- Continued our international diversification by strengthening our international business
- Executed key integration initiatives across multiple segments of the business

DEVELOPMENT OF MANAGEMENT

- Exposed the next generation of management to the Board, further enhanced the management/employee succession process, and focused senior management on talent development and diversity initiatives

Other NEO compensation is determined similar to that of the CEO by evaluating each NEO's performance and considering the market competitive pay levels of the comparator peer group for the NEO's position. The Compensation Committee also considers the importance of keeping our management team focused and stable, especially given that other oilfield services companies have aggressively recruited our NEOs and other executives in the past. In fact, over thirty of our former executives have departed to become CEOs and/or senior executives of other oilfield services companies.

2019 Executive Compensation Outcomes

Base Salary

The Committee generally targets base salaries at the median of the comparator peer group. The Committee also considers the following factors when setting base salary:

- Level of responsibility;
- Experience in current role and equitable compensation relationships among internal peers;
- Performance and leadership; and
- External factors involving competitive positioning, general economic conditions, and marketplace compensation trends.

No specific formula is applied to determine the weight of each factor.

Salary reviews are conducted annually to evaluate each executive. Individual salaries are not necessarily adjusted each year.

The Committee approved the following base salary adjustments effective January 1, 2019:

- Mr. Miller received a 7.1% increase in annual base salary ($1,400,000 to $1,500,000) to align his base salary with the market median of our comparator peer group;
- Mr. Loeffler received a 73.3% increase in annual base salary ($375,000 to $650,000) in recognition of his promotion to CFO in November 2018. While this adjustment was significant, it still positions Mr. Loeffler's salary below the market median for a CFO role. As per its normal practice, the Committee intends to bring Mr. Loffler's base salary to the market median over a multi-year period.
- Mr. Carre received a 6.7% increase in annual base salary ($750,000 to $800,000) to position his base salary at the market median of our comparator peer group; and
- Mr. Rainey received a 4.0% increase in annual base salary ($875,000 to $910,000) based on performance and internal equity.

The Committee approved the following base salary adjustments effective February 1, 2019:

- Mr. Richard received a 16.0% increase in annual base salary ($625,000 to $725,000) in recognition of his promotion to President – Western Hemisphere. Mr. Richard's salary is still positioned below the market median for his role. The Committee intends to bring Mr. Richard's base salary to the market median over a multi-year period.

At its regular December 2019 meeting, the Compensation Committee determined that base salaries for our NEOs would remain unchanged for 2020, with the exceptions of Messrs. Loeffler and Richard, both of whom received the second half of their two-year promotion-related increases.

Short-term (Annual) Incentive

The Annual Performance Pay Plan is designed to reward executives and other key members of management for improving financial results that drive the creation of economic value for our shareholders and provide a means to connect individual cash compensation directly to our performance. It is administered in accordance with the terms of the Stock and Incentive Plan.

The Annual Performance Pay Plan provides an incentive to our NEOs to generate more earnings than normally expected by the investors who have provided us with capital to grow our business. For 2019, we measured achievement of this objective using Cash Value Added, or CVA. CVA is a financial measurement that demonstrates the amount of economic value added to our business.

The Committee selected CVA for our Annual Performance Pay Plan because it is a key financial measure on which we set our performance expectations for the year and we believe it is a proven driver of value creation for shareholders. However, the Committee also considers other business performance factors that are important to our investors, including health, safety, environment, and service quality, in determining the final payout amounts under the Annual Performance Pay Plan.

CVA = Net Operating Profit After Taxes − Capital Charge

OPERATING INCOME	
+	Interest Income
+	Foreign Currency Gains (Losses)
+	Other Nonoperating Income (Expense), Net
=	**NET OPERATING PROFIT**
−	Income Taxes
=	**NET OPERATING PROFIT AFTER TAXES**
NET INVESTED CAPITAL	
X	Weighted Average Cost of Capital
=	**CAPITAL CHARGE**

At the beginning of each plan year, the Committee approves an incentive award schedule that equates levels of CVA performance with cash reward opportunities. The performance goals range from "Threshold" to "Target" to "Maximum". Threshold reflects the minimum CVA performance level which must be achieved in order for any award to be earned and Maximum reflects the maximum awards that can be earned.

The performance goals are based on our annual operating plan, as reviewed and approved by our Board, and are set at levels to meet or exceed shareholder expectations of our performance, as well as expectations of the relative performance to our competitors. Given the cyclical nature of our business, our performance goals vary from year to year, which can similarly impact the difficulty in achieving the goals.

CVA is computed monthly and aggregated throughout the calendar year. Adjustments in the calculation of CVA may, at times, be approved by the Committee and can include the treatment of unusual items that may have impacted our actual results.

The Committee set the 2019 performance goals for our NEOs based on company-wide consolidated CVA results. Threshold CVA was based on 90% of planned Operating Income, Target CVA on 100% of planned Operating Income, and Maximum CVA on 110% of planned Operating Income.

The Committee set the 2019 award levels, targeted to the market median, for our NEOs based on the company-wide consolidated CVA results. The performance goals for the 2019 plan year are noted in the table below:

Metric	Threshold	Target	Maximum	Actual
CVA	$5 M	$57 M	$238 M	-$2,208 M

Individual incentive award opportunities are established as a percentage of base salary at the beginning of the plan year based on market competitive targets. The maximum award a NEO can receive is limited to two times the target opportunity level. The level of achievement of annual CVA performance determines the dollar amount of incentive compensation payable to participants following completion of the plan year.

The Committee set incentive award opportunities under the plan as follows:

NEO	Threshold	Target	Maximum
Mr. Miller	60%	150%	300%
Mr. Loeffler	40%	100%	200%
Mr. Carre	40%	100%	200%
Mr. Rainey	44%	110%	220%
Mr. Richard	44%	110%	220%

Threshold, Target, and Maximum opportunity dollar amounts can be found in the Grants of Plan-Based Awards in Fiscal 2019 table.

Because the 2019 CVA actual results were below Threshold, our NEOs did not receive a CVA payout.

Over the past ten years, the Annual Performance Pay Plan achieved Maximum performance levels five times, Target performance levels two times, and fell short of the Threshold performance level three times, resulting in no payout.

Long-Term Incentives

The Stock and Incentive Plan is designed to reward consistent achievement of value creation and operating performance goals, align management with shareholder interests, and encourage long-term perspective and commitment. Long-term incentives represent the largest component of total executive compensation opportunity.

Using a mix of incentive vehicles allows us to provide a diversified yet balanced long-term incentive program that effectively addresses volatility in our industry and in the stock market, in addition to maintaining an incentive to meet performance goals. For the 2019 plan year, the Committee used the following combination of equity vehicles for long-term incentive grants:

Vehicle	Weighting	Purpose
Performance Units	50% of Award	Rewards achievement of specific financial goals measured over a three-year performance period
Restricted Stock(1)	35% of Award	Supports leadership retention/stability objectives; five-year vesting period
Stock Options(2)	15% of Award	Rewards for stock price appreciation; three-year vesting period

(1) Restricted stock grants are generally subject to a graded vesting schedule of 20% per year over five years. However, different vesting schedules may be utilized at the discretion of the Committee. Shares of restricted stock receive dividend or dividend equivalent payments.

(2) Stock option awards vest over a three-year graded vesting period with 33 1/3% of the grant vesting each year. All options are priced at the closing stock price on the date the grant is approved by the Committee.

In determining the size of long-term incentive awards, the Committee first considers market data for comparable positions and then may adjust the awards upwards or downwards based on the Committee's review of internal equity. This can result in positions of similar magnitude and pay receiving awards of varying size. Awards are targeted to the market median.

As part of its process, the Compensation Committee makes decisions about target long-term incentive award opportunities for the following year during its regular December meeting. For the 2019 plan year, the Compensation Committee approved restricted stock and stock option grants in December 2018. Exercise prices for stock options are set at the closing stock price on the date the grant is approved.

For the 2020 plan year, grants of restricted stock for NEOs were approved by the Compensation Committee at its December 2019 meeting using the new equity mix (70% performance units and 30% restricted stock). We also added a TSR modifier that increases or decreases the long-term incentives payout based on our relative TSR performance. Stock Options were eliminated for NEOs beginning with the 2020 plan year.

2017 Cycle Performance Unit Program

The 2017 cycle Performance Unit Program provides NEOs and other selected executives with incentive opportunities based on our consolidated ROCE during a three-year performance period. This program reinforces our objectives for sustained long-term performance and value creation. It also reinforces strategic planning processes and balances short- and long-term decision making.

Based on feedback from our shareholders and to more closely align with our strategy of delivering industry-leading returns across the business cycle, in 2015, we modified the metrics in our Performance Unit Program to 100% relative ROCE. The program measures ROCE on a relative basis to the results of our performance peer group used for the Performance Unit Program. The three-year performance period aligns this measurement with our and our performance peer group's business cycles.

ROCE indicates the efficiency and profitability of our capital investments and is determined based on the ratio of earnings divided by average capital employed. The calculation is as follows:

$$\text{ROCE} = \frac{\text{Net income} + \text{After-tax interest expense}}{\text{Shareholders' equity (average of beginning and end of period)} + \text{Debt (average of beginning and end of period)}}$$

Why ROCE?

Highly correlated to stock price performance over the long-term, applying drivers that management can directly influence.	Overwhelmingly supported by our shareholders.
Aligned with our strategy of delivering industry-leading returns across the business cycle.	Eliminates the subjectivity inherent in setting long-term absolute targets in a cyclical industry.
Reinforces the Company's objective for sustained long-term performance and value creation.	Provides our management team with clear line of sight to long-term financial results.

The performance peer group used for the Performance Unit Program is comprised of oilfield equipment and services companies and domestic and international exploration and production companies. This peer group is used for the Performance Unit Program because these companies represent the timing, cyclicality, and volatility of the oil and natural gas industry and provide an appropriate industry group for measuring our relative performance. The peer group, disclosed in our 2018 proxy statement, was used for the 2017 cycle of the Performance Unit Program.

The table below shows the incentive opportunity based on Halliburton's ROCE performance relative to that of our performance peer group. The 2017 cycle of the Performance Unit Program ended on December 31, 2019, and we achieved ROCE of 3.36%, which was above the 75th percentile of our performance peer group's ROCE of 1.28% and yielded an award paid at 200% of the target opportunity level.

2017 Cycle – Performance Matrix

Halliburton Ranking vs. Performance Peer Group	Threshold 25th Percentile	Target 50th Percentile	Maximum 75th Percentile
Incentive Opportunity as a % of Target	25%	100%	200%

The NEOs received payments in 2020 as set forth in the Non-Equity Incentive Plan Compensation column in the Summary Compensation Table. The program allows for rewards to be paid in cash, stock, or a combination of cash and stock.

2019 Cycle Performance Unit Program

The Committee set the performance measures on a 100% relative ROCE basis for the 2019 cycle of the Performance Unit Program, with performance measured for the three-year period ending December 31, 2021.

The performance peer group for the 2019 cycle Performance Unit Program is the same as the performance peer group used for the 2018 cycle Performance Unit Program and consists of the following companies:

Anadarko Petroleum Corporation	Nabors Industries Ltd.
Apache Corporation	National Oilwell Varco, Inc.
Baker Hughes	Schlumberger Limited
Chesapeake Energy Corporation	Superior Energy Services, Inc
Devon Energy Corporation	TechnipFMC
Hess Corporation	Transocean Ltd.
Marathon Oil Corporation	Weatherford International plc
Murphy Oil Corporation	The Williams Companies, Inc.

At the end of the three-year performance period, the ROCE of the Company and the performance peer group will be calculated and percentiles will be determined. The table below details the incentive opportunity based on Halliburton's performance relative to the performance peer group. If Halliburton's relative performance ranking is below the 25th percentile, there will be no payment. If Halliburton's relative performance ranking is between the 25th, 50th, and 75th percentiles, the payout will be interpolated accordingly.

2019 Cycle – Performance Matrix

Halliburton Ranking vs. Performance Peer Group	Threshold 25th Percentile	Target 50th Percentile	Maximum 75th Percentile
Incentive Opportunity as a % of Target	25%	100%	200%

Individual incentive opportunities are established based on market references and the NEO's role within the organization. The Threshold, Target, and Maximum columns under the heading Estimated Future Payouts Under Non-Equity Incentive Plan Awards in the Grants of Plan-Based Awards in Fiscal 2019 table indicate the potential payout for each NEO under the Performance Unit Program for the 2019 cycle. The potential payouts are performance driven and completely at risk. Actual payout amounts, if any, will not be determined until the three-year cycle closes on December 31, 2021.

Supplemental Executive Retirement Plan

The objective of the Supplemental Executive Retirement Plan, or SERP, is to provide a competitive level of pay replacement upon retirement. The current pay replacement target is 75% of base salary at age 65 with 25 years of service, using the highest annual salary during the last three years of employment.

The material factors and guidelines considered in making an allocation include: (i) retirement benefits provided, both qualified and nonqualified; (ii) current compensation; (iii) length of service; and (iv) years of service to normal retirement.

The calculation takes into account the following variables: (i) base salary; (ii) years of service; (iii) age; (iv) employer portion of qualified plan savings; (v) age 65 value of any defined benefit plan; and (vi) existing nonqualified plan balances and any other retirement plans.

Several assumptions are made annually and include a base salary increase percentage, qualified and nonqualified plan contributions and investment earnings, and an annuity rate. These factors are reviewed and approved annually by the Committee in advance of calculating any awards.

To determine the annual benefit, external actuaries calculate the total lump sum retirement benefit needed at age 65 from all company retirement sources to produce an annual retirement benefit of 75% of highest annual salary during the last three years of employment. Company retirement sources include any Company contributions to qualified benefit plans and contributions to nonqualified benefit plans. If the combination of these two sources does not yield a total retirement balance that will meet the 75% objective, then contributions may be made annually through the SERP to bring the total benefit up to the targeted level.

To illustrate, assume $10 million is needed at age 65 to produce an annual retirement benefit equal to 75% of base salary. The participant is projected to have $3 million in his qualified benefit plans resulting from Company contributions at retirement and $4 million in his nonqualified retirement plans resulting from Company contributions at retirement. Since the total of these two sources is $7 million, a shortfall of $3 million results. This is the amount needed to achieve the 75% pay replacement objective. This shortfall may be offset through annual contributions to the SERP.

Participation in the SERP is limited to the direct reports of the CEO and other selected executives as recommended by the CEO and approved at the discretion of the Committee. However, participation one year does not guarantee future participation. In 2019, the Committee authorized retirement allocations under the SERP to all NEOs as listed in the Supplemental Table: All Other Compensation and the 2019 Nonqualified Deferred Compensation table.

All of the NEOs, except Mr. Loeffler, are fully vested in their respective account balances. Balances for active and terminated participants earn interest at an annual rate of 5% and 10%, respectively.

Other Executive Benefits and Policies

Retirement and Savings Plan

All NEOs may participate in the Halliburton Retirement and Savings Plan, which is the defined contribution benefit plan available to all eligible U.S. employees. The matching contribution amounts we contributed on behalf of each NEO are included in the Supplemental Table: All Other Compensation.

Elective Deferral Plan

All NEOs may participate in the Halliburton Elective Deferral Plan, which was established to provide highly compensated employees with an opportunity to defer earned base salary and incentive compensation in order to help meet retirement and other future income needs.

Participants may elect to defer up to 75% of their annual base salary and up to 75% of their incentive compensation into the plan. Deferral elections must be made on an annual basis, including the type and timing of distribution. Plan earnings are based on the NEO's choice of up to 12 investment options with varying degrees of risk, including the risk of loss. Investment options may be changed by the NEO daily.

In 2019, none of our NEOs participated in this plan. Messrs. Rainey and Richard have account balances from participation in the plan in prior years. Messrs. Miller, Loeffler, and Carre are not participants in the plan. Further details can be found in the 2019 Nonqualified Deferred Compensation table.

Benefit Restoration Plan

The Halliburton Company Benefit Restoration Plan provides a vehicle to restore qualified plan benefits which are reduced as a result of limitations on contributions imposed under the Internal Revenue Code or due to participation in other plans we sponsor and to defer compensation that would otherwise be treated as excessive remuneration within the meaning of Section 162(m) of the Internal Revenue Code. Awards are made annually to those who meet these criteria and earned interest at an annual rate as defined by the plan document. Awards and corresponding interest balances are 100% vested and distributed upon separation.

In accordance with the plan document, participants earn monthly interest at the 120% AFR rate, provided the interest rate shall be no less than 6% per annum or greater than 10% per annum. Because the 120% AFR rate was below the 6% minimum interest threshold, plan participants earned interest at an annual rate of 6% in 2019.

In 2019, all NEOs received awards under this plan in the amounts included in the Supplemental Table: All Other Compensation and the 2019 Nonqualified Deferred Compensation table.

Perquisites

Effective January 1, 2019, we eliminated several perquisites including tax gross ups for personal use of corporate aircraft, executive physical examinations, and financial planning reimbursements. We also eliminated reimbursements for country club dues for all of our NEOs.

We do not provide cars to our NEOs. However, a car and part-time driver is available for Mr. Miller's limited use as needed for security purposes and so that he can work while in transit to meet customers or attend business-related functions.

We provided security at the personal residences of Messrs. Miller and Loeffler during 2019.

As a result of the recommendations provided by an independent, third-party security consultant, the Board has determined that Mr. Miller must use company aircraft for all travel. The security study also recommends that his spouse and children use company-provided aircraft. The only personal use of the company aircraft in 2019 for other NEOs is for spousal and dependent travel on select business trips.

Mr. Rainey is an expatriate under our long-term expatriate business practice. A differential is commonly paid to expatriates in assignment locations where the cost of goods and services is greater than the cost for the same goods and services in the expatriate's home country. Differentials are determined by Mercer/ORC, a third-party consultant. Mr. Rainey receives certain assignment allowances, including a goods and services differential and host country housing and utilities. He also participates in our tax equalization program, which neutralizes the tax effect of the international assignment and approximates the tax obligation the expatriate would pay in his home country.

Specific amounts for the above-mentioned perquisites are detailed for each NEO in the Supplemental Table: All Other Compensation.

Clawback Policy

We have a clawback policy under which we will seek to recoup incentive compensation in all appropriate cases paid to, awarded, or credited for the benefit of any of our executive officers, which include all NEOs, if and to the extent that:

- The amount of incentive compensation was calculated based on the achievement of financial results that were subsequently reduced due to a restatement of our financial results;
- The officer engaged in fraudulent conduct that caused the need for the restatement; and
- The amount of incentive compensation that would have been paid to, awarded, or credited for the benefit of the officer, had our financial results been properly reported, would have been lower than the amount actually paid, awarded, or credited.

The policy also provides that we will seek to recoup incentive compensation in all appropriate cases paid to, awarded to, or credited for the benefit of any of our executive officers, which include all NEOs, and certain other senior officers, if and to the extent that:

- It is determined that, in connection with the performance of that officer's duties, he or she breached his or her fiduciary duty by knowingly or recklessly engaging in a material violation of a U.S. federal or state law, or failed to supervise an employee who substantially participated in such a violation; or
- The officer is named as a defendant in a law enforcement proceeding for having breached his or her fiduciary duty by knowingly or recklessly engaging in a material violation of a U.S. federal or state law, the officer disagrees with the allegations relating to the proceeding, and either (i) we initiate a review and determine that the alleged action is not indemnifiable or (ii) the officer does not prevail at trial, enters into a plea arrangement, agrees to the entry of a final administrative or judicial order imposing sanctions, or otherwise admits to the violation in a legal proceeding.

The disinterested members of the Board and the disinterested members of the Compensation Committee and the Nominating and Corporate Governance Committee may be involved in reviewing, considering, and making determinations regarding the officer's alleged conduct, whether recoupment is appropriate or required, and the type and amount of incentive compensation to be recouped from the officer.

The policy also provides that, to the extent permitted by applicable law and not previously disclosed in a filing with the SEC, we will disclose in our proxy statement the circumstances of any recoupment arising under the policy or that there has not been any recoupment pursuant to the policy for the prior calendar year. There was no recoupment under the policy in 2019.

Stock Ownership Requirements

We have stock ownership requirements for our executive officers, which include all the NEOs, to further align their interests with our shareholders.

Our CEO is required to own Halliburton common stock in an amount equal to or in excess of six times his annual base salary. Executive officers that report directly to the CEO are required to own an amount of Halliburton common stock equal to or in excess of three times their annual base salary, and all other executive officers are required to own an amount of Halliburton common stock equal to or in excess of two times their annual base salary. The Committee reviews their holdings, which include restricted shares and all other Halliburton common stock owned by the officer, at each December meeting. Each executive officer has five years to meet the requirements, measured from the date the officer becomes subject to the ownership level for the applicable office.

After the five-year stock ownership period, as described above, executive officers who have not met their minimum ownership requirement must retain 100% of the net shares acquired upon restricted stock vesting until they achieve their required ownership level. During this time period, any stock option exercise must be an exercise and hold.

As of December 31, 2019, all NEOs met the requirements.

Hedging and Pledging Policy

We have a policy under which our Directors and executive officers, which include all NEOs, and certain senior officers are prohibited from:

- hedging activities related to Halliburton securities; and
- the pledging of Halliburton securities.

The policy defines hedging activities as the use of any financial instrument designed to hedge or offset a change in the market value of any Halliburton security, and defines pledging as the use of a Halliburton security or any related derivative security as collateral for any form of indebtedness.

Additionally, the policy:

- discourages all employees and Directors from speculative activities in Halliburton securities and related derivative securities, such as puts or call options;
- applies to all Halliburton securities, including restricted stock, restricted stock units, options, and debt securities, which are issued by any Halliburton entity, and any other security directly or indirectly exercisable for or convertible or exchangeable into any Halliburton security; and
- applies regardless of whether or not the securities were acquired from our equity compensation plans.

Elements of Post-Termination Compensation and Benefits

Termination events that trigger payments and benefits include normal or early retirement, cause, death, disability, and voluntary termination. Post-termination or change-in-control payments may include severance, accelerated vesting of restricted stock and stock options, payments under cash-based short- and long-term incentive plans, payout of nonqualified account balances, and health benefits, among others. The impact of various events on each element of compensation for the NEOs is detailed in the Post-Termination or Change-In-Control Payment table.

Impact of Regulatory Requirements on Compensation

Section 162(m) of the Internal Revenue Code generally disallows a tax deduction to public companies for compensation paid to the CEO, CFO, or any of the three other most highly compensated officers to the extent the compensation exceeds $1 million in any year. Effective for tax years beginning after December 31, 2017, Section 162(m) has been revised to eliminate the performance-based compensation exception.

Prior to this change in the tax law, our Stock and Incentive Plan enabled qualification of stock options, stock appreciation rights, and performance share awards, as well as short- and long-term cash performance plans under Section 162(m). Our policy is to utilize available tax deductions whenever appropriate and consistent with our compensation philosophy. When designing and implementing our executive compensation program, the Committee considers all relevant factors, including tax deductibility of compensation, and will consider the federal tax deductibility of compensation in excess of $1 million a year to the extent doing so is consistent with our executive compensation objectives.

Executive Compensation Tables

Summary Compensation Table

The following tables set forth information regarding our CEO, CFO, and our three other most highly compensated executive officers for the fiscal year ended December 31, 2019.

Name and Principal Position	Year	Salary ($)	Bonus ($)	Stock Awards ($)	Option Awards ($)	Non-Equity Incentive Plan Compensation ($)	Change In Pension Value and NQDC Earnings ($)	All Other Compensation ($)	Total ($)
Jeffrey A. Miller	2019	1,500,000	0	3,584,073	0	5,730,380	139,300	1,799,861	12,753,614
Chairman, President and Chief Executive	2018	1,400,000	0	3,137,712	1,253,184	9,628,708	47,006	1,533,288	16,999,898
Officer	2017	1,175,000	0	10,168,098	1,506,020	8,692,468	59,532	1,477,246	23,078,364
Lance Loeffler	2019	650,000	0	888,858	0	0	4,656	465,091	2,008,605
Executive Vice President and Chief Financial Officer	2018	375,000	0	1,316,925	626,190	60,626	269	218,632	2,597,642
Eric J. Carre Executive Vice President – Global Business Lines	2019	800,000	0	848,065	0	2,485,124	45,466	737,503	4,916,158
Joe D. Rainey	2019	910,000	0	1,129,322	0	3,307,924	409,467	2,368,494	8,125,207
President – Eastern Hemisphere	2018	875,000	0	1,223,016	488,976	5,240,944	11,626	3,135,200	10,974,762
	2017	835,000	0	3,703,772	537,948	5,040,420	241,270	3,636,965	13,995,375
Mark J. Richard President – Western Hemisphere	2019	716,678	0	1,129,322	0	1,656,000	88,574	1,321,431	4,912,005

Salary. The amounts in the Salary column reflect the salary earned by each NEO.

Stock Awards. The amounts in the Stock Awards column reflect the grant date fair value of the restricted stock awarded in 2019. Except where there is a distinction to make between the two types of awards, this proxy statement refers to both restricted stock and restricted stock units as "restricted stock". We calculate the fair value of restricted stock awards by multiplying the number of restricted shares or units granted by the closing stock price on the grant date.

Option Awards. As discussed in Compensation Discussion and Analysis, we discontinued granting Option Awards to NEOs in 2019.

Non-Equity Incentive Plan Compensation. The Non-Equity Incentive Plan Compensation column reflect amounts earned in 2019 and paid in 2020 for the 2017 cycle Performance Unit Program.

The 2017 cycle Performance Unit Program amounts paid to each NEO are: $5,730,380 for Mr. Miller; $2,485,124 for Mr. Carre; $3,307,924 for Mr. Rainey; and $1,656,000 for Mr. Richard. Mr. Loeffler was not a participant in the 2017 cycle Performance Unit Program. The amounts paid to the NEOs for the 2017 cycle Performance Unit Program differ from what is shown in the Grants of Plan-Based Awards in Fiscal Year 2019 table under Estimated Future Payments Under Non-Equity Incentive Plan Awards. That table indicates the potential award amounts under the 2019 cycle Performance Unit Program, which will close on December 31, 2021.

As discussed in the Compensation Discussion and Analysis, no amounts were earned by our NEOs under the 2019 Halliburton Annual Performance Pay Plan because the minimum threshold performance level was not achieved.

Change in Pension Value and NQDC Earnings. The amounts in the Change in Pension Value and NQDC Earnings column are attributable to the above-market earnings for various nonqualified plans. The methodology for determining what constitutes above-market earnings is the difference between the interest rate as stated in the applicable nonqualified plan document and the Internal Revenue Service Long-Term 120% AFR rate as of December 31, 2019. The 120% AFR rate used for determining above-market earnings in 2019 was 2.52%.

Supplemental Executive Retirement Plan Above-Market Earnings. The current interest rate for active participant accounts in the Supplemental Executive Retirement Plan is 5% as defined by the plan document. The above-market earnings for active participants equaled 2.48% (5% (plan interest) minus 2.52%) for 2019.

NEOs earned above-market earnings for their balances associated with the plan as follows: $122,789 for Mr. Miller; $3,920 for Mr. Loeffler; $37,791 for Mr. Carre; and $132,303 for Mr. Rainey.

Benefit Restoration Plan Above-Market Earnings. In accordance with the plan document, participants earn monthly interest at the 120% AFR rate, provided the interest rate shall be no less than 6% per annum or greater than 10% per annum. Because the 120% AFR rate was below the 6% minimum interest threshold, the above-market earnings associated with this plan were 3.48% (6% (plan interest) minus 2.52%) for 2019.

NEOs earned above-market earnings for their balances associated with the plan as follows: $16,511 for Mr. Miller; $736 for Mr. Loeffler; $7,675 for Mr. Carre; $16,212 for Mr. Rainey; and $4,582 for Mr. Richard.

Elective Deferral Plan Above-Market Earnings. The average NEO earnings for the balances associated with the Elective Deferral Plan were 9.02% for 2019. The above-market earnings associated with this plan equaled 6.50% (9.02% minus 2.52%) for 2019.

NEOs earned above-market earnings for balances associated with the plan as follows: $260,952 for Mr. Rainey; and $83,992 for Mr. Richard. Messrs. Miller, Loeffler, and Carre are not participants in and do not have any prior balances in the Elective Deferral Plan.

The amounts shown in this column differ from the amounts shown for the Supplemental Executive Retirement Plan, the Benefit Restoration Plan, and the Elective Deferral Plan in the 2019 Nonqualified Deferred Compensation table under the Aggregate Earnings in Last Fiscal Year column because that table includes all earnings and losses and the Summary Compensation Table shows above-market earnings only.

All Other Compensation. Detailed information for amounts included in the All Other Compensation column can be found in the Supplemental Table: All Other Compensation.

Supplemental Table: All Other Compensation

The following table details the components of the All Other Compensation column of the Summary Compensation Table for 2019.

Name	Halliburton Foundation ($)	Halliburton Giving Choices ($)	HALPAC ($)	Restricted Stock Dividends ($)	HRSP Employer Match ($)	HRSP Basic ($)	Benefit Restoration Plan ($)	SERP ($)	Expatriate Assignment ($)	All Other ($)	Total ($)
Jeffrey A. Miller	112,500	1,000	5,000	309,412	13,750	5,600	85,400	1,205,000	0	62,199	1,799,861
Lance Loeffler	0	75	5,000	47,400	14,000	5,600	25,900	332,000	0	35,116	465,091
Eric J. Carre	0	1,000	0	88,503	14,000	5,600	36,400	592,000	0	0	737,503
Joe D. Rainey	0	0	0	0	14,000	5,600	44,100	983,000	1,321,794	0	2,368,494
Mark J. Richard	45,000	80	5,000	45,473	13,177	5,600	30,567	1,129,000	0	47,534	1,321,431

Halliburton Foundation. The Halliburton Foundation allows NEOs and other employees to donate to approved universities, medical hospitals, and primary schools of their choice. In 2019, the Halliburton Foundation matched donations up to $20,000 on a 2.25 for 1 basis. Mr. Miller participated in the Halliburton Foundation's matching program for Directors, which allowed his 2019 contributions up to $50,000 to qualified organizations to be matched on a 2.25 for 1 basis.

Halliburton Giving Choices. The Halliburton Giving Choices Program allows NEOs and other employees to donate to approved not-for-profit charities of their choice. We match donations by contributing ten cents for every dollar contributed by employees. The amounts shown represent the match amounts the program donated to charities on behalf of the NEOs in 2019.

Halliburton Political Action Committee. The Halliburton Political Action Committee, or HALPAC, allows NEOs and other eligible employees to donate to political candidates and participate in the political process. We match the NEOs' and other employees' donations to HALPAC dollar-for-dollar to a 501(c)(3) status nonprofit organization of the contributor's choice. The amounts shown represent the match amounts donated to charities on behalf of the NEOs in 2019.

Restricted Stock Dividends. This is the amount of dividends paid on restricted stock held by NEOs in 2019. Restricted stock units granted to employees do not receive dividend payments.

Retirement and Savings Plan Employer Match. This is the contribution we made on behalf of each NEO to the Retirement and Savings Plan, our defined contribution plan. We match employee contributions up to 5% of each employee's eligible base salary up to the 401(a)(17) compensation limit of $280,000 in 2019.

Retirement and Savings Plan Basic Contribution. This is the contribution we made on behalf of each NEO to the Retirement and Savings Plan. If actively employed on December 31, 2019, or if they meet retirement eligibility requirements of the plan as of their separation date, each employee receives a contribution equal to 2% of their eligible base pay up to the 401(a)(17) compensation limit of $280,000 in 2019.

Benefit Restoration Plan. This is the award earned under the Benefit Restoration Plan in 2019 as discussed in the Benefit Restoration Plan section of Compensation Discussion and Analysis. Associated interest, awards, and beginning and ending balances for the Benefit Restoration Plan are included in the 2019 Nonqualified Deferred Compensation table.

Supplemental Executive Retirement Plan. This is the award approved under the Supplemental Executive Retirement Plan in 2019 as discussed in the Supplemental Executive Retirement Plan section of Compensation Discussion and Analysis. Associated interest, awards, and beginning and ending balances for the Supplemental Executive Retirement Plan are included in the 2019 Nonqualified Deferred Compensation table.

Expatriate Assignment. In 2019, Mr. Rainey received compensation associated with his expatriate assignment similar in type to that received by other expatriates on comparable assignments. He received $89,392 for cost of living adjustment; $91,000 mobility premium; $1,002,226 for tax equalization; $112,786 for imputed housing allowance; $13,320 for imputed vacation travel; and $13,070 for auto imputed allowance.

All Other.

- *Aircraft Usage*. As a result of the recommendations provided by an independent, third-party security consultant, the Board has determined that Mr. Miller must use company aircraft for all travel. The security study also recommends that his spouse and children use company-provided aircraft. The only personal use of company aircraft in 2019 for other NEOs was for spousal and dependent travel on select business trips. For 2019, the incremental cost to us for this personal use of our aircraft was as follows: $50,214 for Mr. Miller and $9,839 for Mr. Loeffler. For total compensation purposes in 2019, we valued the incremental cost of the personal use of aircraft using a method that takes into account: landing, parking, hanger, flight planning services, and dead-head costs; crew travel expenses; supplies and catering; aircraft fuel and oil expenses per hour of flight; any customs, foreign permit, and similar fees; and passenger ground transportation. NEOs are not reimbursed for the tax impact of any imputed income resulting from aircraft usage.
- *Home Security*. We provide security for residences based on risk assessments. In 2019, home security costs were as follows: $3,363 for Mr. Miller and $25,277 for Mr. Loeffler.
- *Car/Driver*. A car and part-time driver is available for Mr. Miller's limited use as needed for security purposes and so that he can work while in transit to meet customers or attend business-related functions. In 2019, the cost to us was $8,622.
- *Other Compensation for Mr. Richard*. In 2019, Mr. Richard received $37,184 in imputed income for relocation and $10,350 in service anniversary gifts.

Grants of Plan-Based Awards in Fiscal 2019

The following table represents amounts associated with the 2019 cycle Performance Unit Program, the 2019 Annual Performance Pay Plan, and restricted stock awards granted in 2019 to our NEOs.

		Estimated Future Payouts Under Non-Equity Incentive Plan Awards				
Name	Grant Date	Threshold ($)	Target ($)	Maximum ($)	All Other Stock Awards: Number of Shares of Stock or Units (#)	Grant Date Fair Value of Stock and Options Awards ($)
Jeffrey A. Miller		1,203,958	4,815,832	9,631,664(1)		
		900,000	2,250,000	4,500,000(2)		
	12/04/2019				166,934	3,584,073
Lance Loeffler		359,869	1,439,476	2,878,952(1)		
		260,000	650,000	1,300,000(2)		
	12/04/2019				41,400	888,858
Eric J. Carre		352,174	1,408,696	2,817,392(1)		
		320,000	800,000	1,600,000(2)		
	12/04/2019				39,500	848,065
Joe D. Rainey		469,847	1,879,388	3,758,776(1)		
		400,400	1,001,000	2,002,000(2)		
	12/04/2019				52,600	1,129,322
Mark J. Richard		469,847	1,879,388	3,758,776(1)		
		275,000	687,500	1,375,000(2)		
	12/04/2019				52,600	1,129,322

(1) Opportunity levels under the 2019 cycle of the Performance Unit Program.
(2) Opportunity levels under the 2019 Halliburton Annual Performance Pay Plan.

As indicated by footnote (1), the opportunities for each NEO under the 2019 cycle Performance Unit Program if the Threshold, Target, or Maximum levels are achieved are reflected under Estimated Future Payouts Under Non-Equity Incentive Plan Awards. The potential payouts are performance driven and completely at risk. For more information on the 2019 cycle Performance Unit Program, refer to Long-term Incentives in Compensation Discussion and Analysis.

As indicated by footnote (2), the opportunities for each NEO under the 2019 Halliburton Annual Performance Pay Plan are also reflected under Estimated Future Payouts Under Non-Equity Incentive Plan Awards. The potential payouts are performance driven and completely at risk. For more information on the 2019 Halliburton Annual Performance Pay Program, refer to Short-term (Annual) Incentive in Compensation Discussion and Analysis. No amounts were earned by our NEOs under the 2019 Halliburton Annual Performance Pay Plan because the minimum threshold performance level was not achieved.

All restricted stock awards are granted under the Stock and Incentive Plan. The awards listed under All Other Stock Awards: Number of Shares of Stock or Units were awarded to each NEO on the date indicated by the Compensation Committee.

The restricted stock grants awarded to the NEOs during 2019 are subject to a graded vesting schedule of 20% per year over five years. All restricted shares are priced at fair market value on the date of grant. Quarterly dividends are paid on the restricted shares at the same time and rate payable on our common stock, which was $0.18 per share during 2019. The shares may not be sold or transferred until fully vested. The shares remain subject to forfeiture during the restricted period in the event of the NEO's termination of employment or an unapproved early retirement.

Outstanding Equity Awards at Fiscal Year End 2019

The following table represents outstanding stock option and restricted stock awards for our NEOs as of December 31, 2019. The market value of shares or units of stock not vested was determined by multiplying the number of unvested restricted shares at year end by the closing price of our common stock on the NYSE of $24.47 on December 31, 2019.

		Option Awards				Stock Awards	
Name	Grant Date	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Option Exercise Price ($)	Option Expiration Date	Number of Shares or Units of Stock Not Vested (#)	Market Value of Shares or Units of Stock Not Vested ($)
Jeffrey A. Miller[1]	12/4/2013	55,700	–	50.62	12/4/2023	–	–
	12/3/2014	115,100	–	40.75	12/3/2024	–	–
	12/2/2015	99,200	–	38.95	12/2/2025	11,140	272,596
	12/7/2016	69,500	–	53.54	12/7/2026	16,720	409,138
	6/1/2017	–	–			150,000	3,670,500
	12/6/2017	85,667	42,833	43.38	12/6/2027	46,260	1,131,982
	12/5/2018	57,067	114,133	31.44	12/5/2028	79,840	1,953,685
	12/4/2019	–	–			166,934	4,084,875
TOTAL		**482,234**	**156,966**			**470,894**	**11,522,776**
Lance Loeffler[2]	1/2/2015	15,594	–	39.49	1/2/2025	1,646	40,278
	5/1/2015	–	–			203	4,967
	1/4/2016	27,912	–	34.48	1/4/2026	4,176	102,187
	1/3/2017	11,119	5,559	55.68	1/3/2017	3,889	95,164
	5/3/2017	–	–			8,840	216,315
	1/2/2018	6,806	13,610	49.61	1/2/2028	6,128	149,952
	12/5/2018	17,034	34,066	31.44	12/5/2028	23,840	583,365
	12/4/2019	–	–			41,400	1,013,058
TOTAL		**78,465**	**53,235**			**90,122**	**2,205,286**
Eric J. Carre[3]	1/2/2014	8,300	–	50.01	1/2/2024	–	–
	1/2/2015	24,750	–	39.49	1/2/2025	3,495	85,523
	1/4/2016	9,534	–	34.48	1/4/2026	6,682	163,509
	5/1/2016	–	–			40,000	978,800
	12/7/2016	30,100	–	53.54	12/7/2026	7,240	177,163
	12/6/2017	22,951	11,474	43.38	12/6/2027	12,420	303,917
	12/5/2018	16,701	33,399	31.44	12/5/2028	23,360	571,619
	12/4/2019	–	–			39,500	966,565
TOTAL		**112,336**	**44,873**			**132,697**	**3,247,096**

Name	Grant Date	Option Awards: Number of Securities Underlying Unexercised Options (#) Exercisable	Option Awards: Number of Securities Underlying Unexercised Options (#) Unexercisable	Option Awards: Option Exercise Price ($)	Option Awards: Option Expiration Date	Stock Awards: Number of Shares or Units of Stock Not Vested (#)	Stock Awards: Market Value of Shares or Units of Stock Not Vested ($)
Joe D. Rainey[(4)]	12/6/2011	14,566	–	35.57	12/6/2021	–	–
	12/5/2012	37,933	–	33.50	12/5/2022	–	–
	12/4/2013	45,500	–	50.62	12/4/2023	–	–
	12/3/2014	59,500	–	40.75	12/3/2024	–	–
	12/2/2015	58,700	–	38.95	12/2/2025	6,580	161,013
	12/7/2016	40,100	–	53.54	12/7/2026	9,680	236,870
	5/17/2017	–	–			54,089	1,323,558
	12/6/2017	30,601	15,299	43.38	12/6/2027	16,560	405,223
	12/5/2018	22,267	44,533	31.44	12/5/2028	31,120	761,506
	12/4/2019	–	–			52,600	1,287,122
TOTAL		**309,167**	**59,832**			**170,629**	**4,175,292**
Mark J. Richard[(5)]	1/5/2010	7,000	–	31.65	1/5/2020	–	–
	1/1/2011	4,600	–	40.83	1/1/2021	–	–
	1/3/2012	6,400	–	34.15	1/3/2022	–	–
	1/3/2013	13,900	–	36.31	1/3/2023	–	–
	1/2/2014	7,900	–	50.01	1/2/2024	–	–
	1/2/2015	14,807	–	39.49	1/2/2025	2,091	51,167
	10/27/2015	–	–			2,134	52,219
	1/4/2016	28,604	–	34.48	1/4/2026	6,682	163,509
	1/3/2017	11,413	5,706	55.68	1/3/2027	6,245	152,815
	1/2/2018	8,007	16,012	49.61	1/2/2028	11,288	276,217
	12/20/2018	14,642	29,282	27.14	12/20/2028	20,633	504,890
	12/4/2019	–	–			52,600	1,287,122
TOTAL		**117,273**	**51,000**			**101,673**	**2,487,939**

(1) Mr. Miller's stock option awards vest annually in equal amounts over three-year vesting schedules. His restricted stock awards vest in equal amounts over each grant's five-year vesting schedule, except for the June 1, 2017, award, which will vest 100% five years from the date of grant.

(2) Mr. Loeffler's stock option awards vest annually in equal amounts over three-year vesting schedules. His restricted stock awards vest in equal amounts over each grant's five-year vesting schedule, except for the May 3, 2017, award, which will vest 100% three years from the date of grant.

(3) Mr. Carre's stock option awards vest annually in equal amounts over three-year vesting schedules. His restricted stock awards vest in equal amounts over each grant's five-year vesting schedule, except for the May 1, 2016, award, which will vest 100% five years from the date of grant.

(4) Mr. Rainey's stock option awards vest annually in equal amounts over three-year vesting schedules. His restricted stock awards vest in equal amounts over each grant's five-year vesting schedule, except for the May 17, 2017, award, which will vest 100% five years from the date of grant.

(5) Mr. Richard's stock option awards vest annually in equal amounts over three-year vesting schedules. His restricted stock awards vest in equal amounts over each grant's five-year vesting schedule.

2019 Option Exercises and Stock Vested

The following table represents stock options exercised and restricted shares that vested during fiscal year 2019 for our NEOs.

	Option Awards		Stock Awards	
Name	**Number of Shares Acquired on Exercise (#)**	**Value Realized on Exercise ($)**	**Number of Shares Acquired on Vesting (#)**	**Value Realized on Vesting ($)**
Jeffrey A. Miller	–	–	112,580	2,434,715
Lance Loeffler	–	–	13,726	333,642
Eric J. Carre	–	–	46,596	1,149,906
Joe D. Rainey	–	–	31,120	671,131
Mark J. Richard	–	–	68,730	1,970,666

The value realized for vested restricted stock awards was determined by multiplying the fair market value of the shares (closing price of our common stock on the NYSE on the vesting date) by the number of shares that vested. Shares vested on various dates throughout the year. The value listed represents the aggregate value of all shares that vested for each NEO in 2019.

2019 Nonqualified Deferred Compensation

The 2019 Nonqualified Deferred Compensation table reflects balances in our nonqualified plans as of January 1, 2019, contributions made by the NEO and us during 2019, earnings (the net of the gains and losses on funds, as applicable), distributions, and the ending balance as of December 31, 2019. The plans are described in Compensation Discussion and Analysis.

Name	**Plan**	**01/01/19 Balance ($)**	**Executive Contributions In Last Fiscal Year ($)**	**Registrant Contributions In Last Fiscal Year ($)**	**Aggregate Earnings In Last Fiscal Year ($)**	**Aggregate Distributions ($)**	**Aggregate Balance At Last Fiscal Year End ($)**
Jeffrey A. Miller	SERP	4,956,791	0	1,205,000	247,700	0	6,409,491
	Benefit Restoration	477,957	0	85,400	28,556	0	591,913
	TOTAL	**5,434,748**	**0**	**1,290,400**	**276,256**	**0**	**7,001,404**
Lance Loeffler	SERP	159,000	0	332,000	7,927	0	498,927
	Benefit Restoration	21,366	0	25,900	1,275	0	48,541
	TOTAL	**180,366**	**0**	**357,900**	**9,202**	**0**	**547,468**
Eric J. Carre	SERP	1,526,623	0	592,000	76,262	0	2,194,885
	Benefits Restoration	222,110	0	36,400	13,272	0	271,782
	TOTAL	**1,748,733**	**0**	**628,400**	**89,534**	**0**	**2,466,667**
Joe D. Rainey	SERP	5,338,166	0	983,000	266,825	0	6,587,991
	Benefit Restoration	468,779	0	44,100	28,025	0	540,904
	Elective Deferral	3,854,001	0	0	358,073	0	4,212,074
	TOTAL	**9,660,946**	**0**	**1,027,100**	**652,923**	**0**	**11,340,969**
Mark J. Richard	SERP	0	0	1,129,000	0	0	1,129,000
	Benefit Restoration	132,636	0	30,567	7,924	0	171,127
	Elective Deferral	1,450,417	0	0	120,542	0	1,570,959
	TOTAL	**1,583,053**	**0**	**1,159,567**	**128,466**	**0**	**2,871,086**

Employment Contracts and Change-in-Control Arrangements

Employment Contracts

All of our NEOs have employment agreements with us that contain substantial non-compete and non-solicitation provisions post separation.

The employment agreements provide that if the agreement is terminated by the employee for good reason or by death, disability, or retirement or his employment is terminated by the Company for any reason other than cause or a fiduciary violation, all restrictions on restricted stock and units will lapse. In addition, in the case of a termination by the employee for good reason or termination by the Company for any reason other than cause or a fiduciary violation, the employee will receive a lump sum cash payment equal to two years of his base salary then in effect.

Change-In-Control Arrangements

We do not maintain individual change-in-control agreements or provide for excise tax gross-ups on any payments associated with a change-in-control. Some of our compensation plans, however, contain change-in-control provisions, which could result in payment of specific benefits.

Under the Stock and Incentive Plan, in the event of a change-in-control, awards granted after February 13, 2019, are subject to double-trigger vesting, such that, if a participant is terminated due to involuntary termination without cause, death, disability, good reason (as defined in an employment agreement, or a similar constructive termination event, in each case, only if a severance benefit is payable upon termination of employment due to such event pursuant to an employment agreement) or other event as specified in the participant's award document within the period beginning on the date of the public announcement of a transaction that, if consummated, would constitute a corporate change and ending on the date that is the earlier of the announcement of the termination of the proposed transaction or two years after the consummation of the transaction (a Qualifying Termination), the following will occur automatically:

- any outstanding options and stock appreciation rights shall become immediately vested and fully exercisable for the full term thereof;
- any restrictions on restricted stock awards shall immediately lapse;
- all performance measures upon which an outstanding performance award is contingent are deemed achieved and the holder shall receive a payment equal to the target amount of the award he or she would have been entitled to receive; and
- any outstanding cash awards, including stock value equivalent awards, immediately vest and are paid based on the vested value of the award.

Under the Annual Performance Pay Plan:

- in the event of a change-in-control during a plan year, a participant experiencing a Qualifying Termination will be entitled to payment equal to the target amount of the award he or she would have been entitled to receive, without proration; and
- in the event of a change-in-control after the end of a plan year but before the payment date, a participant will be entitled to an immediate cash payment equal to the incentive earned for the plan year.

Under the Performance Unit Program:

- in the event of a change-in-control during a performance cycle, a participant experiencing a Qualifying Termination will be entitled to payment equal to the target amount of the award he or she would have been entitled to receive, without proration; and
- in the event of a change-in-control after the end of a performance cycle but before the payment date, a participant will be entitled to an immediate cash payment equal to the award earned for that performance cycle.

Under the Employee Stock Purchase Plan, in the event of a change-in-control, unless the successor corporation assumes or substitutes new stock purchase rights:

- the purchase date for the outstanding stock purchase rights will be accelerated to a date fixed by the Compensation Committee prior to the effective date of the change-in-control; and
- upon such effective date, any unexercised stock purchase rights will expire and we will refund to each participant the amount of his or her payroll deductions made for purposes of the Employee Stock Purchase Plan that have not yet been used to purchase stock.

Post-Termination or Change-in-Control Payments

The following tables and narratives represent the impact of certain termination events or a change-in-control on each element of compensation for NEOs as of December 31, 2019.

		Termination Event						
Name	Payments	Resignation ($)	Early Retirement w/o Approval ($)	Early Retirement w/Approval ($)	Normal Retirement ($)	Term for Cause ($)	Term w/o Cause ($)	Change in Control ($)
Jeffrey A. Miller	Severance	0	0	0	0	0	3,000,000	0
	Annual Perf. Pay Plan	0	0	0	0	0	0	0
	Restricted Stock	0	0	11,522,776	11,522,776	0	11,522,776	7,437,901
	Stock Options	0	0	0	0	0	0	0
	Performance Units	0	0	9,515,164	9,515,164	0	0	12,034,989
	Nonqualified Plans	7,001,404	7,001,404	7,001,404	7,001,404	7,001,404	7,001,404	0
	Health Benefits	0	12,000	12,000	0	0	0	0
	TOTAL	**7,001,404**	**7,013,404**	**28,051,344**	**28,039,344**	**7,001,404**	**21,524,180**	**19,472,890**
Lance Loeffler	Severance	0	0	0	0	0	1,300,000	0
	Annual Perf. Pay Plan	0	0	0	0	0	0	0
	Restricted Stock	0	0	2,205,286	2,205,286	0	2,205,286	1,192,228
	Stock Options	0	0	0	0	0	0	0
	Performance Units	0	0	959,651	959,651	0	0	0
	Nonqualified Plans	48,541	48,541	48,541	48,541	48,541	48,541	0
	Health Benefits	0	0	0	0	0	0	0
	TOTAL	**48,541**	**48,541**	**3,213,478**	**3,213,478**	**48,541**	**3,553,827**	**1,192,228**
Eric J. Carre	Severance	0	0	0	0	0	1,600,000	0
	Annual Perf. Pay Plan	0	0	0	0	0	0	0
	Restricted Stock	0	0	3,247,096	3,247,096	0	3,247,096	2,280,531
	Stock Options	0	0	0	0	0	0	0
	Performance Units	0	0	2,628,527	2,628,527	0	0	4,174,520
	Nonqualified Plans	2,466,667	2,466,667	2,466,667	2,466,667	2,466,667	2,466,667	0
	Health Benefits	0	0	0	0	0	0	0
	TOTAL	**2,466,667**	**2,466,667**	**8,342,290**	**8,342,290**	**2,466,667**	**7,313,763**	**6,455,051**
Joe D. Rainey	Severance	0	0	0	0	0	1,820,000	0
	Annual Perf. Pay Plan	0	0	0	0	0	0	0
	Restricted Stock	0	0	4,175,292	4,175,292	0	4,175,292	2,888,170
	Stock Options	0	0	0	0	0	0	0
	Performance Units	0	0	3,505,453	3,505,453	0	0	5,560,452
	Nonqualified Plans	11,340,969	11,340,969	11,340,969	11,340,969	11,340,969	11,340,969	0
	Health Benefits	0	12,000	12,000	0	0	0	0
	TOTAL	**11,340,969**	**11,352,969**	**19,033,714**	**19,021,714**	**11,340,969**	**17,336,261**	**8,448,622**
Mark J. Richard	Severance	0	0	0	0	0	1,450,000	0
	Annual Perf. Pay Plan	0	0	0	0	0	0	0
	Restricted Stock	0	0	2,487,939	2,487,939	0	2,487,939	1,200,817
	Stock Options	0	0	0	0	0	0	0
	Performance Units	0	0	2,586,258	2,586,258	0	0	2,989,333
	Nonqualified Plans	2,871,086	2,871,086	2,871,086	2,871,086	2,871,086	2,871,086	0
	Health Benefits	0	12,000	12,000	0	0	0	0
	TOTAL	**2,871,086**	**2,883,086**	**7,957,283**	**7,945,283**	**2,871,086**	**6,809,025**	**4,190,150**

Resignation. Resignation is defined as leaving employment with us voluntarily, without having attained early or normal retirement status (see the applicable sections below for information on what constitutes these statuses). Upon resignation, the following actions will occur for the NEO's various elements of compensation:

- *Severance Pay.* No severance would be paid to the NEO.
- *Restricted Stock.* Any restricted stock holdings would be forfeited upon the date of resignation. Restricted stock holdings information can be found in the Outstanding Equity Awards at Fiscal Year End 2019 table.
- *Stock Options.* The NEO must exercise outstanding, vested options within 30 - 90 days after the NEO's resignation or the options will be forfeited as per the terms of the stock option agreements. Any unvested stock options would be forfeited. Stock option information can be found in the Outstanding Equity Awards at Fiscal Year End 2019 table.
- *Performance Units.* The NEO would not be eligible to receive payments under the Performance Unit Program.
- *Nonqualified Plans.* The NEO is entitled to any vested benefits under the applicable nonqualified plans as shown in the 2019 Nonqualified Deferred Compensation table. Payments from the Supplemental Executive Retirement Plan and Benefit Restoration Plan are paid out of an irrevocable grantor trust. The principal and income of the trust are treated as our assets and income for federal income tax purposes and are subject to the claims of our general creditors to the extent provided in the plan. The Elective Deferral Plan is unfunded and we make payments from our general assets. Payments from these plans may be paid in a lump sum or in annual installments for a maximum ten-year period.
- Health Benefits. The NEO is not eligible for the $12,000 credit to assist in paying for retiree medical costs.

Early Retirement. A NEO becomes eligible for early retirement when the NEO has attained age 55 with ten years of service or when the NEO's age and years of service equals 70 points. Eligibility for early retirement does not guarantee retention of stock awards (lapse of forfeiture restrictions on restricted stock and ability to exercise outstanding options for the remainder of the stated term). Early retirement eligibility is a condition that must be met before the Compensation Committee will consider retention of stock awards upon separation from employment. For example, if a NEO is eligible for early retirement but is leaving us to go to work for a competitor, then the NEO's stock awards would not be considered for retention.

Early Retirement (Without Approval). The impact on the NEO's various elements of compensation is the same as described under Resignation except as follows:

- *Health Benefits.* A NEO that was age 40 or older as of December 31, 2004, and qualifies for early retirement under our health and welfare plans, which require that the NEO has attained age 55 with ten years of service or that the NEO's age and years of service equals 70 points with a minimum of ten years of service, is eligible for a $12,000 credit toward retiree medical costs incurred prior to age 65. The credit is only applicable if the NEO chooses Halliburton retiree medical coverage. This benefit is amortized as a monthly credit applied to the cost of retiree medical coverage based on the number of months from the time of early retirement to age 65. For example, if a NEO is 10 years or 120 months away from age 65 at the time of the NEO's early retirement, the NEO will receive a monthly credit in the amount of $100 ($12,000/120 months). Should the NEO choose not to elect coverage with Halliburton after the NEO's separation, the NEO would not receive any cash in lieu of the credit.

Early Retirement (With Approval). The following actions will occur for the NEO's various elements of compensation:

- *Severance Pay.* No severance would be paid to the NEO.
- *Restricted Stock.* Any stock holdings restrictions would lapse upon the date of retirement. Restricted stock holdings information can be found in the Outstanding Equity Awards at Fiscal Year End 2019 table.
- *Stock Options.* The NEO will be granted retention of the NEO's option awards. The unvested awards will continue to vest per the vesting schedule outlined in the NEO stock option agreements and any vested options will not expire until 10 years from the grant award date. Stock option information can be found in the Outstanding Equity Awards at Fiscal Year End 2019 table.
- *Performance Units.* The NEO will participate on a prorated basis for any Performance Unit Program cycles that have not been completed at the time of the NEO's retirement. These payments, if earned, are paid out and the NEO would receive payments at the same time as other participants, which is usually no later than March of the year following the close of the cycle.
- *Nonqualified Plans.* The NEO is entitled to any vested benefits under the applicable nonqualified plans as shown in the 2019 Nonqualified Deferred Compensation table. Refer above to Resignation for more information on Nonqualified Plans.
- *Health Benefits.* Same as described under Early Retirement (Without Approval).

Normal Retirement. A NEO would be eligible for normal retirement should the NEO cease employment at age 65 or later. The impact on the NEO's various elements of compensation is the same as described under Early Retirement (With Approval) except as follows:

- *Health Benefits.* The NEO is not eligible for the $12,000 credit to assist in paying for retiree medical costs.

Termination (For Cause). Should we terminate a NEO for cause, such as violating our Code of Business Conduct, the impact on the NEO's various elements of compensation is the same as described under Resignation.

Termination (Without Cause). Should we terminate a NEO without cause, such as termination at our convenience, then the provisions of the NEO's employment agreement related to severance payments and lapsing of stock restrictions would apply. Payments for these items are conditioned on a release agreement being executed by the NEO. The impact on the NEO's various elements of compensation is the same as described under Normal Retirement except as follows:

- *Severance Pay.* Severance is paid according to terms of the applicable employment agreement. Each NEO would receive severance in the amount of two times base salary at the time of termination.
- *Performance Units.* No payment would be paid to the NEO under the Performance Unit Program.

Change-in-Control. Should a change-in-control take place, the following actions will occur for the NEO's various elements of compensation:

- *Annual Performance Pay Plan.* A NEO experiencing a Qualifying Termination will be entitled to payment equal to the target amount of the award he or she would have been entitled to receive, without proration. In the event of a change-in-control after the end of a plan year but before the payment date, the NEO is entitled to an immediate cash payment equal to the incentive earned for the plan year.
- *Restricted Stock.* Restricted shares granted under the Stock and Incentive Plan prior to February 13, 2019, are automatically vested. Restricted shares granted on or after February 13, 2019, only vest in the event of a Qualifying Termination. Restricted stock holdings information can be found in the Outstanding Equity Awards at Fiscal Year End 2019 table.
- *Stock Options.* Any outstanding options granted under the Stock and Incentive Plan prior to February 13, 2019, shall become immediately vested and fully exercisable by the NEO. No stock options were granted to NEOs in 2019. Stock option information can be found in the Outstanding Equity Awards at Fiscal Year End 2019 table.
- *Performance Units.* For performance cycles beginning prior to 2019, in the event of a change-in-control during a performance cycle, the NEO will be entitled to an immediate cash payment equal to the maximum amount he or she would have been entitled to receive for the performance cycle, prorated through the date of the change-in-control. For the 2019 performance cycle, a NEO experiencing a Qualifying Termination will be entitled to payment equal to the target amount of the award he or she would have been entitled to receive, without proration. In the event of a change-in-control after the end of a performance cycle but before the payment date, the NEO is entitled to an immediate cash payment equal to the incentive earned for that performance cycle.

Equity Compensation Plan Information

The following table provides certain information, as of December 31, 2019, with respect to our equity compensation plans.

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights (a)	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights (b)	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column (a)) (c)
Equity compensation plans approved by security holders	25,320,569	$ 41.58	37,442,196
Equity compensation plans not approved by security holders	—	—	—
TOTAL	**25,320,569**	**$ 41.58**	**37,442,196**

CEO Pay Ratio

For 2019, the annual total compensation of our CEO was 146 times the median of the annual total compensation of all employees, based on annual total compensation of $12,770,467 for the CEO and $87,289 for the median employee. There was no material change in our employee demographics and compensation structure; therefore, the median employee identified in 2017 was utilized in our 2019 analysis. What follows is a description of the methodology used from 2017.

This disclosure is based on an October 1, 2017, employee population of 52,833, of which 21,862 were U.S. employees and 30,971 were non-U.S. employees. We excluded from this employee population 2,637 non-U.S. employees from 47 countries as the total number of employees from these non-U.S. jurisdictions was less than 5% of our total employee population. After applying the exclusion, the total employee population was 50,196.

Non-U.S. Employee Country Exclusions

Country	Headcount	Country	Headcount	Country	Headcount	Country	Headcount
Ecuador	442	Cameroon	55	Chile	17	Ukraine	4
Azerbaijan	417	Panama	51	Spain	14	Hungary	3
Kazakhstan	378	Poland	48	Belgium	11	Kenya	3
Congo	158	Romania	46	Philippines	11	Uganda	3
Germany	113	France	35	Mozambique	10	Switzerland	2
Italy	113	Papua New Guinea	31	Turkmenistan	7	Equatorial Guinea	2
Netherlands	110	Bangladesh	28	Tanzania	7	Turkey	2
Bolivia	109	Denmark	27	Austria	6	South Africa	2
Trinidad & Tobago	84	Peru	23	Cyprus	6	Albania	1
Ghana	64	Suriname	23	Israel	5	Bulgaria	1
New Zealand	59	Cote d'Ivoire	21	South Korea	4	Gabon	1
Vietnam	57	Japan	19	Myanmar	4		

The median employee was identified using base pay, overtime pay, bonuses, allowances, and premiums. We used the total gross wages of all employees as of our determination date of October 1, 2017, as a reasonable estimate of the median total gross wages for the employee population and identified all employees within 1% of the median total gross wages. From this group we selected an employee as a reasonable representative of our median employee. Annual total compensation for both the CEO and the median employee was calculated in accordance with Item 402(c)(2)(x) of Regulation S-K.

The annual total compensation for our CEO includes both the amount reported in the "Total" column of our 2019 Summary Compensation Table, $12,753,614, and the estimated value of our CEO's health and welfare benefits, $16,853. Due to the flexibility afforded in calculating the CEO pay ratio, the ratio may not be comparable to CEO pay ratios presented by other companies.

Proposal No. 4 Proposal to Amend and Restate the Halliburton Company Stock and Incentive Plan

Introduction

The Halliburton Company Stock and Incentive Plan was last approved by shareholders at the 2019 annual meeting and reserved 33,020,801 shares for issuance thereunder.

The proposed amendment and restatement of the Stock and Incentive Plan replenishes the pool of shares of Halliburton common stock available for issuance under the Stock and Incentive Plan by adding 16,000,000 shares. This proposal also adds net operating profit after taxes and asset turns as potential performance criteria with respect to performance awards. The Stock and Incentive Plan is the only active plan used to grant awards of the types described in this proposal.

Our Board is requesting that shareholders approve the amendment and restatement of the Stock and Incentive Plan which amendment and restatement was adopted by the Board on February 11, 2020, subject to shareholder approval.

General

In order to give Halliburton the flexibility to responsibly address its future equity compensation needs, Halliburton is requesting that shareholders approve the amendment and restatement which adds 16,000,000 shares to the Stock and Incentive Plan (the "Plan"). In addition, the amendment and restatement adds net operating profit after taxes and asset turns as potential performance criteria with respect to performance awards to accommodate the 2020 changes to the Annual Performance Pay Plan discussed under Board Responsiveness to Shareholder Feedback.

The Plan contains the following important features:

- All awards under the Plan are subject to a one-year minimum vesting period, with the exception of 5% of shares available for awards;
- The Plan contains a prohibition against "liberal share counting" or "liberal share recycling" with respect to shares available for awards under the Plan;
- The Plan provides that all shares available for award are available for awards of incentive stock options;
- Repricing of stock options and stock appreciation rights is prohibited unless prior shareholder approval is obtained;
- Stock options and stock appreciation rights must be granted with an exercise price that is not less than 100% of the fair market value on the date of grant;
- The ability to automatically receive replacement stock options when a stock option is exercised with previously acquired shares of Halliburton common stock, or so-called "stock option reloading", is not permitted;
- In any single calendar year, the value of awards granted under the Plan when added to any cash or other compensation paid to a non-management Director outside of the Plan may not exceed $750,000; and
- For awards granted on or after February 13, 2019, a "double-trigger" change-of-control provision has been implemented.

The 16,000,000 shares to be added under the Plan pursuant to the amendment and restatement of the Plan, in combination with the remaining authorized shares and shares added back into the Plan from forfeitures, are expected to satisfy Halliburton's equity compensation needs through the 2021 annual meeting of shareholders. This being the case, if the amendment and restatement is approved, Halliburton anticipates seeking the authorization of additional shares under the Plan in 2021.

Share Reserve (adjusted for 1997 and 2006 stock splits where applicable)

Shares authorized under the Stock and Incentive Plan	231,199,680
Shares granted (less available cancellations and shares expired) from 1993 through March 1, 2020, from the Plan(1)	217,409,419
Remaining shares available for grant as of March 1, 2020	**13,790,261**
Additional shares being requested under the amendment and restatement of the Plan	16,000,000
Total shares available for grant under the amended and restated Stock and Incentive Plan	**29,790,261**

(1) As of March 1, 2020, Halliburton had total outstanding awards of 27,360,812 options with a weighted average exercise price of $40.25 and a weighted average life of 6.14 years, and 18,454,010 full value awards.

If the amendment and restatement of the Plan is approved by shareholders, the aggregate number of shares of Halliburton common stock that will be available for issuance under the Plan would increase to 29,790,261 shares, based on the estimates set forth above, all of which shall be available for awards of incentive stock options. Each share issued as restricted stock (or pursuant to the vesting of a stock unit or a performance share award) will count as the issuance of 1.60 shares reserved under the Plan, while each share granted as a stock option or stock appreciation right will count as the issuance of 1.0 share reserved under the Plan. If awards granted under the Plan are forfeited or terminate before being exercised, then the shares underlying those awards will again become available for awards under the Plan.

The Plan does not provide for “liberal share counting” or “liberal share recycling”. Liberal share counting or liberal share recycling refers to circumstances where shares granted and exercised may be added back to an incentive plan for future issuance, including the following situations:

- Shares tendered or withheld in payment of an exercise price;
- Shares tendered or withheld to satisfy tax withholding obligations;
- Shares reacquired by an issuer with the proceeds of an option exercise price; and
- Shares that are not issued due to a net settlement of an award.

In each of the situations above, such shares are no longer available for awards under the Plan. For example, shares withheld from an award to satisfy tax withholding obligations are no longer available for awards under the Plan, and a stock appreciation right or option will be counted in full against the number of shares available for issuance under the Plan, regardless of whether a net settlement occurs resulting in a fewer number of shares issued than are covered by the stock appreciation right or option.

The number of stock option shares or stock appreciation rights, singly or in combination, together with shares or share equivalents under performance awards granted to any individual who is an employee in any one calendar year, shall not in the aggregate exceed 1,000,000. The cash value determined as of the date of grant of any performance award not denominated in common stock granted to any individual who is an employee for any one calendar year shall not exceed $30,000,000. The amendment and restatement of the Plan provides that the value of awards (based on fair market value determined as of the date of grant) granted to a non-management Director in any single calendar year, when added to any cash or other compensation payable to such Director in the same calendar year, shall not exceed $750,000.

In the event of any recapitalization, reorganization, merger, consolidation, combination, exchange, stock dividend, stock split, extraordinary dividend or divestiture (including a spin-off), or any other change in the corporate structure or shares of common stock occurring after the date of the grant of an award, the Compensation Committee shall make appropriate adjustments to the number and price of shares of common stock or other consideration subject to such awards and the award limits set forth in the preceding paragraph.

The Stock and Incentive Plan

Types of Awards

The Plan provides for the grant of any or all of the following types of awards:

- stock options, including incentive stock options and nonqualified stock options;
- stock appreciation rights, either independent of, or in connection with, stock options;
- restricted stock;
- restricted stock units;
- performance awards; and
- stock value equivalent awards.

Term

The Plan has an indefinite term.

Any stock option granted in the form of an incentive stock option must satisfy the requirements of Section 422 of the Internal Revenue Code (IRC). Awards may be made to the same person on more than one occasion and may be granted singly, in combination, or in tandem as determined by the Compensation Committee. To date, only awards of nonqualified stock options, restricted stock, restricted stock units, and performance awards have been made under the Plan.

Administration

The Board has appointed the Compensation Committee to administer the Plan. Subject to the terms of the Plan, and to any approvals and other authority as the Board may reserve to itself from time to time, the Compensation Committee, consistent with the terms of the Plan, will have authority to:

- select the individuals to receive awards and determine the timing, form, amount or value, and term of grants and awards, including providing for terms regarding the accelerated vesting of an award otherwise subject to minimum vesting provisions, and the conditions and restrictions, if any, subject to which grants and awards will be made and become payable under the Plan;
- construe the Plan and prescribe rules and regulations for the administration of the Plan; and
- make any other determinations authorized under the Plan as the Compensation Committee deems necessary or appropriate.

Eligibility

A broad group of our employees and employees of our affiliates are eligible to participate in the Plan. The selection of participants from eligible employees is within the discretion of the Compensation Committee. Non-management Directors are eligible to participate in the Plan. As of January 1, 2020, approximately 14,000 employees (including employees and executive officers) and nine non-management Directors were eligible for awards under the Plan as determined by the Compensation Committee.

Stock Options

Under the Plan, the Compensation Committee may grant awards in the form of stock options to purchase shares of common stock. The Compensation Committee will determine the number of shares subject to an option, the manner and time of the option's exercise, and the exercise price per share of stock subject to the option. Options may not become exercisable in less than one year from the date of grant, provided that up to 5% of the shares available for grant under the Plan may be awarded without regard to the minimum one-year vesting period. The term of an option may not exceed ten years. We do not receive any consideration for granting stock options. The exercise price of a stock option will not be less than the fair market value of the common stock on the date the option is granted. Repricing of stock options and reloading of stock options are prohibited unless prior shareholder approval is obtained. The Compensation Committee will designate each option as a nonqualified or an incentive stock option.

The option exercise price may, at the discretion of the Compensation Committee, be paid by a participant in cash, shares of common stock, or a combination of cash and common stock.

Stock Appreciation Rights

The Plan also authorizes the Compensation Committee to grant stock appreciation rights either independent of, or in connection with, a stock option. The exercise price of a stock appreciation right will not be less than the fair market value of the common stock on the date the stock appreciation right is granted. If granted with a stock option, exercise of stock appreciation rights will result in the surrender of the right to purchase the shares under the option as to which the stock appreciation rights were exercised. Upon exercising a stock appreciation right, the holder receives for each share for which the stock appreciation right is exercised, an amount equal to the difference between the exercise price and the fair market value of the common stock on the date of exercise. Payment of that amount may be made in shares of common stock, cash, or a combination of cash and common stock, as determined by the Compensation Committee. Stock appreciation rights may not become exercisable in less than one year from the date of grant, provided that up to 5% of the shares available for grant under the Plan may be awarded without regard to the minimum one-year vesting period. The term of a stock appreciation right grant may not exceed ten years. Repricing of stock appreciation rights and reloading of stock appreciation rights are prohibited unless prior shareholder approval is obtained. We do not receive any consideration for granting stock appreciation rights.

Restricted Stock

The Plan provides that shares of common stock subject to specific restrictions may be awarded to eligible individuals as determined by the Compensation Committee. The Compensation Committee will determine the nature and extent of the restrictions on the shares, the duration of the restrictions, and any circumstance under which restricted shares will be forfeited. The restriction period may not be less than one year from the date of grant, provided that up to 5% of the shares available for grant under the Plan may be awarded without regard to the minimum one-year vesting period. During the period of restriction, recipients will have the right to receive dividends and the right to vote the shares.

Restricted Stock Units

The Plan authorizes the Compensation Committee to grant restricted stock units. A restricted stock unit is a unit evidencing the right to receive one share of common stock or an equivalent cash value equal to the fair market value of a share of common stock. The Compensation Committee will determine the nature and extent of the restrictions on the restricted stock units, the duration of the restrictions, and any circumstance under which restricted stock units will be forfeited. The restriction period may not be less than one year from the date of grant, provided that up to 5% of the shares available for grant under the Plan may be awarded without regard to the minimum one-year vesting period. The Compensation Committee may provide for the payment of dividend equivalents during the period of restriction, but recipients will not have the right to receive actual dividends or to vote the shares underlying the restricted stock units.

Performance Awards

The Plan permits the Compensation Committee to grant performance awards to eligible individuals. Performance awards are awards that are contingent, in whole or in part, on the achievement of one or more performance measures. Performance awards may be settled in cash or stock, as determined by the Compensation Committee. The number of shares or share equivalents under performance awards, singly or in combination, together with the number of stock option shares or stock appreciation rights, granted to any individual in any one calendar year, shall not in the aggregate exceed 1,000,000. The cash value (determined as of the date of grant) of any performance award that is not denominated in stock granted to any one participant in a calendar year may not exceed $30,000,000. The vesting period of a performance award may not be less than one year from the date of grant, provided that up to 5% of the shares available for grant under the Stock and Incentive Plan may be awarded without regard to the minimum one-year vesting period.

The performance criteria that may be used by the Compensation Committee in granting performance awards consist of objective tests based on the following:

- earnings
- cash flow
- customer satisfaction
- revenues
- financial return ratios
- profit return and margins
- market share
- working capital
- net operating profit after-taxes
- asset turns
- cash value added performance
- return on capital
- shareholder return and/or value
- operating profits (including EBITDA)
- net profits
- earnings per share
- stock price
- cost reduction goals
- debt to capital ratio
- any other criteria as determined by the Compensation Committee.

The Compensation Committee may select one criterion or multiple criteria for measuring performance. The measurement may be based on our overall corporate performance, subsidiary or business unit performance, or comparative performance with other companies or other external measures of selected performance criteria. The Compensation Committee will also determine the length of time over which performance will be measured and the effect of a recipient's death, disability, retirement, or other termination of service during the performance period.

Stock Value Equivalent Awards

The Plan permits the Compensation Committee to grant stock value equivalent awards to eligible individuals. Stock value equivalent awards are rights to receive the fair market value of a specified number of shares of common stock, or the appreciation in the fair market value of the shares, over a specified period of time, pursuant to a vesting schedule, all as determined by the Compensation Committee. Stock value equivalent awards may not vest earlier than one year from the date of grant, provided that up to 5% of the shares available for grant under the Plan may be awarded without regard to the minimum one-year vesting period. Payment of the vested portion of a stock value equivalent award shall be made in cash, based on the fair market value of the common stock on the payment date. The Compensation Committee will also determine the effect of a recipient's death, disability, retirement, or other termination of service during the applicable period.

Amendment

The Plan provides that the Board may at any time terminate or amend the Plan. However, the Board may not, without approval of the shareholders, amend the Plan to effect a “material revision” of the Plan, where a “material revision” includes, but is not limited to, a revision that:

- materially increases the benefits accruing to a Holder under the Plan;
- materially increases the aggregate number of securities that may be issued under the Plan;
- materially modifies the requirements as to eligibility for participation in the Plan; or
- changes the types of awards available under the Plan.

No amendment or termination of the Plan shall, without the consent of the optionee or participant, alter or impair rights under any options or other awards previously granted.

The summary of the Plan provided above is a summary of the principal features of the Plan. This summary, however, does not purport to be a complete description of all of the provisions of the Plan. It is qualified in its entirety by references to the full text of the Plan. A copy of the Plan can be found in Appendix A to this proxy statement.

Change-in-Control

Awards granted on or after February 13, 2019, are subject to double-trigger vesting, such that, if a participant is terminated due to involuntary termination without cause, death, disability, good reason (as defined in an employment agreement, or a similar constructive termination event, in each case, only if a severance benefit is payable upon termination of employment due to such event pursuant to an employment agreement) or other event as specified in the participant’s award document within the period beginning on the date of the public announcement of a transaction that, if consummated, would constitute a corporate change and ending on the date that is the earlier of the announcement of the termination of the proposed transaction or two years after the consummation of the transaction, the following will occur automatically:

- any outstanding options and stock appreciation rights shall become immediately vested and fully exercisable for the full term thereof;
- any restrictions on restricted stock awards or restricted stock unit awards shall immediately lapse;
- all performance measures upon which an outstanding performance award is contingent shall be deemed achieved and the holder shall receive a payment equal to the target amount of the award he or she would have been entitled to receive; and
- any outstanding cash awards, including stock value equivalent awards, shall immediately vest and be paid based on the vested value of the award.

Plan Benefits

All awards to directors, executive officers, and employees are made at the discretion of the Compensation Committee. Therefore, the benefits and amounts that will be received or allocated under the Plan, as amended and restated, are not determinable at this time.

Federal Income Tax Treatment

The following summarizes the current U.S. federal income tax consequences generally arising for awards under the Plan.

A participant who is granted an incentive stock option does not realize any taxable income at the time of the grant or at the time of exercise, but in some circumstances may be subject to an alternative minimum tax as a result of the exercise. Similarly, we are not entitled to any deduction at the time of grant or at the time of exercise. If the participant makes no disposition of the shares acquired pursuant to an incentive stock option before the later of two years from the date of grant and one year from the date of exercise, any gain or loss realized on a subsequent disposition of the shares will be treated as a long-term capital gain or loss. Under these circumstances, we will not be entitled to any deduction for federal income tax purposes. If the participant fails to hold the shares for that period, the disposal is treated as a disqualifying disposition. The gain on the disposition is ordinary income to the participant to the extent of the difference between the option price and the fair market value on the exercise date. Any excess is long-term or short-term capital gain, depending on the holding period. Under these circumstances, we will be entitled to a tax deduction equal to the ordinary income amount the participant recognizes in a disqualifying disposition.

A participant who is granted a nonqualified stock option does not have taxable income at the time of grant, but does have taxable income at the time of exercise. The income equals the difference between the exercise price of the shares and the market value of the shares on the date of exercise. We are entitled to a corresponding tax deduction for the same amount.

The grant of a stock appreciation right will produce no U.S. federal tax consequences for the participant or us. The exercise of a stock appreciation right results in taxable income to the participant, equal to the difference between the exercise price of the shares and the market price of the shares on the date of exercise, and a corresponding tax deduction to us.

A participant who has been granted an award of restricted shares of common stock or an award of restricted stock units will not realize taxable income at the time of the grant. When the restrictions lapse, the participant will recognize taxable income in an amount equal to the excess of the fair market value of the shares or cash received at that time over the amount, if any, paid for the shares. We will be entitled to a corresponding tax deduction. Dividends on restricted stock and dividend equivalents, if any, on restricted stock units paid to the participant during the restriction period will also be compensation income to the participant and will be deductible as compensation expense by us.

A participant who has been granted a performance award will not realize taxable income at the time of the grant, and we will not be entitled to a tax deduction at that time. A participant will realize ordinary income at the time the award is paid equal to the amount of cash paid or the value of shares delivered, and we will be entitled to a corresponding tax deduction.

The grant of a stock value equivalent award produces no U.S. federal income tax consequences for the participant or us. The payment of a stock value equivalent award results in taxable income to the participant equal to the amount of the payment received, valued with reference to the fair market value of the common stock on the payment date. We are entitled to a corresponding tax deduction for the same amount.

In order for Halliburton to deduct the amounts described above, such amounts must constitute reasonable compensation for services rendered or to be rendered and must be ordinary and necessary business expenses. The ability to obtain a deduction for awards under the Plan could also be limited by IRC Section 280G, which provides that certain excess parachute payments made in connection with a change in control of an employer are not deductible. The ability to obtain a deduction for amounts paid under the Plan could also be affected by IRC Section 162(m), which limits the deductibility, for U.S. federal income tax purposes, of compensation paid to certain employees to $1 million during any taxable year. As a result, we may from time to time in the future, make award payments under the Plan to executive officers that are not deductible.

We may withhold any taxes required by law to be withheld in connection with any award.

IRC Section 409A generally provides that any deferred compensation arrangement which does not meet specific requirements regarding (i) timing of payouts, (ii) advance election of deferrals, or (iii) restrictions on acceleration of payouts will result in immediate taxation of any amounts deferred to the extent not subject to a substantial risk of forfeiture. Failure to comply with Section 409A may result in the early taxation (plus interest) to the holder of deferred compensation and the imposition of a 20% penalty on the holder on such deferred amounts included in the holder's income. In general, to avoid a Section 409A violation, amounts deferred may only be paid out on separation from service, disability, death, a change-in-control, an unforeseen emergency (other than death), each as defined under Section 409A, or at a specified time. Furthermore, the election to defer generally must be made in the calendar year prior to performance of services, and any provision for accelerated payout, other than for the reasons specified above, may cause the amounts deferred to be subject to early taxation and to the imposition of the excise tax. Based on current guidance, we expect that we will be able to structure future awards in a manner that complies with Section 409A.

General/Vote Required

The closing price of our common stock on March 20, 2020, as traded on the NYSE, was $5.05 per share.

The affirmative vote of the holders of a majority of the shares of Halliburton's common stock represented at the Annual Meeting and entitled to vote on the matter is needed to approve the proposal.

THE BOARD OF DIRECTORS RECOMMENDS A **VOTE FOR** THE APPROVAL OF THE PROPOSED AMENDMENT AND RESTATEMENT OF THE HALLIBURTON COMPANY STOCK AND INCENTIVE PLAN.

General Information

We are providing these proxy materials to you in connection with the solicitation by the Board of Directors of Halliburton Company of proxies to be voted at our 2020 Annual Meeting of Shareholders and at any adjournment or postponement of the meeting. By executing and returning the enclosed proxy, by following the enclosed voting instructions, or by voting via the Internet or by telephone, you authorize the persons named in the proxy to represent you and vote your shares on the matters described in the Notice of Annual Meeting.

The Notice of Internet Availability of Proxy Materials is being sent to shareholders on or about April 7, 2020. Our Annual Report on Form 10-K, including financial statements, for the fiscal year ended December 31, 2019, accompanies this proxy statement. The Annual Report on Form 10-K shall not be considered as a part of the proxy solicitation materials or as having been incorporated by reference.

Subject to space availability, all shareholders as of the record date, or their duly appointed proxies, may attend the Annual Meeting and each may be accompanied by one guest. Admission to the Annual Meeting will be on a first-come, first-served basis. Registration will begin at 8:00 a.m. and the Annual Meeting will begin at 9:00 a.m. Please note that we will ask you to present valid picture identification, such as a driver's license or passport, when you check in at the registration desk.

If you hold your shares in "street name" (that is, through a broker or other nominee), you must bring a proxy issued in your name from the record holder to the meeting.

You may not bring cameras, recording equipment, electronic devices, large bags, briefcases, or packages into the Annual Meeting.

If you attend the Annual Meeting, you may vote in person. If you are not present, you can only vote your shares if you have voted via the Internet, by telephone, or returned a properly executed proxy; in these cases, your shares will be voted as you specify. If you return a properly executed proxy and do not specify a vote, your shares will be voted in accordance with the recommendations of the Board. You may revoke the authorization given in your proxy at any time before the shares are voted at the Annual Meeting.

We intend to hold our Annual Meeting in person. However, developments regarding the coronavirus (COVID-19) pandemic may change this. We are sensitive to the public health concerns our shareholders may have and the protocols that federal, state, and local governments may impose. In the event it is not possible or advisable to hold our Annual Meeting in person, we will announce alternative arrangements for the meeting as promptly as practicable, which may include holding the meeting solely by means of remote communication. We may also need to change the date or the time of the meeting. Please monitor our website at www.halliburton.com for updated information. If you are planning to attend our meeting, please check the website one week prior to the meeting date. As always, we encourage you to vote your shares prior to the Annual Meeting.

It is important that you retain a copy of the control number found on the proxy card, voting instruction form, or Notice of Internet Availability of Proxy Materials, as such number will be required in order for shareholders to gain access to any meeting held solely by means of remote communication.

The record date for determination of the shareholders entitled to vote at the Annual Meeting is the close of business on March 20, 2020. Our common stock, par value $2.50 per share, is our only class of capital stock that is outstanding. As of March 20, 2020, there were 873,350,914 shares of our stock outstanding. Each outstanding share of common stock is entitled to one vote on each matter submitted to the shareholders for a vote at the Annual Meeting. We will keep a complete list of shareholders entitled to vote at our principal executive offices for ten days before and will have the list available at the Annual Meeting. Our principal executive offices are located at 3000 N. Sam Houston Parkway East, Administration Building, Houston, Texas 77032.

Votes cast by proxy or in person at the Annual Meeting will be counted by the persons we appoint to act as election inspectors for the Annual Meeting. Except as set forth below, the affirmative vote of the majority of shares present in person or represented by proxy at the Annual Meeting and entitled to vote on the subject matter will be the act of the shareholders. Shares for which a shareholder has elected to abstain on a matter will count for purposes of determining the presence of a quorum and, except as set forth below, will have the effect of a vote against the matter.

Each Director shall be elected by the vote of the majority of the votes cast by holders of shares represented in person or by proxy and entitled to vote in the election of Directors, provided that if the number of nominees exceeds the number of Directors to be elected and all shareholder-proposed nominees have not been withdrawn before the tenth (10th) day preceding the day we mail the Notice of Internet Availability of Proxy Materials to shareholders for the Annual Meeting, the Directors shall be elected by the vote of a plurality of the shares represented in person or by proxy at the Annual Meeting and entitled to vote on the election of Directors. A majority of the votes cast means that the number of shares voted "for" a Director must exceed the number of votes cast "against" that Director; we will not count abstentions. As a condition to being nominated by the Board for continued service as a Director, each Director nominee has signed and delivered to the Board an irrevocable letter of resignation limited to and conditioned on that Director failing to achieve a majority of the votes cast at an election where Directors are elected by majority vote. For any Director nominee who fails to be elected by a majority of votes cast, where Directors are elected by majority vote, his or her irrevocable letter of resignation will be deemed tendered on the date the election results are certified. Such resignation shall only be effective upon acceptance by the Board.

The election inspectors will treat broker non-vote shares, which are shares held in street name that cannot be voted by a broker on specific matters in the absence of instructions from the beneficial owner of the shares, as shares that are present and entitled to vote for purposes of determining the presence of a quorum. In determining the outcome of any matter for which the broker does not have discretionary authority to vote, however, those shares will not have any effect on that matter. A broker may be entitled to vote those shares on other matters.

In accordance with our confidential voting policy, no particular shareholder's vote will be disclosed to our officers, Directors, or employees, except:

- as necessary to meet legal requirements and to assert claims for and defend claims against us;
- when disclosure is voluntarily made or requested by the shareholder;
- when the shareholder writes comments on the proxy card; or
- in the event of a proxy solicitation not approved and recommended by the Board.

The proxy solicitor, the election inspectors, and the tabulators of all proxies, ballots, and voting tabulations are independent and are not our employees.

Additional Information

Involvement in Certain Legal Proceedings

There are no legal proceedings to which any of our Directors, executive officers, or any associate of any of our Directors or executive officers is a party adverse to us or has a material interest adverse to us.

Advance Notice Procedures

Under our By-laws, no business, including nominations of a person for election as a Director, may be brought before an Annual Meeting unless it is specified in the notice of the Annual Meeting or is otherwise brought before the Annual Meeting by or at the direction of the Board or by a shareholder who meets the requirements specified in our By-laws and has delivered notice to us (containing the information specified in the By-laws). To be timely, a shareholder's notice for matters to be brought before the Annual Meeting of Shareholders in 2021 must be delivered to or mailed and received at our principal executive offices, 3000 N. Sam Houston Parkway East, Administration Building, Houston, TX 77032, not less than 90 days nor more than 120 days prior to the anniversary date of the 2020 Annual Meeting of Shareholders, or no later than February 18, 2021, and no earlier than January 19, 2021. These requirements are separate from and in addition to the SEC's requirements that a shareholder must meet in order to have a shareholder proposal included in our proxy statement. This advance notice requirement does not preclude discussion by any shareholder of any business properly brought before the Annual Meeting in accordance with these procedures.

Proxy Solicitation Costs

We are soliciting the proxies accompanying this proxy statement and we will bear the cost of soliciting those proxies. We have retained Innisfree M&A Incorporated to aid in the solicitation of proxies. For these services, we will pay Innisfree a fee of $17,500 and reimburse it for out-of-pocket disbursements and expenses. Our officers and employees may solicit proxies personally and by telephone or other electronic communications with some shareholders if proxies are not received promptly. We will, upon request, reimburse banks, brokers, and others for their reasonable expenses in forwarding proxies and proxy materials to beneficial owners of our stock.

Shareholder Proposals for the 2021 Annual Meeting

Shareholders interested in submitting a proposal for inclusion in the proxy materials for the Annual Meeting of Shareholders in 2021 may do so by following the procedures prescribed in SEC Rule 14a-8. To be eligible for inclusion, shareholder proposals must be received by our Corporate Secretary at 3000 N. Sam Houston Parkway East, Administration Building, Houston, TX 77032, no later than December 8, 2020. The 2021 Annual Meeting will be held on May 19, 2021.

Other Matters

As of the date of this proxy statement, we know of no business that will be presented for consideration at the Annual Meeting other than the matters described in this proxy statement. If any other matters should properly come before the Annual Meeting for action by shareholders, it is intended that proxies will be voted on those matters in accordance with the judgment of the person or persons voting the proxies.

By Authority of the Board of Directors,

Robb L. Voyles

Executive Vice President, Secretary and Chief Legal Officer

April 7, 2020

Appendix A

Halliburton Company Stock and Incentive Plan

As Amended and Restated Effective February 11, 2020

I. Purpose

The purpose of the Halliburton Company Stock and Incentive Plan (the "Plan") is to provide a means whereby Halliburton Company, a Delaware corporation (the "Company"), and its Subsidiaries may attract, motivate and retain highly competent employees and to provide a means whereby selected employees can acquire and maintain stock ownership and receive cash awards, thereby strengthening their concern for the long-term welfare of the Company. The Plan is also intended to provide employees with additional incentive and reward opportunities designed to enhance the profitable growth of the Company over the long term. A further purpose of the Plan is to allow awards under the Plan to non-management Directors in order to enhance the Company's ability to attract and retain highly qualified Directors. Accordingly, the Plan provides for granting Incentive Stock Options, Options which do not constitute Incentive Stock Options, Stock Appreciation Rights, Restricted Stock Awards, Restricted Stock Unit Awards, Performance Awards, Stock Value Equivalent Awards, or any combination of the foregoing, as is best suited to the circumstances of the particular employee or non-management Director as provided herein. The Plan was established February 18, 1993, as the Halliburton Company 1993 Stock and Incentive Plan, has been amended from time to time thereafter. The Plan as amended and restated herein was adopted by the Board on February 11, 2020, subject to approval by the Company's stockholders, and will become effective as of the date of such approval.

II. Definitions

The following definitions shall be applicable throughout the Plan unless specifically modified by any paragraph:

(a) "Award" means, individually or collectively, any Option, Stock Appreciation Right, Restricted Stock Award, Restricted Stock Unit Award, Performance Award or Stock Value Equivalent Award.

(b) "Award Document" means the relevant award agreement or other document containing the terms and conditions of an Award.

(c) "Beneficial Owners" shall have the meaning set forth in Rule 13d-3 promulgated under the Exchange Act.

(d) "Board" means the Board of Directors of Halliburton Company.

(e) "Cause" shall have the meaning set forth in the Participant's Employment Agreement, or, if there is no Employment Agreement or the Employment Agreement does not define "Cause," "Cause" shall have the meaning set forth in an Award Document, or, if the Award Document does not define "Cause", "Cause" shall mean:

- (i) conduct involving fraud or misuse of the funds or other property of the Company; or
- (ii) gross negligence or willful misconduct in the performance of duties; or
- (iii) indictment of a felony, or a misdemeanor involving moral turpitude; or
- (iv) material violation of Company policy, including the Company's Code of Business Conduct.

(f) "Code" means the Internal Revenue Code of 1986, as amended. Reference in the Plan to any section of the Code shall be deemed to include any amendments or successor provisions to such section and any regulations under such section.

(g) "Committee" means the committee selected by the Board to administer the Plan in accordance with Paragraph (a) of Article IV of the Plan.

(h) "Common Stock" means the Common Stock, par value $2.50 per share, of the Company.

(i) "Company" means Halliburton Company, a Delaware corporation.

(j) "Corporate Change" shall conclusively be deemed to have occurred on a Corporate Change Effective Date if an event set forth in any one of the following paragraphs shall have occurred:

- (i) any Person is or becomes the Beneficial Owner, directly or indirectly, of securities of the Company (not including in the securities beneficially owned by such Person any securities acquired directly from the Company or its affiliates) representing 20% or more of the combined voting power of the Company's then outstanding securities; or
- (ii) the following individuals cease for any reason to constitute a majority of the number of directors then serving: individuals who, on the date hereof, constitute the Board and any new Director (other than a Director whose initial assumption of office is in connection with an actual or threatened election contest relating to the election of Directors of the Company) whose appointment or election by the Board or nomination for election by the Company's stockholders was approved or recommended by a vote of at least two-thirds (2/3) of the Directors then still in office who either were

Directors on the date hereof or whose appointment, election, or nomination for election was previously so approved or recommended; or

(iii) there is consummated a merger or consolidation of the Company or any direct or indirect Subsidiary of the Company with any other corporation, other than (A) a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior to such merger or consolidation continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or any parent thereof), in combination with the ownership of any trustee or other fiduciary holding securities under an employee benefit plan of the Company or any Subsidiary of the Company, at least 50% of the combined voting power of the securities of the Company or such surviving entity or any parent thereof outstanding immediately after such merger or consolidation, or (B) a merger or consolidation effected to implement a recapitalization of the Company (or similar transaction) in which no Person is or becomes the Beneficial Owner, directly or indirectly, of securities of the Company (not including in the securities Beneficially Owned by such Person any securities acquired directly from the Company or any of its affiliates other than in connection with the acquisition by the Company or any of its affiliates of a business) representing 20% or more of the combined voting power of the Company's then outstanding securities; or

(iv) the stockholders of the Company approve a plan of complete liquidation or dissolution of the Company or there is consummated an agreement for the sale, disposition, lease or exchange by the Company of all or substantially all of the Company's assets, other than a sale, disposition, lease or exchange by the Company of all or substantially all of the Company's assets to an entity, at least 50% of the combined voting power of the voting securities of which are owned by stockholders of the Company in substantially the same proportions as their ownership of the Company immediately prior to such sale.

Notwithstanding the foregoing, a "Corporate Change" shall not be deemed to have occurred by virtue of the consummation of any transaction or series of integrated transactions immediately following which the record holders of the Common Stock of the Company immediately prior to such transaction or series of transactions continue to have substantially the same proportionate ownership in an entity which owns all or substantially all of the assets of the Company immediately following such transaction or series of transactions.

(k) "Corporate Change Effective Date" shall mean:

(i) the first date that the direct or indirect ownership of 20% or more combined voting power of the Company's outstanding securities results in a Corporate Change as described in clause (i) of such definition above; or

(ii) the date of the election of Directors that results in a Corporate Change as described in clause (ii) of such definition; or

(iii) the date of the merger or consideration that results in a Corporate Change as described in clause (iii) of such definition; or

(iv) the date of stockholder approval that results in a Corporate Change as described in clause (iv) of such definition.

(l) "Employment Agreement" shall mean a written and active executive agreement between the Company, Halliburton Energy Services, Inc. or Halliburton Worldwide Resources, LLC and a Participant who is an officer, addressing the terms and conditions of the Participant's employment, and shall include such agreements pertaining to at-will employment.

(m) "Exchange Act" means the Securities Exchange Act of 1934, as amended.

(n) "Fair Market Value" means, as of any specified date, the closing price of the Common Stock on the New York Stock Exchange (or, if the Common Stock is not then listed on such exchange, such other national securities exchange on which the Common Stock is then listed) on that date, or if no prices are reported on that date, on the last preceding date on which such prices of the Common Stock are so reported or, in the sole discretion of the Committee for purposes of determining the Fair Market Value of the Common Stock at the time of exercise of an Option or a Stock Appreciation Right, such Fair Market Value shall be the prevailing price of the Common Stock as of the time of exercise. If the Common Stock is not then listed or quoted on any national securities exchange but is traded over the counter at the time a determination of its Fair Market Value is required to be made hereunder, its Fair Market Value shall be deemed to be equal to the average between the reported high and low sales prices of Common Stock on the most recent date on which Common Stock was publicly traded. If the Common Stock is not publicly traded at the time a determination of its value is required to be made hereunder, the determination of its Fair Market Value shall be made by the Committee in such manner as it deems appropriate.

(o) "Holder" means an employee or non-management Director of the Company who has been granted an Award.

(p) "Immediate Family" means, with respect to a particular Holder, the Holder's spouse, parent, brother, sister, children and grandchildren (including adopted and step children and grandchildren).

(q) "Incentive Stock Option" means an Option within the meaning of Section 422 of the Code.

(r) "Minimum Criteria" means a Restriction Period that is not less than one (1) year from the date of grant of an Option, a Stock Appreciation Right, a Restricted Stock Award, Restricted Stock Unit Award, a Performance Award or a Stock Equivalent Award, such that the first time-based vesting event will occur no sooner than the first anniversary of the date of grant.

(s) "Minimum Criteria Exception" means that 5% of the total number of shares available for Awards under the Plan may have a Restriction Period that is less than the Minimum Criteria.

(t) "non-management Director" means a member of the Board who is not an employee or former employee of the Company or its Subsidiaries.

(u) "Option" means an Award granted under Article VII of the Plan and includes both Incentive Stock Options to purchase Common Stock and Options which do not constitute Incentive Stock Options to purchase Common Stock.

(v) "Option Agreement" means a written agreement between the Company and a Holder with respect to an Option.

(w) "Optionee" means a Holder who has been granted an Option.

(x) "Parent Corporation" shall have the meaning set forth in Section 424(e) of the Code.

(y) "Performance Award" means an Award granted under Article XI of the Plan.

(z) "Person" shall have the meaning given in Section 3(a)(9) of the Exchange Act, as modified and used in Sections 13(d) and 14(d) thereof, except that such term shall not include (i) the Company or any of its Subsidiaries, (ii) a trustee or other fiduciary holding securities under an employee benefit plan of the Company or any of its affiliates, (iii) an underwriter temporarily holding securities pursuant to an offering of such securities, or (iv) a corporation owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their ownership of stock of the Company.

(aa) "Plan" means the Halliburton Company Stock and Incentive Plan, as amended and restated.

(bb) "Protected Period" means the period beginning on the date of the public announcement of a transaction that, if consummated, would result in a Corporate Change and ending on the date that is the earlier of (i) the announcement of the termination of the proposed transaction or (ii) two years after the Corporate Change Effective Date.

(cc) "Qualifying Termination" means, with respect to an Award granted on or after February 13, 2019, a Holder's termination of service during a Protected Period due to involuntary termination without Cause, death, disability, Good Reason (as defined in an Employment Agreement, or a similar constructive termination event, in each case, only if a severance benefit is payable upon termination of employment due to such event pursuant to an Employment Agreement) or other event as specified in the Holder's Award Document.

(dd) "Restricted Stock Award" means an Award granted under Article IX of the Plan.

(ee) "Restricted Stock Award Agreement" means a written agreement between the Company and a Holder with respect to a Restricted Stock Award.

(ff) "Restricted Stock Unit" means a unit evidencing the right to receive one share of Common Stock or an equivalent value equal to the Fair Market Value of a share of Common Stock (as determined by the Committee) that is restricted or subject to forfeiture provisions.

(gg) "Restricted Stock Unit Award" means an Award granted under Article X of the Plan.

(hh) "Restricted Stock Unit Award Agreement" means a written agreement between the Company and a Holder with respect to a Restricted Stock Unit Award.

(ii) "Restriction Period" means a period of time beginning as of the date upon which an Option, a Stock Appreciation Right, a Restricted Stock Award, a Restricted Stock Unit Award, a Performance Award or a Stock Value Equivalent Award is made pursuant to the Plan and ending as of the date upon which all or a portion of the Option or Stock Appreciation Right becomes exercisable or the Common Stock or cash subject to a Restricted Stock Award, a Restricted Stock Unit Award, a Performance Award or a Stock Value Equivalent Award is issued (if not previously issued), no longer restricted or subject to forfeiture provisions, but shall not include restrictions associated with deferral of vested Awards.

(jj) "Spread" means, in the case of a Stock Appreciation Right, an amount equal to the excess, if any, of the Fair Market Value of a share of Common Stock on the date such right is exercised over the exercise price of such Stock Appreciation Right.

(kk) "Stock Appreciation Right" means an Award granted under Article VIII of the Plan.

(ll) "Stock Appreciation Rights Agreement" means a written agreement between the Company and a Holder with respect to an Award of Stock Appreciation Rights.

(mm) "Stock Value Equivalent Award" means an Award granted under Article XII of the Plan.

(nn) "Subsidiary" means a company (whether a corporation, partnership, joint venture or other form of entity) in which the Company or a corporation in which the Company owns a majority of the shares of capital stock, directly or indirectly, owns a greater than 20% equity interest, except that with respect to the issuance of Incentive Stock Options the term "Subsidiary" shall have the same meaning as the term "subsidiary corporation" as defined in Section 424(f) of the Code.

(oo) "Successor Holder" shall have the meaning given such term in Paragraph (f) of Article XV.

III. Effective Date and Duration of the Plan

The Plan as amended and restated herein was adopted by the Board on February 11, 2020, is subject to approval by the Company's stockholders and will become effective as of the date of such approval. Subject to the provisions of Article XIII, the Plan shall remain in effect until all Options and Stock Appreciation Rights granted under the Plan have been exercised or expired by reason of lapse of time, all restrictions imposed upon Restricted Stock Awards and Restricted Stock Unit Awards have lapsed and all Performance Awards and Stock Value Equivalent Awards have been satisfied.

IV. Administration

(a) Composition of Committee: The Plan shall be administered by a Committee of Directors of the Company which shall be appointed by the Board.

(b) Powers: The Committee shall have authority, in its discretion, to determine which eligible individuals shall receive an Award, the time or times when such Award shall be made, whether an Incentive Stock Option, nonqualified Option or Stock Appreciation Right shall be granted, the number of shares of Common Stock which may be issued under each Option, Stock Appreciation Right, Restricted Stock Award and Restricted Stock Unit Award, and the value of each Performance Award and Stock Value Equivalent Award. The Committee shall have the authority, in its discretion, to establish the terms and conditions applicable to any Award, subject to any specific limitations or provisions of the Plan. In making such determinations the Committee may take into account the nature of the services rendered by the respective individuals, their responsibility level, their present and potential contribution to the Company's success and such other factors as the Committee in its discretion shall deem relevant. Notwithstanding any provision of the Plan to the contrary, the Committee may provide for the acceleration of vesting or exercisability of an Award upon a Corporate Change, upon a termination of employment or service by reason of death, disability, retirement or otherwise or for any other reason.

(c) Additional Powers. The Committee shall have such additional powers as are delegated to it by the other provisions of the Plan. Subject to the express provisions of the Plan, the Committee is authorized to construe the Plan and the respective Award Documents executed thereunder, to prescribe such rules and regulations relating to the Plan as it may deem advisable to carry out the Plan, and to determine the terms, restrictions and provisions of each Award, including such terms, restrictions and provisions as shall be requisite in the judgment of the Committee to cause designated Options to qualify as Incentive Stock Options, and to make all other determinations necessary or advisable for administering the Plan. The Committee may correct any defect or supply any omission or reconcile any inconsistency in any Award Document relating to an Award in the manner and to the extent the Committee shall deem expedient to carry the Award into effect. The determinations of the Committee on the matters referred to in this Article IV shall be conclusive.

(d) Delegation of Authority. The Committee may delegate some or all of its power to the Chief Executive Officer of the Company as the Committee deems appropriate; provided, however, that the Committee may not delegate its power with regard to the selection for participation in the Plan of an officer or other person subject to Section 16 of the Exchange Act or decisions concerning the timing, pricing or amount of an Award to such an officer or other person and any delegation of the power to grant Awards shall be permitted by applicable law.

(e) Engagement of an Agent. The Company may, in its discretion, engage an agent to (i) maintain records of Awards and Holders' holdings under the Plan, (ii) execute sales transactions in shares of Common Stock at the direction of Holders, (iii) deliver sales proceeds as directed by Holders, and (iv) hold shares of Common Stock owned without restriction by Holders, including shares of Common Stock previously obtained through the Plan that are transferred to the agent by Holders at their discretion. Except to the extent otherwise agreed by the Company and the agent, when an individual loses his or her status as an employee or non-management Director of the Company, the agent shall have no obligation to provide any further services to such person and the shares of Common Stock previously held by the agent under the Plan may be distributed to the person or his or her legal representative.

V. Grant of Options, Stock Appreciation Rights, Restricted Stock Awards, Restricted Stock Unit Awards, Performance Awards and Stock Value Equivalent Awards; Shares Subject to the Plan

(a) Award Limits. The Committee may from time to time grant Awards to one or more individuals determined by it to be eligible for participation in the Plan in accordance with the provisions of Article VI. The aggregate number of shares of Common Stock that may be issued under the Plan shall not exceed 29,790,261 shares, all of which shall be available for Awards of Incentive Stock Options. Shares issued as Restricted Stock Awards, Restricted Stock Unit Awards or pursuant to Performance Awards will count against the shares available for issuance under the Plan as 1.60 shares for every 1 share issued in connection with the Award. Notwithstanding anything contained herein to the contrary, the number of Option shares or Stock Appreciation Rights, singly or in combination, together with shares or share equivalents under Performance Awards granted to any Holder who is an employee in any one calendar year, shall not in the aggregate exceed 1,000,000. The cash value determined as of the date of grant of any Performance Award not denominated in Common Stock granted to any Holder who is an employee in any one calendar year shall not exceed $30,000,000. The fair market value, determined as of the date of grant, of Awards granted to a Holder who is a non-management Director in any one calendar year, when added to any cash or other compensation payable to such a Holder in such calendar year, shall not exceed $750,000. Any shares which remain unissued and which are not subject to outstanding Options or Awards at the termination of the Plan shall cease to be subject to the Plan, but, until termination of the Plan, the Company shall at all times reserve a sufficient number of shares to meet the requirements of the Plan. If Awards are forfeited or are terminated for any other reason before being exercised or settled, then the shares underlying such Awards shall again become available for Awards under the Plan. Notwithstanding the foregoing, the following shares shall not become available for Awards under the Plan: (i) shares tendered by an Optionee or withheld by the Company for payment of an option price, (ii) shares tendered by a Holder or withheld by the Company to satisfy the Company's tax withholding obligation in connection with an Award, (iii) shares reacquired in the open market or otherwise using cash proceeds from the exercise of Options, and (iv) shares that are not issued to a Holder due to a net settlement of an Award. For purposes of clarity, Stock Appreciation Rights and Options shall be counted in full against the number of shares available for issuance under the Plan, regardless of the number of shares issued upon settlement of the Stock Appreciation Rights and Options. The aggregate number of shares which may be issued under the Plan shall be subject to adjustment in the same manner as provided in Article XIII with respect to shares of Common Stock subject to Options then outstanding. The 1,000,000-share limit on Holders who are employees with respect to Stock Options and Stock Appreciation Rights Awards, singly or in combination, together with shares or share equivalents under Performance Awards granted to any Holder who is an employee in any calendar year shall be subject to adjustment in the same manner as provided in Article XIII. Separate stock certificates shall be issued by the Company for those shares acquired pursuant to the exercise of an Incentive Stock Option and for those shares acquired pursuant to the exercise of any Option which does not constitute an Incentive Stock Option.

(b) Stock Offered. The stock to be offered pursuant to the grant of an Award may be authorized but unissued Common Stock or Common Stock previously issued and reacquired by the Company.

VI. Eligibility

Only employees of the Company or any Parent Corporation or Subsidiary of the Company and non-management Directors shall be eligible for Awards under the Plan as determined by the Committee in its sole discretion. Each Award shall be evidenced in such manner and form as may be prescribed by the Committee.

VII. Stock Options

(a) Stock Option Agreement. Each Option shall be evidenced by an Option Agreement between the Company and the Optionee which shall contain such terms and conditions as may be approved by the Committee. The terms and conditions of the respective Option Agreements need not be identical. Specifically, an Option Agreement may provide for the payment of the option price, in whole or in part, by the delivery of a number of shares of Common Stock (plus cash if necessary) having a Fair Market Value equal to such option price.

(b) Restriction Period To Be Established by the Committee. The Committee shall establish the Restriction Period applicable to an Option; provided, however, that such Restriction Period shall not be less than the Minimum Criteria. Notwithstanding the foregoing, Awards of Options may utilize the Minimum Criteria Exception.

(c) Option Period. The term of each Option shall be as specified by the Committee at the date of grant; provided that, in no case, shall the term of an Option exceed ten (10) years.

(d) Limitations on Exercise of Option. An Option shall be exercisable in whole or in such installments and at such times as determined by the Committee.

(e) Option Price. The purchase price of Common Stock issued under each Option shall be determined by the Committee, but such purchase price shall not be less than the Fair Market Value of Common Stock subject to the Option on the date the Option is granted.

(f) Options and Rights in Substitution for Stock Options Granted by Other Corporations. Options and Stock Appreciation Rights may be granted under the Plan from time to time in substitution for stock options held by employees of corporations who become, or who became prior to the effective date of the Plan, employees of the Company or of any Subsidiary as a result of a merger or consolidation of the employing corporation with the Company or such Subsidiary, or the acquisition by the Company or a Subsidiary of all or a portion of the assets of the employing corporation, or the acquisition by the Company or a Subsidiary of stock of the employing corporation with the result that such employing corporation becomes a Subsidiary.

(g) Repricing Prohibited. Except for adjustments pursuant to Article XIII, the purchase price of Common Stock for any outstanding Option granted under the Plan may not be decreased after the date of grant nor may an outstanding Option granted under the Plan be surrendered to the Company as consideration for the grant of a new Option with a lower purchase price, cash or a new Award unless there is prior approval by the Company stockholders. Any other action that is deemed to be a repricing under any applicable rule of the New York Stock Exchange shall be prohibited unless there is prior approval by the Company stockholders.

VIII. Stock Appreciation Rights

(a) Stock Appreciation Rights. A Stock Appreciation Right is the right to receive an amount equal to the Spread with respect to a share of Common Stock upon the exercise of such Stock Appreciation Right. Stock Appreciation Rights may be granted in connection with the grant of an Option, in which case the Option Agreement will provide that exercise of Stock Appreciation Rights will result in the surrender of the right to purchase the shares under the Option as to which the Stock Appreciation Rights were exercised. Alternatively, Stock Appreciation Rights may be granted independently of Options in which case each Award of Stock Appreciation Rights shall be evidenced by a Stock Appreciation Rights Agreement between the Company and the Holder which shall contain such terms and conditions as may be approved by the Committee. The terms and conditions of the respective Stock Appreciation Rights Agreements need not be identical. The Spread with respect to a Stock Appreciation Right may be payable either in cash, shares of Common Stock with a Fair Market Value equal to the Spread or in a combination of cash and shares of Common Stock as determined by the Committee in its sole discretion.

(b) Restriction Period To Be Established by the Committee. The Committee shall establish the Restriction Period applicable to a Stock Appreciation Right; provided, however, that such Restriction Period shall not be less than the Minimum Criteria. Notwithstanding the foregoing, Awards of Stock Appreciation Rights may utilize the Minimum Criteria Exception.

(c) Exercise Price. The exercise price of each Stock Appreciation Right shall be determined by the Committee, but such exercise price shall not be less than the Fair Market Value of a share of Common Stock on the date the Stock Appreciation Right is granted.

(d) Exercise Period. The term of each Stock Appreciation Right shall be as specified by the Committee at the date of grant; provided that, in no case, shall the term of a Stock Appreciation Right exceed ten (10) years.

(e) Limitations on Exercise of Stock Appreciation Right. A Stock Appreciation Right shall be exercisable in whole or in such installments and at such times as determined by the Committee.

(f) Repricing Prohibited. Except for adjustments pursuant to Article XIII, the exercise price of a Stock Appreciation Right may not be decreased after the date of grant nor may an outstanding Stock Appreciation Right granted under the Plan be surrendered to the Company as consideration for the grant of a new Stock Appreciation Right with a lower exercise price, cash or a new Award unless there is prior approval by the Company stockholders. Any other action that is deemed to be a repricing under any applicable rule of the New York Stock Exchange shall be prohibited unless there is prior approval by the Company stockholders.

IX. Restricted Stock Awards

(a) Restriction Period To Be Established by the Committee. The Committee shall establish the Restriction Period applicable to Restricted Stock Awards; provided, however, that such Restriction Period shall not be less than the Minimum Criteria. Notwithstanding the foregoing, Restricted Stock Awards may utilize the Minimum Criteria Exception.

(b) Other Terms and Conditions. Common Stock awarded pursuant to a Restricted Stock Award shall be represented by a stock certificate registered in the name of the Holder of such Restricted Stock Award or, at the option of the Company, in the name of a nominee of the Company. The Holder shall have the right to receive dividends during the Restriction Period, to vote the Common Stock subject thereto and to enjoy all other stockholder rights, except that (i) the Holder shall not be entitled to possession of the stock certificate until the Restriction Period shall have expired, (ii) the Company shall retain custody of the stock during the Restriction Period, (iii) the Holder may not sell, transfer, pledge, exchange, hypothecate or otherwise dispose of the stock during the Restriction Period, and (iv) a breach of the terms and conditions established by the Committee pursuant to the Restricted Stock Award shall cause a forfeiture of the Restricted Stock Award. The Committee may, in its sole discretion, prescribe additional terms, conditions or restrictions relating to Restricted Stock Awards as shall be set forth in a Restricted Stock Award Agreement.

(c) Payment for Restricted Stock. A Holder shall not be required to make any payment for Common Stock received pursuant to a Restricted Stock Award, except to the extent otherwise required by law and except that the Committee may, in its discretion, charge the Holder an amount in cash not in excess of the par value of the shares of Common Stock issued under the Plan to the Holder.

(d) Miscellaneous. Nothing in this Article shall prohibit the exchange of shares issued under the Plan (whether or not then subject to a Restricted Stock Award) pursuant to a plan of reorganization for stock or securities in the Company or another corporation a party to the reorganization, but the stock or securities so received for shares then subject to the restrictions of a Restricted Stock Award shall become subject to the restrictions of such Restricted Stock Award. Any shares of stock received as a result of a stock split or stock dividend with respect to shares then subject to a Restricted Stock Award shall also become subject to the restrictions of the Restricted Stock Award.

X. Restricted Stock Unit Awards

(a) Restriction Period To Be Established by the Committee. The Committee shall establish the Restriction Period applicable to Restricted Stock Unit Awards; provided, however, that such Restriction Period shall not be less than the Minimum Criteria. Notwithstanding the foregoing, Restricted Stock Unit Awards may utilize the Minimum Criteria Exception.

(b) Other Terms and Conditions. The Committee may, in its sole discretion, prescribe additional terms, conditions or restrictions relating to the Restricted Stock Unit Award as shall be set forth in a Restricted Stock Unit Award Agreement. Cash dividend equivalents may be converted into additional Restricted Stock Units or may be paid during, or may be accumulated and paid at the end of, the Restriction Period with respect to a Restricted Stock Unit Award, as determined by the Committee. The Committee, in its sole discretion, may provide for the deferral of a Restricted Stock Unit Award.

(c) Payment for Restricted Stock Unit. A Holder shall not be required to make any payment for Common Stock received pursuant to a Restricted Stock Unit Award, except to the extent otherwise required by law and except that the Committee may, in its discretion, charge the Holder an amount in cash not in excess of the par value of the shares of Common Stock issued under the Plan to the Holder.

(d) Restricted Stock Units in Substitution for Units Granted by Other Corporations. Restricted Stock Unit Awards may be granted under the Plan from time to time in substitution for restricted stock units held by employees of corporations who become, or who became prior to the effective date of the Plan, employees of the Company or of any Subsidiary as a result of a merger or consolidation of the employing corporation with the Company or such Subsidiary, or the acquisition by the Company or a Subsidiary of all or a portion of the assets of the employing corporation, or the acquisition by the Company or a Subsidiary of stock of the employing corporation with the result that such employing corporation becomes a Subsidiary.

XI. Performance Awards

(a) Performance Period. The Committee shall establish, with respect to and at the time of each Performance Award, a performance period over which the performance applicable to the Performance Award of the Holder shall be measured and a Restriction Period; provided, however, that such Restriction Period shall not be less than the Minimum Criteria. Notwithstanding the foregoing, Performance Awards may utilize the Minimum Criteria Exception.

(b) Performance Awards. Each Performance Award may have a maximum value established by the Committee at the time of such Award.

(c) Performance Measures. A Performance Award granted under the Plan shall be awarded contingent, in whole or in part, upon the achievement of one or more performance measures. The performance criteria for Performance Awards shall consist of objective tests based on the following: earnings, cash flow, return on capital, cash value added performance, stockholder return and/or value, revenues, operating profits (including EBITDA), net profits, earnings per share, stock price, cost reduction goals, debt to capital ratio, financial return ratios, profit return and margins, market share, working capital, net operating profit after taxes, asset turns, customer satisfaction and any other criteria as determined by the Committee. The Committee may select one criterion or multiple criteria for measuring performance. Performance criteria may be measured on corporate, subsidiary or business unit performance, or on a combination thereof. Further, the performance criteria may be based on comparative performance with other companies or other external measure of the selected performance criteria.

(d) Payment. Following the end of the performance period, the Holder of a Performance Award shall be entitled to receive payment of an amount, not exceeding the maximum value of the Performance Award, if any, based on the achievement of the performance measures for such performance period, as determined by the Committee in its sole discretion. Payment of a Performance Award (i) may be made in cash, Common Stock or a combination thereof, as determined by the Committee in its sole discretion, (ii) shall be made in a lump sum or in installments as prescribed by the Committee in its sole discretion, and (iii) to the extent applicable, shall be based on the Fair Market Value of the Common Stock on the payment date.

(e) Termination of Service. The Committee shall determine the effect of termination of service during the performance period on a Holder's Performance Award.

XII. Stock Value Equivalent Awards

(a) Stock Value Equivalent Awards. Stock Value Equivalent Awards are rights to receive an amount equal to the Fair Market Value of shares of Common Stock or rights to receive an amount equal to any appreciation or increase in the Fair Market Value of Common Stock over a specified period of time, which is subject to a Restriction Period as established by the Committee, without payment of any amounts by the Holder thereof (except to the extent otherwise required by law) or satisfaction of any performance criteria or objectives. Each Stock Value Equivalent Award may have a maximum value established by the Committee at the time of such Award.

(b) Award Period. The Committee shall establish the Restriction Period applicable to Stock Value Equivalent Awards; provided, however, that such Restriction Period shall not be less than the Minimum Criteria. Notwithstanding the foregoing, Stock Value Equivalent Awards may utilize the Minimum Criteria Exception.

(c) Payment. Following the end of the determined period for a Stock Value Equivalent Award, the Holder of a Stock Value Equivalent Award shall be entitled to receive payment of an amount, not exceeding the maximum value of the Stock Value Equivalent Award, if any, based on the then vested value of the Award. Payment of a Stock Value Equivalent Award (i) shall be made in cash, (ii) shall be made in a lump sum or in installments as prescribed by the Committee in its sole discretion, and (iii) shall be based on the Fair Market Value of the Common Stock on the payment date. Cash dividend equivalents may be paid during, or may be accumulated and paid at the end of, the determined vesting period with respect to a Stock Value Equivalent Award, as determined by the Committee.

(d) Termination of Service. The Committee shall determine the effect of termination of service during the applicable vesting period on a Holder's Stock Value Equivalent Award.

XIII. Recapitalization or Reorganization

(a) Except as hereinafter otherwise provided, in the event of any recapitalization, reorganization, merger, consolidation, combination, exchange, stock dividend, stock split, extraordinary dividend or divestiture (including a spin-off) or any other change in the corporate structure or shares of Common Stock occurring after the date of the grant of an Award, the Committee shall, in its discretion, make such adjustment as to the number and price of shares of Common Stock or other consideration subject to such Awards as the Committee shall deem appropriate in order to prevent dilution or enlargement of rights of the Holders.

(b) The existence of the Plan and the Awards granted hereunder shall not affect in any way the right or power of the Board or the stockholders of the Company to make or authorize any adjustment, recapitalization, reorganization or other change in the Company's capital structure or its business, any merger or consolidation of the Company, any issue of debt or equity securities having any priority or preference with respect to or affecting Common Stock or the rights thereof, the dissolution or liquidation of the Company or any sale, lease, exchange or other disposition of all or any part of its assets or business or any other corporate act or proceeding.

(c) The shares with respect to which Options, Stock Appreciation Rights or Restricted Stock Units may be granted are shares of Common Stock as presently constituted, but if, and whenever, prior to the expiration of an Option, Stock Appreciation Rights or Restricted Stock Unit Award, the Company shall effect a subdivision or consolidation of shares of Common Stock or the payment of a stock dividend on Common Stock without receipt of consideration by the Company, the number of shares of Common Stock with respect to which such Award relates or may thereafter be exercised (i) in the event of an increase in the number of outstanding shares shall be proportionately increased, and, as applicable, the purchase price per share shall be proportionately reduced, and (ii) in the event of a reduction in the number of outstanding shares shall be proportionately reduced, and, as applicable, the purchase price per share shall be proportionately increased.

(d) If the Company recapitalizes or otherwise changes its capital structure, thereafter upon any exercise of an Option or Stock Appreciation Right or payment in settlement of a Restricted Stock Unit Award theretofore granted, the Holder shall be entitled to purchase or receive, as applicable, under such Award, in lieu of the number of shares of Common Stock as to which such Award relates or shall then be exercisable, the number and class of shares of stock and securities and the cash and other property to which the Holder would have been entitled pursuant to the terms of the recapitalization if, immediately prior to such recapitalization, the Holder had been the holder of record of the number of shares of Common Stock then covered by such Award.

(e) Notwithstanding any provisions of the Plan to the contrary, in the event of an employee Holder's Qualifying Termination, unless an Award Document otherwise provides, as of the date of such Holder's termination of service (i) any outstanding Options and Stock Appreciation Rights shall become immediately vested and fully exercisable for the full term thereof, (ii) any restrictions on Restricted Stock Awards or Restricted Stock Unit Awards shall immediately lapse, (iii) all performance measures upon which an outstanding Performance Award is contingent shall be deemed achieved and the Holder shall receive a payment equal to the target amount of the Award he or she would have been entitled to receive, without proration, and (iv) any outstanding cash Awards including Stock Value Equivalent Awards shall immediately vest and be paid based on the vested value of the Award.

(f) Except as hereinbefore expressly provided, the issuance by the Company of shares of stock of any class or securities convertible into shares of stock of any class, for cash, property, labor or services, upon direct sale, upon the exercise of rights or warrants to subscribe therefor, or upon conversion of shares or obligations of the Company convertible into such shares or other securities, and in any case whether or not for fair value, shall not affect, and no adjustment by reason thereof shall be made with respect to, the number of shares of Common Stock subject to Awards theretofore granted, the purchase price per share of Common Stock subject to Options or the calculation of the Spread with respect to Stock Appreciation Rights.

(g) Notwithstanding the foregoing, the provisions of this Article XIII shall be administered in accordance with Section 409A of the Code, and settlement of Awards under Section 13(e) will be delayed until the scheduled payment or vesting date to the extent required to comply with Section 409A of the Code or to avoid the taxes imposed thereunder.

XIV. Amendment or Termination of the Plan

The Board in its discretion may terminate the Plan or alter or amend the Plan or any part thereof from time to time; provided that no change in any Award theretofore granted may be made which would impair the rights of the Holder without the consent of the Holder, and provided, further, that the Board may not, without approval of the stockholders, amend the Plan to effect a "material revision" of the Plan, where a "material revision" includes, but is not limited to, a revision that: (a) materially increases the benefits accruing to a Holder under the Plan, (b) materially increases the aggregate number of securities that may be issued under the Plan, (c) materially modifies the requirements as to eligibility for participation in the Plan, or (d) changes the types of awards available under the Plan.

XV. Other

(a) No Right To An Award. Neither the adoption of the Plan nor any action of the Board or of the Committee shall be deemed to give an employee or a non-management Director any right to be granted an Option, a Stock Appreciation Right, a right to a Restricted Stock Award, Restricted Stock Unit Award, Performance Award or Stock Value Equivalent Award or any other rights hereunder except as may be evidenced by an Award or by an Option or Stock Appreciation Agreement duly executed on behalf of the Company, and then only to the extent of and on the terms and conditions expressly set forth therein. The Plan shall be unfunded. The Company shall not be required to establish any special or separate fund or to make any other segregation of funds or assets to assure the payment of any Award.

(b) No Employment Rights Conferred. Nothing contained in the Plan or in any Award made hereunder shall:

- (i) confer upon any employee any right to continuation of employment with the Company or any Subsidiary; or
- (ii) interfere in any way with the right of the Company or any Subsidiary to terminate his or her employment at any time.

(c) No Rights to Serve as a Director Conferred. Nothing contained in the Plan or in any Award made hereunder shall confer upon any Director any right to continue their position as a Director of the Company.

(d) Other Laws; Withholding. The Company shall not be obligated to issue any shares of Common Stock pursuant to any Award at any time, when the offering of the shares of Common Stock covered by such Award has not been registered under the U.S. Securities Act of 1933, as amended (the "Act") or such other country, U.S. federal or state laws, rules or regulations as the Company deems applicable and, in the opinion of legal counsel for the Company, there is no exemption from the registration. The Company intends to use reasonable efforts to ensure that no such delay will occur. In the event exemption from registration under the Act is available upon vesting of an Award, the Participant, if requested by the Company to do so, will execute and deliver to the Company in writing an agreement containing such provisions as the Company may require to assure compliance with applicable securities laws. By accepting an Award, the Participant agrees that the shares of Common Stock which the Participant may acquire upon vesting of an Award will not be sold or otherwise disposed of in any manner which would constitute a violation of any applicable U.S. federal, state or non-U.S. securities laws. Furthermore, the Participant also agrees (i) that the Company may refuse to register the transfer of the shares of Common Stock acquired under an Award on the stock transfer records of the Company if such proposed transfer would in the opinion of counsel to the Company constitute a violation of any applicable securities law, and (ii) that the Company may give related instructions to its transfer agent, if any, to stop registration of the transfer of the shares of Common Stock acquired under the Plan. No fractional shares of Common Stock shall be delivered, nor shall any cash in lieu of fractional shares be paid. The Company shall have the right to deduct in connection with all Awards any taxes required by law to be withheld and to require any payments necessary to enable it to satisfy its withholding obligations. The Committee may permit the Holder of an Award to elect to surrender, or authorize the Company to withhold, shares of Common Stock (valued at their Fair Market Value on the date of surrender or withholding of such shares) in satisfaction of the Company's withholding obligation, subject to such restrictions as the Committee deems appropriate.

(e) No Restriction on Corporate Action. Nothing contained in the Plan shall be construed to prevent the Company or any Subsidiary from taking any corporate action which is deemed by the Company or such Subsidiary to be appropriate or in its best interest, whether or not such action would have an adverse effect on the Plan or any Award made under the Plan. No Holder, beneficiary or other person shall have any claim against the Company or any Subsidiary as a result of any such action.

(f) Restrictions on Transfer. No Award may be sold, assigned, pledged, exchanged, hypothecated, encumbered, disposed of, or otherwise transferred, except by will or the laws of descent and distribution or pursuant to a "qualified domestic relations order" as defined by the Code or Title I of the U.S. Employee Retirement Income Security Act of 1974, as amended, or similar order. Upon any attempt to transfer, assign, pledge, hypothecate or otherwise dispose of an Award or of such rights contrary to the provisions of an Award Document or in the Plan, the Award and such rights shall immediately become null and void. The Committee may prescribe and include in the respective Award Documents hereunder other restrictions on transfer. Upon a Holder's death, the Holder's personal representative or other person entitled to succeed to the rights of the Holder (the "Successor Holder") may exercise such rights as are provided under the applicable Award Document. A Successor Holder must furnish proof satisfactory to the Company of his or her rights to exercise the Award under the Holder's will or under the applicable laws of descent and distribution. Notwithstanding the foregoing, the Committee shall have the authority, in its discretion, to grant (or to sanction by way of amendment to an existing grant) Awards (other than Incentive Stock Options) which may be transferred by the Holder for no consideration to or for the benefit of the Holder's Immediate Family, to a trust solely for the benefit of the Holder and his Immediate Family, or to a partnership or limited liability company in which the Holder and members of his Immediate Family have at least 99% of the equity, profit and loss interest, in which case the Award Document shall so state. A transfer of an Award pursuant to this Paragraph (f) shall be subject to such rules and procedures as the Committee may establish. In the event an Award is transferred as contemplated in this Paragraph (f), such Award may not be subsequently transferred by the transferee except by will or the laws of descent and distribution, and such Award shall continue to be governed by and subject to the terms and limitations of the Plan and the relevant written instrument for the Award and the transferee shall be entitled to the same rights as the Holder under Articles XIII and XIV hereof as if no transfer had taken place. No transfer shall be effective unless and until written notice of such transfer is provided to the Committee, in the form and manner prescribed by the Committee. The consequences of termination of employment shall continue to be applied with respect to the original Holder, following which the Awards shall be exercised by the transferee only to the extent and for the periods specified in the Plan and the related Award Document. The Option Agreement, Stock Appreciation Rights Agreement, Restricted Stock Award Agreement, Restricted Stock Unit Award Agreement or other Award Document shall specify the effect of the death of the Holder on the Award.

(g) Governing Law. This Plan shall be construed in accordance with the laws of the State of Texas, except to the extent that it implicates matters which are the subject of the General Corporation Law of the State of Delaware which matters shall be governed by the latter law.

(h) Foreign Awardees. Without amending the Plan, the Committee may grant Awards to eligible persons who are foreign nationals on such terms and conditions different from those specified in the Plan as may, in the judgment of the Committee, be necessary or desirable to foster and promote achievement of the purposes of the Plan and, in furtherance of such purposes, the Committee may make such modifications, amendments, procedures, subplans and the like as may be necessary or advisable to comply with the provisions of laws and regulations in other countries or jurisdictions in which the Company or its Subsidiaries operate.

(i) Clawback or Recoupment. Notwithstanding any other provisions in this Plan, any Award shall be subject to clawback, recovery or recoupment by the Company under any clawback or recoupment policy adopted by the Company, whether before or after the date of grant of the Award.

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-K

(Mark One)

☒ Annual Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the fiscal year ended December 31, 2019

OR

☐ Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
For the transition period from ______ to ______

Commission File Number 001-03492

HALLIBURTON COMPANY

(Exact name of registrant as specified in its charter)

Delaware	**75-2677995**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

3000 North Sam Houston Parkway East
Houston, Texas 77032
(Address of Principal Executive Offices)

Telephone Number – Area Code (281) 871-2699

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock, par value $2.50 per share	HAL	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.

Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer	☒	Accelerated Filer	☐
Non-accelerated Filer	☐	Emerging Growth Company	☐
Smaller Reporting Company	☐		

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes ☐ No ☒

The aggregate market value of Halliburton Company Common Stock held by non-affiliates on June 30, 2019, determined using the per share closing price on the New York Stock Exchange Composite tape of $22.74 on that date, was approximately $19.8 billion.

As of February 7, 2020, there were 879,911,447 shares of Halliburton Company Common Stock, $2.50 par value per share, outstanding.

Portions of the Halliburton Company Proxy Statement for our 2020 Annual Meeting of Shareholders (File No. 001-03492) are incorporated by reference into Part III of this report.

HALLIBURTON COMPANY
Index to Form 10-K
For the Year Ended December 31, 2019

PART I

Item 1. Business.

Description of business

Halliburton Company is one of the world's largest providers of products and services to the energy industry. Its predecessor was established in 1919 and incorporated under the laws of the State of Delaware in 1924. Inspired by the past and leading into the future, what started with a single product from a single location is now a global enterprise. We are proud of our over 100 years of operation, innovation, collaboration, and execution. Halliburton has fostered a culture of unparalleled service to the world's major, national and independent oil and gas producers. With approximately 55,000 employees, representing 140 nationalities in more than 80 countries, we help our customers maximize asset value throughout the lifecycle of the reservoir - from locating hydrocarbons and managing geological data, to drilling and formation evaluation, well construction and completion and optimizing production throughout the life of the asset.

2019 Highlights

- *Cost structure*: Reorganized and reduced our cost structure in North America. We systematically rationalized and reduced our equipment supply to adjust to changing activity levels. We initiated a global cost savings and service delivery improvement program and executed personnel reductions and real estate rationalization to improve financial performance.
- *Customer alignment*: Continued to align with a portfolio of customers with a mix of pricing and volume designed to generate returns for Halliburton.
- *Technology*: Deployed technology that helped our customers maximize asset value, lower our cost and/or accrue value to Halliburton. We leveraged our experience in U.S. shales to provide a customized application of technology, logistics management and operational excellence to maximize asset value for our international customers.
- *Safety and service quality*: Achieved exceptional safety and service quality performance. Our total recordable incident rate and non-productive time improved over 20%, both historical bests across our business. This is a result of our employees' continued commitment to safety and process execution.

2020 Focus

- *International*: Improve international revenue and operating margin growth opportunities from mature fields and shallow water markets with a higher utilization for our existing equipment in certain markets. Grow at or above international drilling and completions spending.
- *North America*: Continue to strategically grow our non-hydraulic fracturing businesses in North America. Continue implementing our cost savings and service delivery program to achieve higher utilization of existing fleets with a focus on delivering margin expansion and strong returns and cash flow.
- *Capital discipline*: Maintain capital discipline across all geographies to deliver strong returns and cash flow.

Operating segments

We operate under two divisions, which form the basis for the two operating segments we report, the Completion and Production segment and the Drilling and Evaluation segment.

Completion and Production delivers cementing, stimulation, intervention, pressure control, specialty chemicals, artificial lift and completion products and services. The segment consists of the following product service lines:

- Production Enhancement: includes stimulation services and sand control services. Stimulation services optimize oil and natural gas reservoir production through a variety of pressure pumping services, nitrogen services and chemical processes, commonly known as hydraulic fracturing and acidizing. Sand control services include fluid and chemical systems and pumping services for the prevention of formation sand production.
- Cementing: involves bonding the well and well casing while isolating fluid zones and maximizing wellbore stability. Our cementing product service line also provides casing equipment.
- Completion Tools: provides downhole solutions and services to our customers to complete their wells, including well completion products and services, intelligent well completions, liner hanger systems, sand control systems and service tools.
- Production Solutions: provides customized well intervention solutions to increase well performance, which includes coiled tubing, hydraulic workover units and downhole tools.

- Pipeline & Process Services: provides a complete range of pre-commissioning, commissioning, maintenance and decommissioning services to the onshore and offshore pipeline and process plant construction, commissioning and maintenance industries. During the fourth quarter of 2019, we made a strategic decision to market for sale this business.
- Multi-Chem: provides customized specialty oilfield completion, production, and downstream water and process treatment chemicals and services to maximize production, ensure integrity of well and pipeline assets and address production, processing and transportation challenges.
- Artificial Lift: provides services to maximize reservoir and wellbore recovery by applying lifting technology, intelligent field management solutions and related services throughout the life of the well, including electrical submersible pumps.

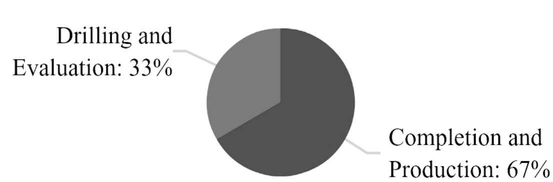
Drilling and Evaluation provides field and reservoir modeling, drilling, evaluation and precise wellbore placement solutions that enable customers to model, measure, drill and optimize their well construction activities. The segment consists of the following product service lines:

- Baroid: provides drilling fluid systems, performance additives, completion fluids, solids control, specialized testing equipment and waste management services for oil and natural gas drilling, completion and workover operations.
- Sperry Drilling: provides drilling systems and services that offer directional control for precise wellbore placement while providing important measurements about the characteristics of the drill string and geological formations while drilling wells. These services include directional and horizontal drilling, measurement-while-drilling, logging-while-drilling, surface data logging, multilateral systems, underbalanced applications and rig site information systems.
- Wireline and Perforating: provides open-hole logging services that supply information on formation evaluation and reservoir fluid analysis, including formation lithology, rock properties and reservoir fluid properties. Also offered are cased-hole and slickline services, including perforating, pipe recovery services, through-casing formation evaluation and reservoir monitoring, casing and cement integrity measurements and well intervention services.
- Drill Bits and Services: provides roller cone rock bits, fixed cutter bits, hole enlargement and related downhole tools and services used in drilling oil and natural gas wells. In addition, coring equipment and services are provided to acquire cores of the formation drilled for evaluation.
- Landmark Software and Services: supplies integrated exploration, drilling and production software and related professional and data management services for the upstream oil and natural gas industry.
- Testing and Subsea: provides acquisition and analysis of dynamic reservoir information and reservoir optimization solutions to the oil and natural gas industry through a broad portfolio of test tools, data acquisition services, fluid sampling, surface well testing and subsea safety systems.
- Halliburton Project Management: provides integrated solutions to our customers by leveraging the full line of our oilfield services, products and technologies to solve customer challenges throughout the oilfield lifecycle. It includes project management and integrated asset management.

The following charts depict the company's revenue split between its two operating segments for the years ended December 31, 2019 and 2018.

2019 Revenue by Division

2018 Revenue by Division



See Note 3 to the consolidated financial statements for further financial information related to each of our business segments. We have manufacturing operations in various locations, the most significant of which are located in the United States, Malaysia, Singapore and the United Kingdom.

Business strategy

Our value proposition is to collaborate and engineer solutions to maximize asset value for our customers. We strive to achieve superior growth and returns for our shareholders by delivering technology and services that improve efficiency, increase recovery and maximize production for our customers. Our objectives are to:

- create a balanced portfolio of services and products supported by global infrastructure and anchored by technological innovation to further differentiate our company;
- reach a distinguished level of operational excellence that reduces costs and creates real value;
- preserve a dynamic workforce by being a preferred employer to attract, develop and retain the best global talent; and
- maintain the highest ethical and business standards and health, safety and environmental performance.

For further discussion on our business strategies, see "Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations – Executive Overview."

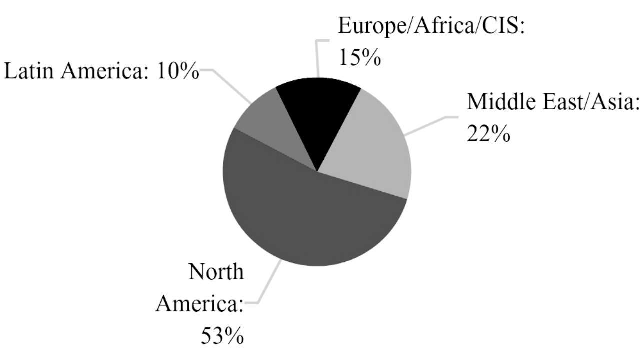
Markets and competition

We are one of the world’s largest diversified energy services companies. Our services and products are sold in highly competitive markets throughout the world. Competitive factors impacting sales of our services and products include: price; service delivery; health, safety and environmental standards and practices; service quality; global talent retention; understanding the geological characteristics of the hydrocarbon reservoir; product quality; warranty; and technical proficiency.

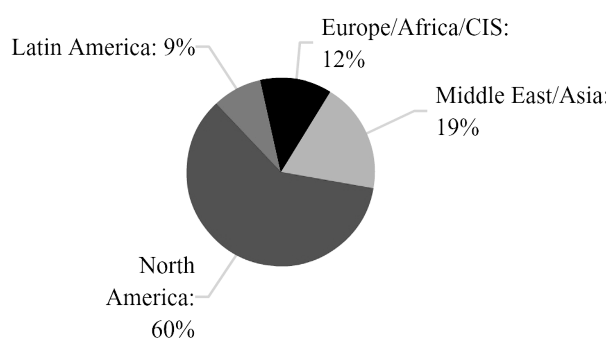
We conduct business worldwide in more than 80 countries. The business operations of our divisions are organized around four primary geographic regions: North America, Latin America, Europe/Africa/CIS and Middle East/Asia. In 2019, 2018 and 2017, based on the location of services provided and products sold, 51%, 58% and 53%, respectively, of our consolidated revenue was from the United States. No other country accounted for more than 10% of our consolidated revenue during these periods. See "Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations” for additional information about our geographic operations. Because the markets for our services and products are vast and cross numerous geographic lines, it is not practicable to provide a meaningful estimate of the total number of our competitors. The industries we serve are highly competitive, and we have many substantial competitors. Most of our services and products are marketed through our service and sales organizations.

The following charts depict the company's revenue split between its four primary geographic regions for the years ended December 31, 2019 and 2018.

2019 Revenue by Region



2018 Revenue by Region



Operations in some countries may be adversely affected by unsettled political conditions, acts of terrorism, civil unrest, force majeure, war or other armed conflict, health or similar issues, sanctions, expropriation or other governmental actions, inflation, changes in foreign currency exchange rates, foreign currency exchange restrictions and highly inflationary currencies, as well as other geopolitical factors. We believe the geographic diversification of our business activities reduces the risk that loss of operations in any one country, other than the United States, would be materially adverse to our business, consolidated results of operations or consolidated financial condition.

Information regarding our exposure to foreign currency fluctuations, risk concentration and financial instruments used to minimize risk is included in "Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations – Financial Instrument Market Risk” and in Note 15 to the consolidated financial statements.

Customers

Our revenue during the past three years was derived from the sale of services and products to the energy industry. No single customer represented more than 10% of our consolidated revenue in any period presented.

Raw materials

Raw materials essential to our business are normally readily available. Market conditions can trigger constraints in the supply of certain raw materials, such as proppants (primarily sand), hydrochloric acid and gels, including guar gum (a blending additive used in hydraulic fracturing). We are always seeking ways to ensure the availability of resources, as well as manage costs of raw materials. Our procurement department uses our size and buying power to enhance our access to key materials at competitive prices.

Patents

We own a large number of patents and have pending a substantial number of patent applications covering various products and processes. We are also licensed to utilize technology covered by patents owned by others, and we license others to utilize technology covered by our patents. We do not consider any particular patent to be material to our business operations.

Seasonality

Weather and natural phenomena can temporarily affect the performance of our services, but the widespread geographical locations of our operations mitigate those effects. Examples of how weather can impact our business include:

- the severity and duration of the winter in North America can have a significant impact on natural gas storage levels and drilling activity;
- the timing and duration of the spring thaw in Canada directly affects activity levels due to road restrictions;
- typhoons and hurricanes can disrupt coastal and offshore operations; and
- severe weather during the winter normally results in reduced activity levels in the North Sea and Russia.

Additionally, customer spending patterns for software, completion tools and various other oilfield services and products typically result in higher activity in the fourth quarter of the year. Conversely, customer spending patterns and budget constraints may lead to lower demand for our services and products in the second half of the year.

Employees

At December 31, 2019, we employed approximately 55,000 people worldwide compared to approximately 60,000 at December 31, 2018. At December 31, 2019, approximately 15% of our employees were subject to collective bargaining agreements. Based upon the geographic diversification of these employees, we do not believe any risk of loss from employee strikes or other collective actions would be material to the conduct of our operations taken as a whole.

Environmental regulation

We are subject to numerous environmental, legal and regulatory requirements related to our operations worldwide. For further information related to environmental matters and regulation, see Note 10 to the consolidated financial statements and "Item 1(a). Risk Factors."

Hydraulic fracturing

Hydraulic fracturing is a process that creates fractures extending from the well bore into the rock formation to enable natural gas or oil to move more easily from the rock pores to a production conduit. A significant portion of our Completion and Production segment provides hydraulic fracturing services to customers developing shale natural gas and shale oil. From time to time, questions arise about the scope of our operations in the shale natural gas and shale oil sectors, and the extent to which these operations may affect human health and the environment.

At the direction of our customer, we design and generally implement a hydraulic fracturing operation to 'stimulate' the well's production, once the well has been drilled, cased and cemented. Our customer is generally responsible for providing the base fluid (usually water) used in the hydraulic fracturing of a well. We frequently supply the proppant (primarily sand) and at least a portion of the additives used in the overall fracturing fluid mixture. In addition, we mix the additives and proppant with the base fluid and pump the mixture down the wellbore to create the desired fractures in the target formation. The customer is responsible for disposing and/or recycling for further use any materials that are subsequently produced or pumped out of the well, including flowback fluids and produced water.

As part of the process of constructing the well, the customer will take a number of steps designed to protect drinking water resources. In particular, the casing and cementing of the well are designed to provide 'zonal isolation' so that the fluids pumped down the wellbore and the oil and natural gas and other materials that are subsequently pumped out of the well will not come into contact with shallow aquifers or other shallow formations through which those materials could potentially migrate to freshwater aquifers or the surface.

The potential environmental impacts of hydraulic fracturing have been studied by numerous government entities and others. In 2004, the United States Environmental Protection Agency (EPA) conducted an extensive study of hydraulic fracturing practices, focusing on coalbed methane wells, and their potential effect on underground sources of drinking water. The EPA's study concluded that hydraulic fracturing of coalbed methane wells poses little or no threat to underground sources of drinking water. In December 2016, the EPA released a final report, "*Hydraulic Fracturing for Oil and Gas: Impacts from the Hydraulic Fracturing Water Cycle on Drinking Water Resources in the United States*" representing the culmination of a six-year study requested by Congress. While the EPA report noted a potential for some impact to drinking water sources caused by hydraulic fracturing, the agency confirmed the overall incidence of impacts is low. Moreover, a number of the areas of potential impact identified in the report involve activities for which we are not generally responsible, such as potential impacts associated with withdrawals of surface water for use as a base fluid and management of wastewater.

We have proactively developed processes to provide our customers with the chemical constituents of our hydraulic fracturing fluids to enable our customers to comply with state laws as well as voluntary standards established by the Chemical Disclosure Registry, www.fracfocus.org. We have also invested considerable resources in developing hydraulic fracturing technologies, in both the equipment and chemistry portions of our business, which offer our customers a variety of environment-friendly options related to the use of hydraulic fracturing fluid additives and other aspects of our hydraulic fracturing operations. We created a hydraulic fracturing fluid system comprised of materials sourced entirely from the food industry. In addition, we have engineered a process that uses ultraviolet light to control the growth of bacteria in hydraulic fracturing fluids, allowing customers to minimize the use of chemical biocides. We are committed to the continued development of innovative chemical and mechanical technologies that allow for more economical and environment-friendly development of the world's oil and natural gas reserves, and that reduce noise while complying with Tier 4 lower emission legislation.

In evaluating any environmental risks that may be associated with our hydraulic fracturing services, it is helpful to understand the role that we play in the development of shale natural gas and shale oil. Our principal task generally is to manage the process of injecting fracturing fluids into the borehole to 'stimulate' the well. Thus, based on the provisions in our contracts and applicable law, the primary environmental risks we face are potential pre-injection spills or releases of stored fracturing fluids and potential spills or releases of fuel or other fluids associated with pumps, blenders, conveyors, or other above-ground equipment used in the hydraulic fracturing process.

Although possible concerns have been raised about hydraulic fracturing, the circumstances described above have helped to mitigate those concerns. To date, we have not been obligated to compensate any indemnified party for any environmental liability arising directly from hydraulic fracturing, although there can be no assurance that such obligations or liabilities will not arise in the future. For further information on risks related to hydraulic fracturing, see "Item 1(a). Risk Factors."

Working capital

We fund our business operations through a combination of available cash and equivalents, short-term investments and cash flow generated from operations. In addition, our revolving credit facility is available for additional working capital needs.

Web site access

Our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934 are made available free of charge on our internet web site (www.halliburton.com) as soon as reasonably practicable after we have electronically filed the material with, or furnished it to, the Securities and Exchange Commission (SEC). The SEC maintains an internet site (www.sec.gov) that contains our reports, proxy and information statements and our other SEC filings. We have posted on our web site our Code of Business Conduct, which applies to all of our employees and Directors and serves as a code of ethics for our principal executive officer, principal financial officer, principal accounting officer and other persons performing similar functions. Any amendments to our Code of Business Conduct or any waivers from provisions of our Code of Business Conduct granted to the specified officers above are disclosed on our web site within four business days after the date of any amendment or waiver pertaining to these officers. There have been no waivers from provisions of our Code of Business Conduct for the years 2019, 2018, or 2017. Except to the extent expressly stated otherwise, information contained on or accessible from our web site or any other web site is not incorporated by reference into this annual report on Form 10-K and should not be considered part of this report.

Executive Officers of the Registrant

The following table indicates the names and ages of the executive officers of Halliburton Company as of February 11, 2020, including all offices and positions held by each in the past five years:

Name and Age	Offices Held and Term of Office
Anne L. Beaty (Age 63)	Senior Vice President, Finance of Halliburton Company, since March 2017 Senior Vice President, Internal Assurance Services of Halliburton Company, November 2013 to March 2017
Eric J. Carre (Age 53)	Executive Vice President, Global Business Lines of Halliburton Company, since May 2016 Senior Vice President, Drilling and Evaluation Division of Halliburton Company, June 2011 to April 2016
Charles E. Geer, Jr. (Age 49)	Senior Vice President and Chief Accounting Officer of Halliburton Company, since December 2019 Vice President and Corporate Controller of Halliburton Company, January 2015 to December 2019
Myrtle L. Jones (Age 60)	Senior Vice President, Tax of Halliburton Company, since March 2013
Lance Loeffler (Age 42)	Executive Vice President and Chief Financial Officer of Halliburton Company, since November 2018 Vice President of Investor Relations of Halliburton Company, April 2016 to November 2018 Vice President of Corporate Development of Halliburton Company, August 2014 to April 2016
Timothy M. McKeon (Age 47)	Vice President and Treasurer of Halliburton Company, since January 2014
Jeffrey A. Miller (Age 56)	Chairman of the Board, President and Chief Executive Officer of Halliburton Company, since January 2019 Member of the Board of Directors, President and Chief Executive Officer of Halliburton Company, June 2017 to December 2018 Member of the Board of Directors and President of Halliburton Company, August 2014 to May 2017
Lawrence J. Pope (Age 51)	Executive Vice President of Administration and Chief Human Resources Officer of Halliburton Company, since January 2008
Joe D. Rainey (Age 63)	President, Eastern Hemisphere of Halliburton Company, since January 2011
Mark J. Richard (Age 58)	President, Western Hemisphere of Halliburton Company, since February 2019 Senior Vice President, Northern U.S. Region of Halliburton Company, August 2018 to January 2019 Senior Vice President, Business Development and Marketing of Halliburton Company, November 2015 to July 2018 Senior Vice President, Europe/Sub-Saharan Africa Region of Halliburton Company, February 2014 to October 2015

Robb L. Voyles (Age 62)	Executive Vice President, Secretary and Chief Legal Officer of Halliburton Company, since January 2020
	Executive Vice President, Secretary and General Counsel of Halliburton Company, May 2015 to December 2019
	Interim Chief Financial Officer of Halliburton Company, March 2017 to June 2017
	Executive Vice President and General Counsel of Halliburton Company, January 2014 to April 2015

There are no family relationships between the executive officers of the registrant or between any director and any executive officer of the registrant.

Item 1(a). Risk Factors.

When considering an investment in Halliburton Company, all of the risk factors described below and other information included and incorporated by reference in this annual report should be carefully considered. Any of these risk factors could have a significant or material adverse effect on our business, results of operations, financial condition or cash flows. Additional risks and uncertainties not currently known to us or that we currently deem immaterial may also adversely affect our business, financial condition, results of operations or cash flows.

Trends in oil and natural gas prices affect the level of exploration, development and production activity of our customers and the demand for our services and products, which could have a material adverse effect on our business, consolidated results of operations and consolidated financial condition.

Demand for our services and products is particularly sensitive to the level of exploration, development and production activity of, and the corresponding capital spending by, oil and natural gas companies. The level of exploration, development and production activity is directly affected by trends in oil and natural gas prices, which historically have been volatile and are likely to continue to be volatile. Prices for oil and natural gas are subject to large fluctuations in response to relatively minor changes in the supply of and demand for oil and natural gas, market uncertainty and a variety of other economic factors that are beyond our control. Given the long-term nature of many large-scale development projects, even the perception of longer-term lower oil and natural gas prices by oil and natural gas companies can cause them to reduce or defer major expenditures. We also have a small number of integrated projects that have remuneration tied to hydrocarbon production. Reduction in oil and gas prices can affect the overall returns for these projects, either lengthening the time until the expected returns are realized or by impairing the value of the asset. Any prolonged reductions of commodity prices or expectations of such reductions could have a material adverse effect on our business, consolidated results of operations and consolidated financial condition, and could result in asset impairments and severance costs.

Factors affecting the prices of oil and natural gas include:

- the level of supply and demand for oil and natural gas;
- the ability or willingness of the Organization of Petroleum Exporting Countries (OPEC) to set and maintain oil production levels;
- the level of oil production in the U.S. and by other non-OPEC countries;
- oil refining capacity and shifts in end-customer preferences toward fuel efficiency and the use of natural gas;
- the cost of, and constraints associated with, producing and delivering oil and natural gas;
- governmental regulations, including the policies of governments regarding the exploration for and production and development of their oil and natural gas reserves;
- weather conditions, natural disasters and health or similar issues, such as pandemics or epidemics;
- worldwide political, military and economic conditions; and
- increased demand for alternative energy and electric vehicles, including government initiatives to promote the use of renewable energy sources and public sentiment around alternatives to oil and gas.

Our business is dependent on capital spending by our customers, and reductions in capital spending could have a material adverse effect on our business, consolidated results of operations and consolidated financial condition.

Our business is directly affected by changes in capital expenditures by our customers, and reductions in their capital spending could reduce demand for our services and products and have a material adverse effect on our business, consolidated results of operations, and consolidated financial condition. Some of the items that may impact our customer's capital spending include:

- oil and natural gas prices, including volatility of oil and natural gas prices and expectations regarding future prices;
- the inability of our customers to access capital on economically advantageous terms, which may be impacted by, among other things, a decrease of investors' interest in hydrocarbon producers because of environmental and sustainability initiatives;
- changes in customers' capital allocation, leading to less focus on growth;
- restrictions on our customers' ability to get their produced oil and natural gas to market due to infrastructure limitations;
- the consolidation of our customers;
- customer personnel changes; and
- adverse developments in the business or operations of our customers, including write-downs of oil and natural gas reserves and borrowing base reductions under customer credit facilities.

Any significant reduction in commodity prices or a change in our customers’ expectations of commodity prices, economic growth or supply and demand for oil and natural gas may result in capital budget reductions in the future. Any substantial and unexpected drop in commodity prices in the future, even if the drop is relatively short-lived, could similarly affect our customers' expectations and capital spending, which could result in a material adverse effect on our business, consolidated results of operations and consolidated financial condition.

Our operations are subject to political and economic instability and risk of government actions that could have a material adverse effect on our business, consolidated results of operations and consolidated financial condition.

We are exposed to risks inherent in doing business in each of the countries in which we operate. Our operations are subject to various risks unique to each country that could have a material adverse effect on our business, consolidated results of operations and consolidated financial condition. With respect to any particular country, these risks may include:

- political and economic instability, including:
  - civil unrest, acts of terrorism, war and other armed conflict;
  - inflation; and
  - currency fluctuations, devaluations and conversion restrictions; and
- governmental actions that may:
  - result in expropriation and nationalization of our assets in that country;
  - result in confiscatory taxation or other adverse tax policies;
  - limit or disrupt markets or our operations, restrict payments, or limit the movement of funds;
  - impose sanctions on our ability to conduct business with certain customers or persons;
  - result in the deprivation of contract rights; and
  - result in the inability to obtain or retain licenses required for operation.

For example, due to the unsettled political conditions in many oil-producing countries, our operations, revenue and profits are subject to the adverse consequences of war, terrorism, civil unrest, strikes, currency controls and governmental actions. These and other risks described above could result in the loss of our personnel or assets, cause us to evacuate our personnel from certain countries, cause us to increase spending on security worldwide, cause us to cease operating in certain countries, disrupt financial and commercial markets, including the supply of and pricing for oil and natural gas, and generate greater political and economic instability in some of the geographic areas in which we operate. Areas where we operate that have significant risk include, but are not limited to: the Middle East, North Africa, Angola, Azerbaijan, Indonesia, Kazakhstan, Mexico, Nigeria, Russia and Venezuela. In addition, any possible reprisals as a consequence of military or other action, such as acts of terrorism in the United States or elsewhere, could have a material adverse effect on our business, consolidated results of operations and consolidated financial condition.

Our operations are subject to cyberattacks that could have a material adverse effect on our business, consolidated results of operations and consolidated financial condition.

We are increasingly dependent on digital technologies and services to conduct our business. We use these technologies for internal purposes, including data storage, processing and transmissions, as well as in our interactions with our business associates, such as customers and suppliers. Examples of these digital technologies include analytics, automation, and cloud services. Our digital technologies and services, and those of our business associates, are subject to the risk of cyberattacks and, given the nature of such attacks, some incidents can remain undetected for a period of time despite efforts to detect and respond to them in a timely manner. We routinely monitor our systems for cyber threats and have processes in place to detect and remediate vulnerabilities. Nevertheless, we have experienced occasional cyberattacks and attempted breaches over the past year, including attacks resulting from phishing emails and ransomware infections. We detected and remediated all of these incidents. Even if we successfully defend our own digital technologies and services, we also rely on our business associates, with whom we may share data and services, to defend their digital technologies and services against attack. No known leakage of material financial, technical or customer data occurred as a result of cyberattacks against us and none of the incidents mentioned above had a material adverse effect on our business, operations, reputation, or consolidated results of operations or consolidated financial condition.

If our systems, or our business associates' systems, for protecting against cybersecurity risks prove not to be sufficient, we could be adversely affected by, among other things: loss of or damage to intellectual property, proprietary or confidential information, or customer, supplier, or employee data; interruption of our business operations; and increased costs required to prevent, respond to, or mitigate cybersecurity attacks. These risks could harm our reputation and our relationships with our business associates, employees and other third parties, and may result in claims against us. These risks could have a material adverse effect on our business, consolidated results of operations and consolidated financial condition.

Our operations outside the United States require us to comply with a number of United States and international regulations, violations of which could have a material adverse effect on our business, consolidated results of operations and consolidated financial condition.

Our operations outside the United States require us to comply with a number of United States and international regulations. For example, our operations in countries outside the United States are subject to the United States Foreign Corrupt Practices Act (FCPA), which prohibits United States companies and their agents and employees from providing anything of value to a foreign official for the purposes of influencing any act or decision of these individuals in their official capacity to help obtain or retain business, direct business to any person or corporate entity, or obtain any unfair advantage. Our activities create the risk of unauthorized payments or offers of payments by our employees, agents, or joint venture partners that could be in violation of anti-corruption laws, even though some of these parties are not subject to our control. We have internal control policies and procedures and have implemented training and compliance programs for our employees and agents with respect to the FCPA. However, we cannot assure that our policies, procedures and programs always will protect us from reckless or criminal acts committed by our employees or agents. We are also subject to the risks that our employees, joint venture partners and agents outside of the United States may fail to comply with other applicable laws. Allegations of violations of applicable anti-corruption laws have resulted and may in the future result in internal, independent, or government investigations. Violations of anti-corruption laws may result in severe criminal or civil sanctions, and we may be subject to other liabilities, which could have a material adverse effect on our business, consolidated results of operations and consolidated financial condition.

In addition, the shipment of goods, services and technology across international borders subjects us to extensive trade laws and regulations. Our import activities are governed by the unique customs laws and regulations in each of the countries where we operate. Moreover, many countries, including the United States, control the export and re-export of certain goods, services and technology and impose related export recordkeeping and reporting obligations. Governments may also impose economic sanctions against certain countries, persons and entities that may restrict or prohibit transactions involving such countries, persons and entities, which may limit or prevent our conduct of business in certain jurisdictions. During 2014, the United States and European Union imposed sectoral sanctions directed at Russia’s oil and gas industry. Among other things, these sanctions restrict the provision of U.S. and EU goods, services and technology in support of exploration or production for deep water, Arctic offshore, or shale projects that have the potential to produce oil in Russia. These sanctions resulted in our winding down and ending work on two projects in Russia in 2014, and have prevented us from pursuing certain other projects in Russia. In 2017 and 2018, the U.S. Government imposed additional sanctions against Russia, Russia’s oil and gas industry and certain Russian companies. Our ability to engage in certain future projects in Russia or involving certain Russian customers is dependent upon whether or not our involvement in such projects is restricted under U.S. or EU sanctions laws and the extent to which any of our current or prospective operations in Russia or with certain Russian customers may be subject to those laws. Those laws may change from time to time, and any expansion of sanctions against Russia’s oil and gas industry could further hinder our ability to do business in Russia or with certain Russian customers, which could have a material adverse effect on our consolidated results of operations.

In 2017, the U.S. Government announced sanctions directed at certain Venezuelan individuals and imposed additional economic sanctions around certain categories of trade financing transactions in Venezuela. In the first quarter of 2018, the Office of Foreign Assets Control (OFAC) of the U.S. Department of the Treasury issued additional guidance on these sanctions which purports to prohibit the acceptance of payments on receivables issued on or after August 25, 2017 and outstanding longer than 90 days from customers subject to U.S. sanctions related to Venezuela in the absence of an OFAC license. During the first quarter of 2018, we wrote down all of our remaining investment in Venezuela. On January 28, 2019, OFAC issued additional sanctions targeting the Venezuela energy sector and granted a general license to us to continue our operations in Venezuela, subject to previously issued OFAC sanctions. This general license was set to expire on July 27, 2019, but has been extended several times and is now set to expire on April 22, 2020. We are continuing our limited operations in Venezuela pursuant to this general license and continuing to evaluate our operations in advance of the April 22, 2020 termination of the general license.

The laws and regulations concerning import activity, export recordkeeping and reporting, export control and economic sanctions are complex and constantly changing. These laws and regulations can cause delays in shipments and unscheduled operational downtime. Moreover, any failure to comply with applicable legal and regulatory trading obligations could result in criminal and civil penalties and sanctions, such as fines, imprisonment, debarment from governmental contracts, seizure of shipments and loss of import and export privileges. In addition, investigations by governmental authorities and legal, social, economic and political issues in these countries could have a material adverse effect on our business, consolidated results of operations and consolidated financial condition.

Changes in, compliance with, or our failure to comply with laws in the countries in which we conduct business may negatively impact our ability to provide services in, make sales of equipment to and transfer personnel or equipment among some of those countries and could have a material adverse effect on our business and consolidated results of operations.

In the countries in which we conduct business, we are subject to multiple and, at times, inconsistent regulatory regimes, including those that govern our use of radioactive materials, explosives and chemicals in the course of our operations. Various national and international regulatory regimes govern the shipment of these items. Many countries, but not all, impose special controls upon the export and import of radioactive materials, explosives and chemicals. Our ability to do business is subject to maintaining required licenses and complying with these multiple regulatory requirements applicable to these special products. In addition, the various laws governing import and export of both products and technology apply to a wide range of services and products we offer. In turn, this can affect our employment practices of hiring people of different nationalities because these laws may prohibit or limit access to some products or technology by employees of various nationalities. Changes in, compliance with, or our failure to comply with these laws may negatively impact our ability to provide services in, make sales of equipment to and transfer personnel or equipment among some of the countries in which we operate and could have a material adverse effect on our business and consolidated results of operations.

The adoption of any future federal, state, or local laws or implementing regulations imposing reporting obligations on, or limiting or banning, the hydraulic fracturing process could make it more difficult to complete natural gas and oil wells and could have a material adverse effect on our business, consolidated results of operations and consolidated financial condition.

Various federal and state legislative and regulatory initiatives, as well as actions in other countries, have been or could be undertaken which could result in additional requirements or restrictions being imposed on hydraulic fracturing operations. For example, legislation and/or regulations have been adopted in many U.S. states that require additional disclosure regarding chemicals used in the hydraulic fracturing process but that generally include protections for proprietary information. Legislation, regulations and/or policies have also been adopted at the state level that impose other types of requirements on hydraulic fracturing operations (such as limits on operations in the event of certain levels of seismic activity). Additional legislation and/or regulations have been adopted or are being considered at the state and local level that could impose further chemical disclosure or other regulatory requirements (such as prohibitions on hydraulic fracturing operations in certain areas) that could affect our operations. Four states (New York, Maryland, Vermont, and Washington) have banned the use of high volume hydraulic fracturing, Oregon has adopted a five-year moratorium, and Colorado has enacted legislation providing local governments with regulatory authority over hydraulic fracturing operations. Local jurisdictions in some states have adopted ordinances that restrict or in certain cases prohibit the use of hydraulic fracturing, although many of these ordinances have been challenged and some have been overturned. In addition, governmental authorities in various foreign countries where we have provided or may provide hydraulic fracturing services have imposed or are considering imposing various restrictions or conditions that may affect hydraulic fracturing operations.

The adoption of any future federal, state, local, or foreign laws or regulations imposing reporting obligations on, or limiting or banning, the hydraulic fracturing process could make it more difficult to complete natural gas and oil wells and could have a material adverse effect on our business, consolidated results of operations and consolidated financial condition.

Liabilities arising out of well incidents could have a material adverse effect on our business, consolidated results of operations and consolidated financial condition.

Events can occur at well sites where we conduct our operations, including blowouts potentially resulting in explosions, fires, personal injuries, property damage, pollution and potential legal responsibility. For example, a well where we provided services in Indonesian waters experienced a well control issue in July 2019, which resulted in hydrocarbons being released into the water surrounding the well site. Generally, we rely on contractual indemnities, releases and limitations on liability with our customers, and liability insurance coverage, to protect us from potential liability related to such occurrences, and, although no claim has been asserted against us, we expect we would do so with respect to the event in Indonesia. However, we do not have these contractual provisions in all contracts, and even where we do, it is possible that the respective customer or insurer could seek to avoid or be financially unable to meet its obligations or a court may decline to enforce such provisions. Damages that are not indemnified or released could greatly exceed available insurance coverage and could have a material adverse effect on our business, consolidated results of operations and consolidated financial condition.

Liability for cleanup costs, natural resource damages and other damages arising as a result of environmental laws and regulations could be substantial and could have a material adverse effect on our business, consolidated results of operations and consolidated financial condition.

We are subject to numerous environmental laws and regulations in the United States and the other countries where we do business. We evaluate and address the environmental impact of our operations by assessing and remediating contaminated properties in order to avoid future liabilities and comply with legal and regulatory requirements. From time to time, claims have been made against us under environmental laws and regulations. In the United States, environmental laws and regulations typically impose strict liability. Strict liability means that in some situations we could be exposed to liability for cleanup costs, natural resource damages and other damages as a result of our conduct that was lawful at the time it occurred or the conduct of prior operators or other third parties. We are periodically notified of potential liabilities at federal and state superfund sites. These potential liabilities may arise from both historical Halliburton operations and the historical operations of companies that we have acquired. Our exposure at these sites may be materially impacted by unforeseen adverse developments both in the final remediation costs and with respect to the final allocation among the various parties involved at the sites. The relevant regulatory agency may bring suit against us for amounts in excess of what we have accrued and what we believe is our proportionate share of remediation costs at any superfund site. We also could be subject to third-party claims, including punitive damages, with respect to environmental matters for which we have been named as a potentially responsible party. Liability for damages arising as a result of environmental laws or related third-party claims could be substantial and could have a material adverse effect on our business, consolidated results of operations and consolidated financial condition.

Failure on our part to comply with, and the costs of compliance with, applicable health, safety and environmental requirements could have a material adverse effect on our business, consolidated results of operations and consolidated financial condition.

In addition to the numerous environmental laws and regulations that apply to our operations, we are subject to a variety of laws and regulations in the United States and other countries relating to health and safety. Among those laws and regulations are those covering hazardous materials and requiring emission performance standards for facilities. For example, our well service operations routinely involve the handling of significant amounts of waste materials, some of which are classified as hazardous substances. We also store, transport and use radioactive and explosive materials in certain of our operations. Applicable regulatory requirements include those concerning:

- the containment and disposal of hazardous substances, oilfield waste and other waste materials;
- the importation and use of radioactive materials;
- the use of underground storage tanks;
- the use of underground injection wells; and
- the protection of worker safety both onshore and offshore.

These and other requirements generally are becoming increasingly strict. The failure to comply with the requirements, many of which may be applied retroactively, may result in:

- administrative, civil and criminal penalties;
- revocation of permits to conduct business; and
- corrective action orders, including orders to investigate and/or clean up contamination.

Failure on our part to comply with applicable health, safety and environmental laws and regulations or costs arising from regulatory compliance, including compliance with changes in or expansion of applicable regulatory requirements, could have a material adverse effect on our business, consolidated results of operations and consolidated financial condition.

Existing or future laws, regulations, treaties or international agreements related to greenhouse gases, climate change and alternative energy sources could have a negative impact on our business and may result in additional compliance obligations that could have a material adverse effect on our business, consolidated results of operations and consolidated financial condition.

Changes in environmental requirements related to greenhouse gases, climate change and alternative energy sources may negatively impact demand for our services. For example, oil and natural gas exploration and production may decline as a result of environmental requirements, including land use policies responsive to environmental concerns. State, national and international governments and agencies in areas in which we conduct business continue to evaluate, and in some instances adopt, climate-related legislation and other regulatory initiatives that would restrict emissions of greenhouse gases. Because our business depends on the level of activity in the oil and natural gas industry, existing or future laws, regulations, treaties, or international agreements related to greenhouse gases and climate change, including incentives to conserve energy or use alternative energy sources, may reduce demand for oil and natural gas and could have a negative impact on our business. Likewise, such restrictions may result in additional compliance obligations with respect to the release, capture, sequestration and use of carbon dioxide that could have a material adverse effect on our business, consolidated results of operations and consolidated financial condition.

Our business could be materially and adversely affected by severe or unseasonable weather where we have operations.

Our business could be materially and adversely affected by severe weather, particularly in Canada, the Gulf of Mexico, Russia and the North Sea. Many experts believe global climate change could increase the frequency and severity of extreme weather conditions. Repercussions of severe or unseasonable weather conditions may include:

- evacuation of personnel and curtailment of services;
- weather-related damage to offshore drilling rigs resulting in suspension of operations;
- weather-related damage to our facilities and project work sites;
- inability to deliver materials to jobsites in accordance with contract schedules;
- decreases in demand for oil and natural gas during unseasonably warm winters; and
- loss of productivity.

Changes in or interpretation of tax law and currency/repatriation control could impact the determination of our income tax liabilities for a tax year.

We have operations in more than 80 countries. Consequently, we are subject to the jurisdiction of a significant number of taxing authorities. The income earned in these various jurisdictions is taxed on differing bases, including net income actually earned, net income deemed earned and revenue-based tax withholding. Our tax filings are routinely examined in the normal course of business by tax authorities. The final determination of our income tax liabilities involves the interpretation of local tax laws, tax treaties and related authorities in each jurisdiction, as well as the significant use of estimates and assumptions regarding the scope of future operations and results achieved and the timing and nature of income earned and expenditures incurred. The final determination of tax audits or changes in the operating environment, including changes in or interpretation of tax law and currency/repatriation controls, could impact the determination of our income tax liabilities for the year and have an adverse effect on our financial statements.

We are subject to foreign currency exchange risks and limitations on our ability to reinvest earnings from operations in one country to fund the capital needs of our operations in other countries or to repatriate assets from some countries.

A sizable portion of our consolidated revenue and consolidated operating expenses is in foreign currencies. As a result, we are subject to significant risks, including:

- foreign currency exchange risks resulting from changes in foreign currency exchange rates and the implementation of exchange controls; and
- limitations on our ability to reinvest earnings from operations in one country to fund the capital needs of our operations in other countries.

As an example, we conduct business in countries that have restricted or limited trading markets for their local currencies and restrict or limit cash repatriation. We may accumulate cash in those geographies, but we may be limited in our ability to convert our profits into United States dollars or to repatriate the profits from those countries.

Our failure to protect our proprietary information and any successful intellectual property challenges or infringement proceedings against us could materially and adversely affect our competitive position.

We rely on a variety of intellectual property rights that we use in our services and products. We may not be able to successfully preserve these intellectual property rights in the future, and these rights could be invalidated, circumvented or challenged. In addition, the laws of some foreign countries in which our services and products may be sold do not protect intellectual property rights to the same extent as the laws of the United States. Our failure to protect our proprietary information and any successful intellectual property challenges or infringement proceedings against us could materially and adversely affect our competitive position.

If we are not able to design, develop and produce commercially competitive products and to implement commercially competitive services in a timely manner in response to changes in the market, customer requirements, competitive pressures and technology trends, our business and consolidated results of operations could be materially and adversely affected, and the value of our intellectual property may be reduced.

The market for our services and products is characterized by continual technological developments to provide better and more reliable performance and services. If we are not able to design, develop and produce commercially competitive products and to implement commercially competitive services in a timely manner in response to changes in the market, customer requirements, competitive pressures and technology trends, our business and consolidated results of operations could be materially and adversely affected, and the value of our intellectual property may be reduced. Likewise, if our proprietary technologies, equipment, facilities, or work processes become obsolete, we may no longer be competitive, and our business and consolidated results of operations could be materially and adversely affected.

If we lose one or more of our significant customers or if our customers delay paying or fail to pay a significant amount of our outstanding receivables, it could have a material adverse effect on our business, consolidated results of operations and consolidated financial condition.

We depend on a limited number of significant customers. While no single customer represented more than 10% of consolidated revenue in any period presented, the loss of one or more significant customers could have a material adverse effect on our business and our consolidated results of operations.

In most cases, we bill our customers for our services in arrears and are, therefore, subject to our customers delaying or failing to pay our invoices. In weak economic or commodity price environments, we may experience increased delays and failures due to, among other reasons, a reduction in our customers' cash flow from operations and their access to the credit markets. If our customers delay paying or fail to pay us a significant amount of our outstanding receivables, it could have a material adverse effect on our business, consolidated results of operations and consolidated financial condition.

We sometimes provide integrated project management services in the form of long-term, fixed price contracts that may require us to assume additional risks associated with cost over-runs, operating cost inflation, labor availability and productivity, supplier and contractor pricing and performance, and potential claims for liquidated damages.

We sometimes provide integrated project management services outside our normal discrete business in the form of long-term, fixed price contracts. Some of these contracts are required by our customers, primarily national oil companies (NOCs). These services include acting as project managers as well as service providers and may require us to assume additional risks associated with cost over-runs. These customers may provide us with inaccurate information in relation to their reserves, which is a subjective process that involves location and volume estimation, that may result in cost over-runs, delays and project losses. In addition, NOCs often operate in countries with unsettled political conditions, war, civil unrest, or other types of community issues. These issues may also result in cost over-runs, delays and project losses.

Providing services on an integrated basis may also require us to assume additional risks associated with operating cost inflation, labor availability and productivity, supplier pricing and performance, and potential claims for liquidated damages. We rely on third-party subcontractors and equipment providers to assist us with the completion of these types of contracts. To the extent that we cannot engage subcontractors or acquire equipment or materials in a timely manner and on reasonable terms, our ability to complete a project in accordance with stated deadlines or at a profit may be impaired. If the amount we are required to pay for these goods and services exceeds the amount we have estimated in bidding for fixed-price work, we could experience losses in the performance of these contracts. These delays and additional costs may be substantial, and we may be required to compensate our customers for these delays. This may reduce the profit to be realized or result in a loss on a project.

Constraints in the supply of, prices for and availability of transportation of raw materials can have a material adverse effect on our business and consolidated results of operations.

Raw materials essential to our business, such as proppants (primarily sand), hydrochloric acid, and gels, including guar gum, are normally readily available. Shortage of raw materials as a result of high levels of demand or loss of suppliers during market challenges can trigger constraints in the supply chain of those raw materials, particularly where we have a relationship with a single supplier for a particular resource. Many of the raw materials essential to our business require the use of rail, storage and trucking services to transport the materials to our jobsites. These services, particularly during times of high demand, may cause delays in the arrival of or otherwise constrain our supply of raw materials. These constraints could have a material adverse effect on our business and consolidated results of operations. In addition, price increases imposed by our vendors for raw materials used in our business and the inability to pass these increases through to our customers could have a material adverse effect on our business and consolidated results of operations.

Our acquisitions, dispositions and investments may not result in anticipated benefits and may present risks not originally contemplated, which may have a material adverse effect on our business, consolidated results of operations and consolidated financial condition.

We continually seek opportunities to maximize efficiency and value through various transactions, including purchases or sales of assets, businesses, investments, or joint venture interests. These transactions are intended to (but may not) result in the realization of savings, the creation of efficiencies, the offering of new products or services, the generation of cash or income, or the reduction of risk. Acquisition transactions may use cash on hand or be financed by additional borrowings or by the issuance of our common stock. These transactions may also affect our business, consolidated results of operations and consolidated financial condition.

These transactions also involve risks, and we cannot ensure that:

- any acquisitions we attempt will be completed on the terms announced, or at all;
- any acquisitions would result in an increase in income or provide an adequate return of capital or other anticipated benefits;
- any acquisitions would be successfully integrated into our operations and internal controls;
- the due diligence conducted prior to an acquisition would uncover situations that could result in financial or legal exposure, including under the FCPA, or that we will appropriately quantify the exposure from known risks;
- any disposition would not result in decreased earnings, revenue, or cash flow;
- use of cash for acquisitions would not adversely affect our cash available for capital expenditures and other uses; or
- any dispositions, investments, or acquisitions, including integration efforts, would not divert management resources.

Actions of and disputes with our joint venture partners could have a material adverse effect on the business and results of operations of our joint ventures and, in turn, our business and consolidated results of operations.

We conduct some operations through joint ventures in which unaffiliated third parties may control the operations of the joint venture or we may share control. As with any joint venture arrangement, differences in views among the joint venture participants may result in delayed decisions, the joint venture operating in a manner that is contrary to our preference or in failures to agree on major issues. We also cannot control the actions of our joint venture partners, including any nonperformance, default, or bankruptcy of our joint venture partners. These factors could have a material adverse effect on the business and results of operations of our joint ventures and, in turn, our business and consolidated results of operations.

Our ability to operate and our growth potential could be materially and adversely affected if we cannot attract, employ and retain technical personnel at a competitive cost.

Many of the services that we provide and the products that we sell are complex and highly engineered and often must perform or be performed in harsh conditions. We believe that our success depends upon our ability to attract, employ and retain technical personnel with the ability to design, utilize and enhance these services and products. A significant increase in the wages paid by competing employers could result in a reduction of our skilled labor force, increases in the wage rates that we must pay, or both. If either of these events were to occur, our cost structure could increase, our margins could decrease and any growth potential could be impaired.

The loss or unavailability of any of our executive officers or other key employees could have a material adverse effect on our business.

We depend greatly on the efforts of our executive officers and other key employees to manage our operations. The loss or unavailability of any of our executive officers or other key employees could have a material adverse effect on our business.

Item 1(b). Unresolved Staff Comments.

None.

Item 2. Properties.

We own or lease numerous properties in domestic and foreign locations. Our principal properties include manufacturing facilities, research and development laboratories, technology centers and corporate offices. We also have numerous small facilities that include sales, project and support offices and bulk storage facilities throughout the world. All of our owned properties are unencumbered. We believe all properties that we currently occupy are suitable for their intended use.

The following locations represent our major facilities by segment:

- *Completion and Production:* Arbroath, United Kingdom; Johor Bahru, Malaysia; and Lafayette, Louisiana
- *Drilling and Evaluation:* Alvarado, Texas and The Woodlands, Texas
- *Shared/corporate facilities:* Bangalore, India; Carrollton, Texas; Denver, Colorado; Dhahran, Saudi Arabia; Dubai, United Arab Emirates; Duncan, Oklahoma; Houston, Texas (corporate executive offices); Kuala Lumpur, Malaysia; London, England; Moscow, Russia; Panama City, Panama; Pune, India; Rio de Janeiro, Brazil; Singapore; and Tananger, Norway

Item 3. Legal Proceedings.

Information related to Item 3. Legal Proceedings is included in Note 10 to the consolidated financial statements.

Item 4. Mine Safety Disclosures.

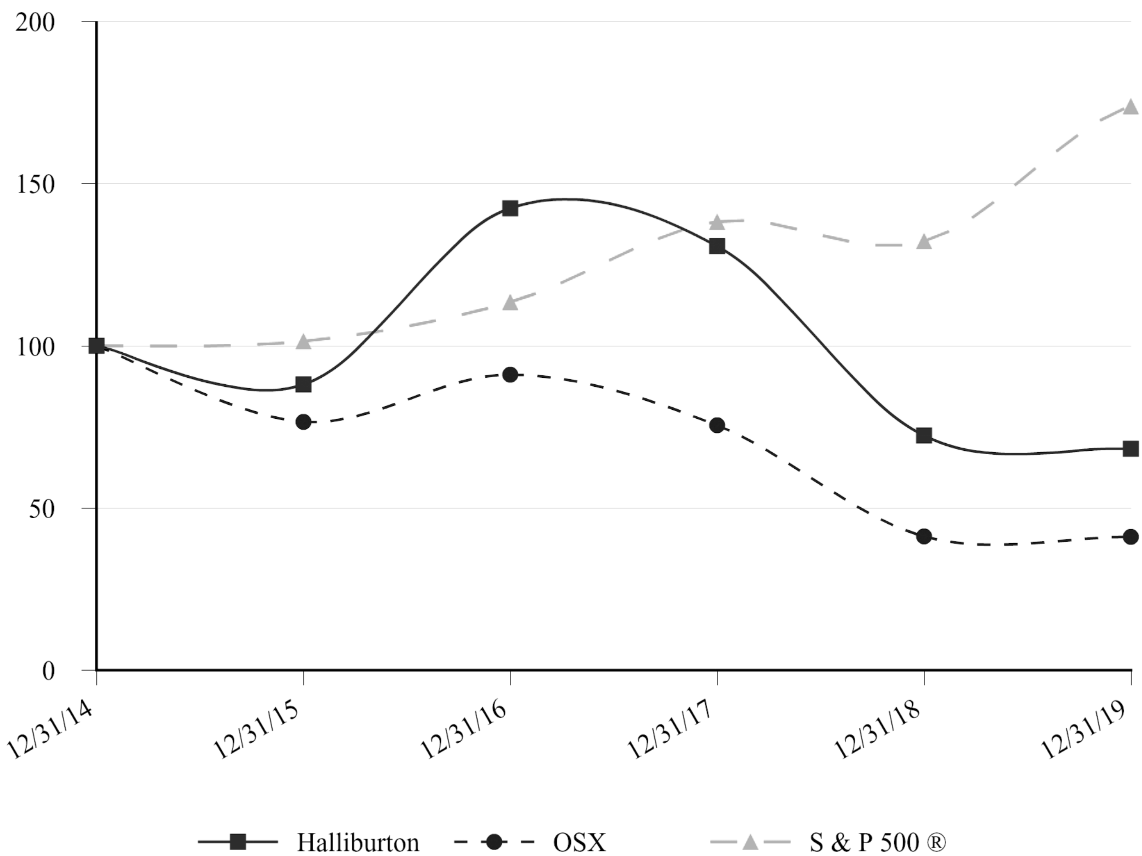
Our barite and bentonite mining operations, in support of our fluid services business, are subject to regulation by the federal Mine Safety and Health Administration under the Federal Mine Safety and Health Act of 1977. Information concerning mine safety violations or other regulatory matters required by section 1503(a) of the Dodd-Frank Wall Street Reform and Consumer Protection Act and Item 104 of Regulation S-K (17 CFR 229.104) is included in Exhibit 95 to this annual report.

PART II

Item 5. Market for Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.

Halliburton Company’s common stock is traded on the New York Stock Exchange under the symbol "HAL." Information related to quarterly dividend payments is included under the caption “Quarterly Financial Data” in the consolidated financial statements. The declaration and payment of future dividends will be at the discretion of the Board of Directors and will depend on, among other things, future earnings, general financial condition and liquidity, success in business activities, capital requirements and general business conditions. Subject to Board of Directors approval, our intention is to continue paying dividends at our current rate during 2020.

The following graph and table compare total shareholder return on our common stock for the five-year period ended December 31, 2019, with the Philadelphia Oil Service Index (OSX) and the Standard & Poor’s 500 ® Index over the same period. This comparison assumes the investment of $100 on December 31, 2014 and the reinvestment of all dividends. The shareholder return set forth is not necessarily indicative of future performance. The following graph and related information shall not be deemed “soliciting material” or to be “filed” with the SEC, nor shall such information be incorporated by reference into any future filing under the Securities Act of 1933 or the Securities Exchange Act of 1934, except to the extent that Halliburton specifically incorporates it by reference into such filing.



	December 31					
	2014	2015	2016	2017	2018	2019
Halliburton	$ 100.00	$ 88.13	$ 142.39	$ 130.67	$ 72.43	$ 68.30
Philadelphia Oil Service Index (OSX)	100.00	76.62	91.16	75.48	41.35	41.12
Standard & Poor’s 500 ® Index	100.00	101.38	113.51	138.29	132.23	173.86

At February 7, 2020, we had 11,316 shareholders of record. In calculating the number of shareholders, we consider clearing agencies and security position listings as one shareholder for each agency or listing.

The following table is a summary of repurchases of our common stock during the three-month period ended December 31, 2019.

Period	Total Number of Shares Purchased (a)	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs (b)	Maximum Number (or Approximate Dollar Value) of Shares that may yet be Purchased Under the Program (b)
October 1 - 31	17,044	$19.89	—	$5,200,008,050
November 1 - 30	15,881	$20.23	—	$5,200,008,050
December 1 - 31	149,303	$21.96	—	$5,200,008,050
Total	182,228	$21.62	—	

(a) All of the 182,228 shares purchased during the three-month period ended December 31, 2019 were acquired from employees in connection with the settlement of income tax and related benefit withholding obligations arising from vesting in restricted stock grants. These shares were not part of a publicly announced program to purchase common stock.

(b) Our Board of Directors has authorized a plan to repurchase a specified dollar amount of our common stock from time to time. Approximately $5.2 billion remained authorized for repurchases as of December 31, 2019. From the inception of this program in February 2006 through December 31, 2019, we repurchased approximately 217 million shares of our common stock for a total cost of approximately $8.9 billion.

Item 6. Selected Financial Data.

The Selected Financial Data should be read in conjunction with "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Item 8. Financial Statements and Supplementary Data," both contained herein.

HALLIBURTON COMPANY
Selected Financial Data
(Unaudited)

	Year ended December 31				
Millions of dollars except per share data	2019	2018	2017	2016	2015
Revenue	$ 22,408	$ 23,995	$ 20,620	$ 15,887	$ 23,633
Operating income (loss)	(448)	2,467	1,374	(6,770)	(165)
Income (loss) from continuing operations	(1,129)	1,657	(449)	(5,767)	(662)
Basic and diluted income (loss) per share from continuing operations	(1.29)	1.89	(0.51)	(6.69)	(0.78)
Cash dividends per share	0.72	0.72	0.72	0.72	0.72
Net working capital	6,334	6,349	5,915	7,654	14,733
Total assets	25,377	25,982	25,085	27,000	36,942
Long-term debt	10,316	10,312	10,430	12,214	14,687
Total debt	10,327	10,344	10,942	12,384	15,429
Total shareholders’ equity	8,025	9,544	8,349	9,448	15,495
Cash flows from operating activities	2,445	3,157	2,468	(1,703)	2,906
Capital expenditures	1,530	2,026	1,373	798	2,184

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.

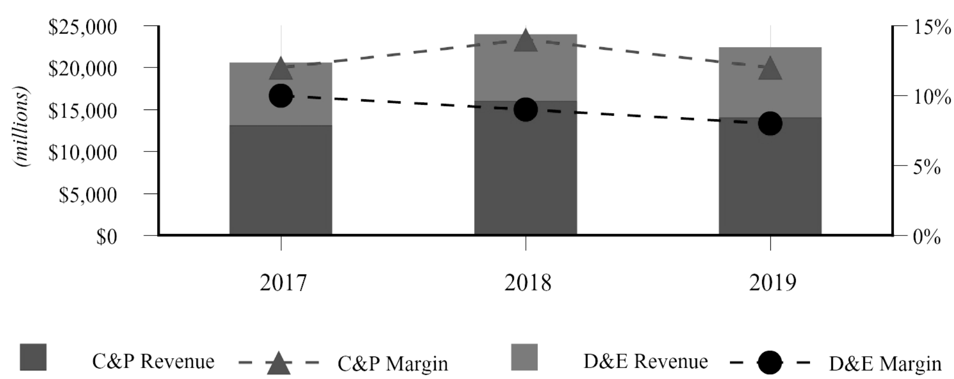
Management's Discussion and Analysis of Financial Condition and Results of Operations (MD&A) should be read in conjunction with the consolidated and combined financial statements included in "Item 8. Financial Statements and Supplementary Data" contained herein.

EXECUTIVE OVERVIEW

Financial results

We experienced challenging market dynamics in 2019 as our customers in the North America market fundamentally shifted from growth to capital discipline, impacting our business through reduced customer activity and pricing pressure, while the international markets continued their recovery. We executed our value proposition, delivered exceptional safety and service quality, and remained focused on generating strong returns and cash flow. The following graph illustrates our revenue and operating margins for each operating segment over the past three years.

Financial Performance Summary



During 2019, we generated total company revenue of $22.4 billion, a 7% decrease from the $24.0 billion of revenue generated in 2018, with our Completion and Production (C&P) segment declining by 12% and our Drilling and Evaluation (D&E) segment improving by 4%. We reported a total company operating loss of approximately $448 million in 2019 driven by $2.5 billion of impairments and other charges. This compares to operating income of $2.5 billion in 2018. A significant decline in stimulation activity and pricing in North America land during 2019 negatively impacted operating results, coupled with reduced drilling activity in the Middle East.

Our North America revenue declined 18% in 2019, as compared to 2018, driven by reduced customer activity and pricing, and our decision to focus on customers that provide better returns. The North America land rig count decreased 26% from its high point in early 2019 to its low point in December 2019, with a 9% drop from the third to the fourth quarter. Customer activity declined across all basins in North America land during the fourth quarter of 2019, affecting both our drilling and completions businesses. This reduction in activity resulted in part from our North American customers' increase in capital discipline. With this backdrop, we moved quickly to implement a service delivery improvement strategy and initiate cost reductions, which included proactively managing our fleet count to anticipated levels of near-term demand, executing personnel reductions, and rationalizing our real estate portfolio. We performed this exercise with a focus on adjusting our cost structure to improve financial performance. We did, however, experience growth in many of our non-hydraulic fracturing businesses and will continue to focus on these businesses going forward.

With strong growth opportunities internationally, we continued to benefit from the recovery in this market as revenue increased 10% in 2019, as compared to 2018, outgrowing the international rig count for the second year in a row. All international regions significantly contributed to this revenue increase, led by Asia Pacific, Latin America and Europe, with meaningful contributions from both of our divisions. Our Completion and Production division led with a 13% increase in revenue due to higher activity in mature fields in Europe and unconventionals in Argentina, the United Arab Emirates, and Australia, while our Drilling and Evaluation division grew international revenues by 8% with increased activity levels in all markets, particularly Norway, Mexico, China and Nigeria.

Business outlook

2019 closed the decade of the shale revolution that transformed the United States into the world's top hydrocarbon producer. Our company was an early participant in this development and invested and innovated alongside our customers since the beginning. As unconventionals enter the maturation phase and as capital spending by our customers has decreased, we remain committed to the North American market and taking appropriate actions to thrive in the new environment. The cost containment measures we took in the fourth quarter of 2019 should benefit our business as we adapt to this dynamic market environment.

In North America, the shale industry is facing its biggest challenge since the 2015 downturn with a strong focus on capital discipline. In the fourth quarter of 2019, the market experienced a long-awaited attrition of equipment. More equipment is expected to exit the market in 2020 driven by lower demand and increasing service intensity. After systematically rationalizing and reducing equipment supply in 2019 to adjust to changing activity levels, in 2020 we plan to provide the capacity that maximizes the returns on our overall fleet. We also expect customer spending behavior to remain similar to 2019 in which some operators spend a higher portion of their budgets earlier in the year. With North America customer spending expected to decline again in 2020, we will continue our strategy to maximize returns with an appropriate level of service capacity while continuing to invest in technologies that improve margins. We plan to continue strategic growth opportunities with our non-hydraulic fracturing businesses. Our Wireline and Perforating, Artificial Lift, and Specialty Chemical product lines all produced strong double-digit revenue growth in 2019, despite the overall market softness in U.S. land, and we intend to build on this momentum and spread it to other services.

Internationally, we expect a third consecutive year of customer spending growth. We believe we have the right footprint and an enhanced technology portfolio to compete successfully across the international markets. Our pipeline of projects is strong and we expect continued growth in our Drilling and Evaluation division as our iCruise rotary steerable drilling platform roll-out continues, new offshore drilling activity begins around the world, and we operate a full year of our Norway integrated contracts. Pricing in certain international regions is improving, and we expect this momentum to continue in 2020. We are gaining pricing traction on new work and contract renewals, and we are making strategic choices about the work we pursue to deliver returns-driven growth in the international markets. We intend to be prudent with capital allocation with a strategic reallocation of assets to opportunities with better returns, driving the right pricing discussions with customers. We believe that with increased activity, disciplined capital allocation, pricing improvements, and our ability to compete for a larger share of high-margin services, we will achieve international margin expansion.

In 2020, we will continue to focus on delivering margin expansion and strong returns and cash flow while continuing to build the foundation for a longer-term recovery. We intend to dynamically respond to the changing market, invest effectively and remain flexible in our cost structure. We believe in responsible capital stewardship, prioritizing capital efficiency, and investing in the technologies that deliver differentiation and returns. We will continue to collaborate and engineer solutions to maximize asset value for our customers and align our business with customers in the fastest growing market segments with attention to the sustainability of our business, minimizing environmental impacts and acting as a responsible corporate citizen.

We intend to continue to strengthen our product service lines through a combination of organic growth, investment and selective acquisitions. We plan to continue executing the following strategies in 2020:

- prudently allocating capital into strategic markets around the world;
- collaborating with, and engineering solutions to maximize asset value for, our customers;
- leveraging our broad technology offerings to provide value to our customers and enable them to more efficiently drill and complete their wells;
- investing in technology that will help our customers reduce reservoir uncertainty, increase operational efficiency and improve well productivity - as well as help us reduce our costs and deliver acceptable returns;
- improving working capital and managing our balance sheet to maximize our financial flexibility;
- seeking additional ways to be one of the most cost-efficient service providers in the industry by optimizing costs, maintaining capital discipline and leveraging our scale and breadth of operations; and
- striving to achieve superior returns and cash flow generation for our shareholders.

Our operating performance and business outlook are described in more detail in “Business Environment and Results of Operations.”

Capital expenditures

During 2019, our capital expenditures were approximately $1.5 billion, a decrease of 24% from 2018, which were predominantly made in our Sperry Drilling, Production Enhancement, Artificial Lift, Wireline and Perforating, and Production Solutions product service lines. We intend to reduce our capital expenditures by 20% in 2020 to approximately $1.2 billion. We believe this level of spend, approximately 60% of which we plan to allocate to our Completion and Production division, will allow continued investments in our anticipated international growth while continuing to adjust our business to the current conditions in North America. Within this reduced budget, we will continue investing in and growing certain of our businesses, expanding our Artificial Lift footprint, continuing our global roll-out of our iCruise rotary steerable drilling platform, and focusing on digital efforts and new technologies aimed at improving our efficiency and reducing our operating costs. However, the allocation of capital expenditures across business lines may change depending on market conditions. We believe our capital allocation decisions are consistent with our focus on generating strong cash flow for our investors, regardless of the market environment.

Financial markets, liquidity and capital resources

We believe we have invested our cash balances conservatively and secured sufficient financing to help mitigate any near-term negative impact on our operations from adverse market conditions. As of December 31, 2019, we had $2.3 billion of cash and equivalents and $3.5 billion of available committed bank credit under our revolving credit facility which expires in 2024. We believe this provides us with sufficient liquidity to address the challenges and opportunities of the current market. For additional information on market conditions, see “Liquidity and Capital Resources” and “Business Environment and Results of Operations.”

LIQUIDITY AND CAPITAL RESOURCES

As of December 31, 2019, we had $2.3 billion of cash and equivalents, compared to $2.0 billion of cash and equivalents at December 31, 2018.

Significant sources and uses of cash in 2019

Sources of cash:

- Cash flows from operating activities were $2.4 billion. Included within cash flows from operating activities was a negative impact from the primary components of our working capital (receivables, inventories and accounts payable) of a net $161 million, primarily associated with reduced payables and a build-up of inventory related to our strategic technology deployments, coupled with approximately $144 million of severance payments.

Uses of cash:

- Capital expenditures were $1.5 billion and were predominantly made in our Sperry Drilling, Production Enhancement, Artificial Lift, Wireline and Perforating and Production Solutions product service lines.
- We paid $630 million of dividends to our shareholders.
- We repurchased approximately 4.5 million shares of our common stock under our share repurchase program at a total cost of approximately $100 million.

Future sources and uses of cash

We manufacture most of our own equipment, which provides some flexibility to increase or decrease our capital expenditures based on market conditions. Capital spending for 2020 is currently expected to be approximately $1.2 billion, a reduction of approximately 20% from 2019. For additional information on capital expenditures, see “Executive Overview.”

We are actively evaluating our debt maturity profile and other opportunities around uses of cash, which could include paying off portions of near-term debt, funding acquisitions and organic growth projects or shareholder return opportunities.

Currently, our quarterly dividend rate is $0.18 per common share, or approximately $158 million. Subject to Board of Directors approval, our intention is to continue paying dividends at our current rate during 2020. Our Board of Directors has authorized a program to repurchase our common stock from time to time. Approximately $5.2 billion remained authorized for repurchases as of December 31, 2019 and may be used for open market and other share purchases.

Contractual obligations

The following table summarizes our significant contractual obligations and other long-term liabilities as of December 31, 2019:

	Payments Due						
Millions of dollars	2020	2021	2022	2023	2024	Thereafter	Total
Long-term debt (a)	$ 11	$ 697	$ 4	$ 1,100	$ —	$ 8,604	$ 10,416
Interest on debt (b)	520	511	486	486	448	7,431	9,882
Operating leases	235	186	149	107	71	442	1,190
Finance leases	61	62	62	61	48	82	376
Purchase obligations (c)	618	139	51	19	—	1	828
Other long-term liabilities (d)	24	—	—	—	—	—	24
Total	$ 1,469	$ 1,595	$ 752	$ 1,773	$ 567	$ 16,560	$ 22,716

(a) Represents principal amounts of long-term debt, including current maturities of debt, which excludes any unamortized debt issuance costs and discounts.
(b) Interest on debt includes 77 years of interest on $300 million of debentures at 7.6% interest that become due in 2096.
(c) Amount in 2020 primarily represents certain purchase orders for goods and services utilized in the ordinary course of our business.
(d) Represents pension funding obligations associated with international plans for 2020 only and are based on assumptions that are subject to change as we are currently not able to reasonably estimate our contributions for years after 2020.

Due to the uncertainty with respect to the timing of potential future cash outflows associated with our uncertain tax positions, we are not able to reasonably estimate the period of cash settlement with the respective taxing authorities. Therefore, gross unrecognized tax benefits have been excluded from the contractual obligations table above. We had $425 million of gross unrecognized tax benefits, excluding penalties and interest, at December 31, 2019, of which we estimate $235 million may require a cash payment by us. We estimate that $205 million of the cash payment will not be settled within the next 12 months.

Other factors affecting liquidity

Financial position in current market. As of December 31, 2019, we had $2.3 billion of cash and equivalents and $3.5 billion of available committed bank credit under our revolving credit facility which expires in 2024. Furthermore, we have no financial covenants or material adverse change provisions in our bank agreements, and our debt maturities extend over a long period of time. We believe our cash on hand, cash flows generated from operations and our available credit facility will provide sufficient liquidity to address the challenges and opportunities of the current market and our global cash needs in 2020, including capital expenditures, working capital investments, dividends, if any, and contingent liabilities.

Guarantee agreements. In the normal course of business, we have agreements with financial institutions under which approximately $2.1 billion of letters of credit, bank guarantees, or surety bonds were outstanding as of December 31, 2019. Some of the outstanding letters of credit have triggering events that would entitle a bank to require cash collateralization.

Credit ratings. Our credit ratings with Standard & Poor’s (S&P) remain A- for our long-term debt and A-2 for our short-term debt, with a negative outlook. Our credit ratings with Moody’s Investors Service (Moody's) remain Baa1 for our long-term debt and P-2 for our short-term debt, with a stable outlook.

Customer receivables. In line with industry practice, we bill our customers for our services in arrears and are, therefore, subject to our customers delaying or failing to pay our invoices. In weak economic environments, we may experience increased delays and failures to pay our invoices due to, among other reasons, a reduction in our customers’ cash flow from operations and their access to the credit markets, as well as unsettled political conditions. If our customers delay paying or fail to pay us a significant amount of our outstanding receivables, it could have a material adverse effect on our liquidity, consolidated results of operations and consolidated financial condition. See Note 5 to the consolidated financial statements for further discussion.

BUSINESS ENVIRONMENT AND RESULTS OF OPERATIONS

We operate in more than 80 countries throughout the world to provide a comprehensive range of services and products to the energy industry. Our revenue is generated from the sale of services and products to major, national, and independent oil and natural gas companies worldwide. The industry we serve is highly competitive with many substantial competitors in each segment of our business. In 2019, 2018 and 2017, based on the location of services provided and products sold, 51%, 58% and 53%, respectively, of our consolidated revenue was from the United States. No other country accounted for more than 10% of our revenue.

Operations in some countries may be adversely affected by unsettled political conditions, acts of terrorism, civil unrest, force majeure, war or other armed conflict, health or similar issues, sanctions, expropriation or other governmental actions, inflation, changes in foreign currency exchange rates, foreign currency exchange restrictions and highly inflationary currencies, as well as other geopolitical factors. We believe the geographic diversification of our business activities reduces the risk that an interruption of operations in any one country, other than the United States, would be materially adverse to our consolidated results of operations.

Activity within our business segments is significantly impacted by spending on upstream exploration, development and production programs by our customers. Also impacting our activity is the status of the global economy, which impacts oil and natural gas consumption.

Some of the more significant determinants of current and future spending levels of our customers are oil and natural gas prices and our customers' expectations about future prices, global oil supply and demand, completions intensity, the world economy, the availability of credit, government regulation and global stability, which together drive worldwide drilling and completions activity. Additionally, many of our customers in North America have shifted their strategy from production growth to operating within cash flow and generating returns. Lower oil and natural gas prices usually translate into lower exploration and production budgets and lower rig count, while the opposite is usually true for higher oil and natural gas prices. Our financial performance is therefore significantly affected by oil and natural gas prices and worldwide rig activity, which are summarized in the tables below.

The following table shows the average oil and natural gas prices for West Texas Intermediate (WTI), United Kingdom Brent crude oil and Henry Hub natural gas:

	2019	2018	2017
Oil price - WTI (1)	$ 56.98	$ 64.94	$ 50.93
Oil price - Brent (1)	64.36	71.08	54.30
Natural gas price - Henry Hub (2)	2.54	3.17	3.04

(1) Oil price measured in dollars per barrel
(2) Natural gas price measured in dollars per million British thermal units (Btu), or MMBtu

The historical average rig counts based on the weekly Baker Hughes rig count data were as follows:

	2019	2018	2017
U.S. Land	920	1,013	856
U.S. Offshore	23	19	20
Canada	134	191	206
North America	1,077	1,223	1,082
International	1,098	988	949
Worldwide total	2,175	2,211	2,031

Crude oil prices have been extremely volatile over the past five years. WTI oil spot prices declined significantly beginning in 2014 from a peak price of $108 per barrel in June 2014 to a low of $26 per barrel in February 2016, a level which had not been experienced since 2003. Since the low point experienced in early 2016, oil prices increased substantially, with WTI oil spot prices reaching a high of $77 per barrel in June 2018. In late 2018, oil prices again declined with WTI oil spot prices reaching a low of $44 per barrel in December, but rising to a high of $66 per barrel in April 2019. The average full year 2019 WTI crude oil spot price of $57 decreased 12% from the average 2018 price.

In the United States Energy Information Administration (EIA) January 2020 "Short Term Energy Outlook," the EIA projected Brent prices to average $65 per barrel in 2020 and $68 per barrel in 2021, while WTI prices were projected to average approximately $5.50 less per barrel through 2020 and 2021. The International Energy Agency's (IEA) January 2020 "Oil Market Report" forecasts 2020 global demand to average approximately 101.5 million barrels per day, an increase of 1% from 2019, driven by increases in the Asia Pacific region, while all other regions remain approximately the same.

The Henry Hub natural gas spot price in the United States averaged $2.54 per MMBtu in 2019, a decrease of $0.63 per MMBtu, or 20%, from 2018. The EIA January 2020 “Short Term Energy Outlook” projects Henry Hub natural gas prices to average $2.33 per MMBtu in 2020 and some upward price pressures to emerge in 2021 causing the average price to increase to $2.54 per MMBtu.

North America operations

The average North America rig count decreased 146 rigs, or 12%, for the full year 2019 as compared to 2018. The market for both drilling and completion services softened during the second half of 2019 with a continued reduction in activity as customers were focused on staying within their capital spending budgets. Some of the other factors leading to activity reductions included an oversupplied gas market and concerns about oil demand softness. In 2020, based on current information, we expect customers in U.S. land to reduce capital spending by approximately 10% from 2019 levels.

International operations

The average international rig count for 2019 increased 110 rigs, or 11% compared to 2018. We continue to see a broad-based recovery across numerous international geographies, and we expect more revenue and margin growth opportunities coming from mature fields and shallow water markets in 2020. Barring a global economic slowdown, broader offshore recovery should add momentum to the international growth. In 2020, we expect the international spend by our customers to slightly increase, making it the third consecutive year of spending growth.

Venezuela. The general license issued by the Office of Foreign Assets Control (OFAC) of the U.S. Department of Treasury, which allows us to continue operating in Venezuela despite OFAC sanctions imposed against the Venezuelan energy industry, was set to expire on July 27, 2019, but has been extended several times and is now set to expire on April 22, 2020. Consequently, unless OFAC further extends the term of the general license, we will cease operations in Venezuela on that date in order to comply with the sanctions. In that event, it is unlikely that we will be able to remove our assets that remain in Venezuela and those assets may be expropriated. Since we have previously written down all of our investment in Venezuela and have maintained limited operations in this country during the general license period, we do not expect the expiration of the license to have a material adverse effect on our business, consolidated results of operations and consolidated financial condition.

RESULTS OF OPERATIONS IN 2019 COMPARED TO 2018

Revenue: *Millions of dollars*	2019	2018	Favorable (Unfavorable)	Percentage Change
Completion and Production	$ 14,031	$ 15,973	$ (1,942)	(12)%
Drilling and Evaluation	8,377	8,022	355	4
Total revenue	$ 22,408	$ 23,995	$ (1,587)	(7)%
By geographic region:				
North America	$ 11,884	$ 14,431	$ (2,547)	(18)%
Latin America	2,364	2,065	299	14
Europe/Africa/CIS	3,285	2,945	340	12
Middle East/Asia	4,875	4,554	321	7
Total	$ 22,408	$ 23,995	$ (1,587)	(7)%

Operating income (loss): *Millions of dollars*	2019	2018	Favorable (Unfavorable)	Percentage Change
Completion and Production	$ 1,671	$ 2,278	$ (607)	(27)%
Drilling and Evaluation	642	745	(103)	(14)
Total	2,313	3,023	(710)	(23)
Corporate and other	(255)	(291)	36	12
Impairments and other charges	(2,506)	(265)	(2,241)	n/m
Total operating income (loss)	$ (448)	$ 2,467	$ (2,915)	n/m

n/m = not meaningful

Consolidated revenue in 2019 was $22.4 billion, a decrease of $1.6 billion, or 7%, compared to 2018, primarily due to lower activity and pricing in North America land, primarily associated with stimulation services and well construction. Revenue from North America was 53% of consolidated revenue in 2019 and 60% of consolidated revenue in 2018.

We reported a consolidated operating loss of $448 million in 2019 driven by $2.5 billion of impairments and other charges. This compares to operating income of $2.5 billion in 2018, which includes $265 million of impairments and other charges related to Venezuela. A significant decline in stimulation activity and pricing in North America land during 2019 negatively impacted operating results, coupled with reduced drilling activity in the Middle East. See Note 2 to the consolidated financial statements for further discussion on impairments and other charges.

OPERATING SEGMENTS

Completion and Production

Completion and Production revenue was $14.0 billion in 2019, a decrease of $1.9 billion, or 12%, compared to 2018. Operating income was $1.7 billion in 2019, a 27% decrease from $2.3 billion in 2018. These results were primarily driven by reduced activity and pricing for stimulation services and lower completion tool sales in North America land. Partially offsetting these results were increased artificial lift activity in North America land, higher completion tool sales in the Gulf of Mexico, increased pressure pumping activity and higher completion tool sales in the Eastern Hemisphere, and higher pressure pumping activity in Latin America.

Drilling and Evaluation

Drilling and Evaluation revenue was $8.4 billion in 2019, an increase of $355 million, or 4%, from 2018. These results were primarily driven by a global increase in wireline activity, increased activity in multiple product service lines in the North Sea and Mexico, coupled with improved drilling activity in Asia Pacific and higher testing activity in the Eastern Hemisphere. These improvements were partially offset by decreased activity for drilling-related services in North America land and lower project management activity in the Middle East.

Operating income was $642 million in 2019, a decrease of $103 million, or 14%, compared to 2018. These results were primarily driven by a decline in drilling activity in North America land, coupled with lower project management and drilling activity in the Middle East. Partially offsetting these results were global improvements in wireline activity and increased drilling-related services in Europe/Africa/CIS.

GEOGRAPHIC REGIONS

North America

North America revenue was $11.9 billion in 2019, an 18% decrease compared to 2018, resulting from lower activity and pricing in North America land, primarily associated with stimulation and drilling-related activity. This decline was partially offset by increased artificial lift activity in North America land and improved completion tool sales in the Gulf of Mexico.

Latin America

Latin America revenue was $2.4 billion in 2019, a 14% increase compared to 2018, resulting primarily from increased activity in multiple product service lines in Mexico and Argentina, partially offset by decreased well construction activity in Brazil.

Europe/Africa/CIS

Europe/Africa/CIS revenue was $3.3 billion in 2019, a 12% increase compared to 2018. The increases were due to higher activity for multiple product service lines throughout the region, primarily in the North Sea, Israel and Russia, partially offset by decreased pipeline services across the region.

Middle East/Asia

Middle East/Asia revenue was $4.9 billion in 2019, a 7% increase compared to 2018. The increases were due to higher activity throughout the region, primarily related to pressure pumping, completion tool sales and wireline activity, partially offset by decreased drilling activity and project management activity in the Middle East.

OTHER OPERATING ITEMS

Impairments and other charges were $2.5 billion in 2019, consisting of asset impairments, primarily associated with pressure pumping and drilling equipment, as well as severance and other costs incurred as we adjusted our cost structure during the year. This compares to $265 million of impairments and other charges recorded in 2018, representing a write-down of all of our remaining investment in Venezuela. See Note 2 to the consolidated financial statements for further discussion on these charges.

NONOPERATING ITEMS

Effective tax rate. During 2019, we recorded a total income tax provision of $7 million on a pre-tax loss of $1.1 billion, resulting in an effective tax rate of -0.6%. During 2018, we recorded a total income tax provision $157 million on pre-tax income of $1.8 billion, resulting in an effective tax rate of 8.7%. See Note 11 to the consolidated financial statements for significant drivers of these effective tax rates.

RESULTS OF OPERATIONS IN 2018 COMPARED TO 2017

Information related to the comparison of our operating results between the years 2018 and 2017 is included in "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" of our 2018 Form 10-K filed with the SEC and is incorporated by reference into this annual report on Form 10-K.

CRITICAL ACCOUNTING ESTIMATES

The preparation of financial statements requires the use of judgments and estimates. Our critical accounting policies are described below to provide a better understanding of how we develop our assumptions and judgments about future events and related estimates and how they can impact our financial statements. A critical accounting estimate is one that requires our most difficult, subjective or complex judgments and assessments and is fundamental to our results of operations. We identified our most critical accounting estimates to be:

- forecasting our effective income tax rate, including our future ability to utilize foreign tax credits and the realizability of deferred tax assets (including net operating loss carryforwards), and providing for uncertain tax positions;
- legal and investigation matters;
- valuations of long-lived assets, including intangible assets and goodwill;
- purchase price allocation for acquired businesses; and
- allowance for bad debts.

We base our estimates on historical experience and on various other assumptions we believe to be reasonable according to the current facts and circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. We believe the following are the critical accounting policies used in the preparation of our consolidated financial statements, as well as the significant estimates and judgments affecting the application of these policies. This discussion and analysis should be read in conjunction with our consolidated financial statements and related notes included in this report.

Income tax accounting

We recognize the amount of taxes payable or refundable for the current year and use an asset and liability approach in recognizing the amount of deferred tax liabilities and assets for the future tax consequences of events that have been recognized in our financial statements or tax returns. We apply the following basic principles in accounting for our income taxes:

- a current tax liability or asset is recognized for the estimated taxes payable or refundable on tax returns for the current year;
- a deferred tax liability or asset is recognized for the estimated future tax effects attributable to temporary differences and carryforwards;
- the measurement of current and deferred tax liabilities and assets is based on provisions of the enacted tax law, and the effects of potential future changes in tax laws or rates are not considered; and
- the value of deferred tax assets is reduced, if necessary, by the amount of any tax benefits that, based on available evidence, are not expected to be realized.

We determine deferred taxes separately for each tax-paying component (an entity or a group of entities that is consolidated for tax purposes) in each tax jurisdiction. That determination includes the following procedures:

- identifying the types and amounts of existing temporary differences;
- measuring the total deferred tax liability for taxable temporary differences using the applicable tax rate;
- measuring the total deferred tax asset for deductible temporary differences and operating loss carryforwards using the applicable tax rate;
- measuring the deferred tax assets for each type of tax credit carryforward; and
- reducing the deferred tax assets by a valuation allowance if, based on available evidence, it is more likely than not that some portion or all of the deferred tax assets will not be realized.

Our methodology for recording income taxes requires a significant amount of judgment in the use of assumptions and estimates. Additionally, we use forecasts of certain tax elements, such as taxable income and foreign tax credit utilization, as well as evaluate the feasibility of implementing tax planning strategies. Given the inherent uncertainty involved with the use of such variables, there can be significant variation between anticipated and actual results. Unforeseen events may significantly impact these variables, and changes to these variables could have a material impact on our income tax accounts related to both continuing and discontinued operations.

We have operations in more than 80 countries. Consequently, we are subject to the jurisdiction of a significant number of taxing authorities. The income earned in these various jurisdictions is taxed on differing bases, including net income actually earned, net income deemed earned and revenue-based tax withholding. Our tax filings are routinely examined in the normal course of business by tax authorities. The final determination of our income tax liabilities involves the interpretation of local tax laws, tax treaties and related authorities in each jurisdiction, as well as the significant use of estimates and assumptions regarding the scope of future operations and results achieved and the timing and nature of income earned and expenditures incurred. The final determination of tax audits or changes in the operating environment, including changes in tax law and currency/repatriation controls, could impact the determination of our income tax liabilities for a tax year and have an adverse effect on our financial statements.

Tax filings of our subsidiaries, unconsolidated affiliates and related entities are routinely examined in the normal course of business by tax authorities. These examinations may result in assessments of additional taxes, which we work to resolve with the tax authorities and through the judicial process. Predicting the outcome of disputed assessments involves some uncertainty. Factors such as the availability of settlement procedures, willingness of tax authorities to negotiate and the operation and impartiality of judicial systems vary across the different tax jurisdictions and may significantly influence the ultimate outcome. We review the facts for each assessment, and then utilize assumptions and estimates to determine the most likely outcome and provide taxes, interest and penalties as needed based on this outcome. We provide for uncertain tax positions pursuant to current accounting standards, which prescribe a minimum recognition threshold and measurement methodology that a tax position taken or expected to be taken in a tax return is required to meet before being recognized in the financial statements. The standards also provide guidance for derecognition classification, interest and penalties, accounting in interim periods, disclosure and transition.

Legal and investigation matters

As discussed in Note 10 of our consolidated financial statements, we are subject to various legal and investigation matters arising in the ordinary course of business. As of December 31, 2019, we have accrued an estimate of the probable and estimable costs for the resolution of some of our legal and investigation matters, which is not material to our consolidated financial statements. For other matters for which the liability is not probable and reasonably estimable, we have not accrued any amounts. Attorneys in our legal department monitor and manage all claims filed against us and review all pending investigations. Generally, the estimate of probable costs related to these matters is developed in consultation with internal and outside legal counsel representing us. Our estimates are based upon an analysis of potential results, assuming a combination of litigation and settlement strategies. The accuracy of these estimates is impacted by, among other things, the complexity of the issues and the amount of due diligence we have been able to perform. We attempt to resolve these matters through settlements, mediation and arbitration proceedings when possible. If the actual settlement costs, final judgments or fines, after appeals, differ from our estimates, there may be a material adverse effect on our future financial results. We have in the past recorded significant adjustments to our initial estimates of these types of contingencies.

Value of long-lived assets, including intangible assets and goodwill

We carry a variety of long-lived assets on our balance sheet including property, plant and equipment, goodwill and other intangibles. Impairment is the condition that exists when the carrying amount of a long-lived asset exceeds its fair value, and any impairment charge that we record reduces our operating income. Goodwill is the excess of the cost of an acquired entity over the net of the amounts assigned to assets acquired and liabilities assumed. We conduct impairment tests on goodwill annually, during the third quarter, or more frequently whenever events or changes in circumstances indicate an impairment may exist. We conduct impairment tests on long-lived assets, other than goodwill, whenever events or changes in circumstances indicate that the carrying value may not be recoverable.

When conducting an impairment test on long-lived assets, other than goodwill, we first group individual assets based on a the lowest level for which identifiable cash flows are largely independent of the cash flows from other assets, which requires some judgment. We then compare estimated future undiscounted cash flows expected to result from the use and eventual disposition of the asset group to its carrying amount. If the undiscounted cash flows are less than the asset group’s carrying amount, we then determine the asset group's fair value by using a discounted cash flow analysis. This analysis is based on estimates such as management’s short-term and long-term forecast of operating performance, including revenue growth rates and expected profitability margins, estimates of the remaining useful life and service potential of the assets within the asset group, and a discount rate based on our weighted average cost of capital. An impairment loss is measured and recorded as the amount by which the asset group's carrying amount exceeds its fair value. See Note 2 to the consolidated financial statements for impairments and other charges recorded during the year ended December 31, 2019.

We perform our goodwill impairment assessment for each reporting unit, which is the same as our reportable segments, the Completion and Production division and the Drilling and Evaluation division, comparing the estimated fair value of each reporting unit to the reporting unit's carrying value, including goodwill. We estimate the fair value for each reporting unit using a discounted cash flow analysis based on management's short-term and long-term forecast of operating performance. This analysis includes significant assumptions regarding discount rates, revenue growth rates, expected profitability margins, forecasted capital expenditures and the timing of expected future cash flows based on market conditions. If the estimated fair value of a reporting unit exceeds its carrying amount, goodwill of the reporting unit is not considered impaired. If the carrying amount of a reporting unit exceeds its estimated fair value, an impairment loss is measured and recorded.

The impairment assessments discussed above incorporate inherent uncertainties, including projected commodity pricing, supply and demand for our services and future market conditions, which are difficult to predict in volatile economic environments and could result in impairment charges in future periods if actual results materially differ from the estimated assumptions utilized in our forecasts. If market conditions further deteriorate, including crude oil prices significantly declining and remaining at low levels for a sustained period of time, we could be required to record additional impairments of the carrying value of our long-lived assets in the future which could have a material adverse impact on our operating results. See Note 1 to the consolidated financial statements for our accounting policies related to long-lived assets.

Acquisitions - purchase price allocation

We allocate the purchase price of an acquired business to its identifiable assets and liabilities based on estimated fair values. The excess of the purchase price over the amount allocated to the assets and liabilities, if any, is recorded as goodwill. We use all available information to estimate fair values, including quoted market prices, the carrying value of acquired assets and widely accepted valuation techniques such as discounted cash flows. We engage third-party appraisal firms when appropriate to assist in fair value determination of inventories, identifiable intangible assets and any other significant assets or liabilities. The judgments made in determining the estimated fair value assigned to each class of assets acquired and liabilities assumed, as well as asset lives, can materially impact our results of operations. Our acquisitions may also include contingent consideration, or earn-out provisions, which provide for additional consideration to be paid to the seller if certain future conditions are met. These earn-out provisions are estimated and recognized at fair value at the acquisition date based on projected earnings or other financial metrics over specified periods after the acquisition date. These estimates are reviewed during the specified period and adjusted based on actual results.

Allowance for bad debts

We evaluate our global accounts receivable through a continuous process of assessing our portfolio on an individual customer and overall basis. This process consists of a thorough review of historical collection experience, current aging status of the customer accounts, financial condition of our customers and whether the receivables involve retainages. We also consider the economic environment of our customers, both from a marketplace and geographic perspective, in evaluating the need for an allowance. Based on our review of these factors, we establish or adjust allowances for specific customers. This process involves a high degree of judgment and estimation, and frequently involves significant dollar amounts. Accordingly, our results of operations can be affected by adjustments to the allowance due to actual write-offs that differ from estimated amounts.

At December 31, 2019, our allowance for bad debts totaled $776 million, or 15.4% of notes and accounts receivable before the allowance. At December 31, 2018, our allowance for bad debts totaled $738 million, or 12.8% of notes and accounts receivable before the allowance. The allowance for bad debts in both years is primarily comprised of accounts receivable with our primary customer in Venezuela. A hypothetical 100 basis point change in our estimate of the collectability of our notes and accounts receivable balance as of December 31, 2019 would have resulted in a $51 million adjustment to 2019 total operating costs and expenses. See Note 5 to the consolidated financial statements for further information.

OFF BALANCE SHEET ARRANGEMENTS

At December 31, 2019, we had no material off balance sheet arrangements. In the normal course of business, we have agreements with financial institutions under which approximately $2.1 billion of letters of credit, bank guarantees or surety bonds were outstanding as of December 31, 2019. Some of the outstanding letters of credit have triggering events that would entitle a bank to require cash collateralization. None of these off balance sheet arrangements either has, or is likely to have, a material effect on our consolidated financial statements.

FINANCIAL INSTRUMENT MARKET RISK

We are exposed to market risk from changes in foreign currency exchange rates and interest rates. We selectively manage these exposures through the use of derivative instruments, including forward foreign exchange contracts, foreign exchange options and interest rate swaps. The objective of our risk management strategy is to minimize the volatility from fluctuations in foreign currency and interest rates. We do not use derivative instruments for trading purposes. The counterparties to our forward contracts, options and interest rate swaps are global commercial and investment banks.

We use a sensitivity analysis model to measure the impact of potential adverse movements in foreign currency exchange rates and interest rates. With respect to foreign exchange sensitivity, after consideration of the impact from our foreign exchange hedges, a hypothetical 10% adverse change in the value of all our foreign currency positions relative to the United States dollar as of December 31, 2019 would result in a $91 million, pre-tax, loss for our net monetary assets denominated in currencies other than United States dollars. With respect to interest rates sensitivity, after consideration of the impact from our interest rate swap, a hypothetical 100 basis point increase in the LIBOR rate would result in approximately an additional $1 million of interest charges for the year ended December 31, 2019.

There are certain limitations inherent in the sensitivity analyses presented, primarily due to the assumption that exchange rates and interest rates change instantaneously in an equally adverse fashion. In addition, the analyses are unable to reflect the complex market reactions that normally would arise from the market shifts modeled. While this is our best estimate of the impact of the various scenarios, these estimates should not be viewed as forecasts.

For further information regarding foreign currency exchange risk, interest rate risk and credit risk, see Note 15 to the consolidated financial statements.

ENVIRONMENTAL MATTERS

We are subject to numerous environmental, legal and regulatory requirements related to our operations worldwide. For information related to environmental matters, see Note 10 to the consolidated financial statements and "Part I, Item 1(a). “Risk Factors.”

FORWARD-LOOKING INFORMATION

The Private Securities Litigation Reform Act of 1995 provides safe harbor provisions for forward-looking information. Forward-looking information is based on projections and estimates, not historical information. Some statements in this Form 10-K are forward-looking and use words like “may,” “may not,” “believe,” “do not believe,” “plan,” “estimate,” “intend,” “expect,” “do not expect,” “anticipate,” “do not anticipate,” “should,” “likely” and other expressions. We may also provide oral or written forward-looking information in other materials we release to the public. Forward-looking information involves risk and uncertainties and reflects our best judgment based on current information. Our results of operations can be affected by inaccurate assumptions we make or by known or unknown risks and uncertainties. In addition, other factors may affect the accuracy of our forward-looking information. As a result, no forward-looking information can be guaranteed. Actual events and the results of our operations may vary materially.

We do not assume any responsibility to publicly update any of our forward-looking statements regardless of whether factors change as a result of new information, future events or for any other reason. You should review any additional disclosures we make in our press releases and Forms 10-K, 10-Q and 8-K filed with or furnished to the SEC. We also suggest that you listen to our quarterly earnings release conference calls with financial analysts.

Item 7(a). Quantitative and Qualitative Disclosures About Market Risk.

Information related to market risk is included in "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations – Financial Instrument Market Risk" and Note 15 to the consolidated financial statements.

Item 8. Financial Statements and Supplementary Data.

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

The management of Halliburton Company is responsible for establishing and maintaining adequate internal control over financial reporting as defined in the Securities Exchange Act Rule 13a-15(f).

Internal control over financial reporting, no matter how well designed, has inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation. Further, because of changes in conditions, the effectiveness of internal control over financial reporting may vary over time.

Under the supervision and with the participation of our management, including our chief executive officer and chief financial officer, we conducted an evaluation to assess the effectiveness of our internal control over financial reporting as of December 31, 2019 based upon criteria set forth in the *Internal Control - Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

Based on our assessment, we believe that, as of December 31, 2019, our internal control over financial reporting is effective. The effectiveness of Halliburton's internal control over financial reporting as of December 31, 2019 has been audited by KPMG LLP, an independent registered public accounting firm, as stated in their report that is included herein.

HALLIBURTON COMPANY

by

/s/ Jeffrey A. Miller	/s/ Lance Loeffler
Jeffrey A. Miller	Lance Loeffler
Chairman of the Board, President and	Executive Vice President and
Chief Executive Officer	Chief Financial Officer

Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors
Halliburton Company:

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheets of Halliburton Company and subsidiaries (the Company) as of December 31, 2019 and 2018, the related consolidated statements of operations, comprehensive income (loss), shareholders' equity, and cash flows for each of the years in the three-year period ended December 31, 2019, and the related notes (collectively, the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2019 and 2018, and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 2019, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2019, based on criteria established in *Internal Control - Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission, and our report dated February 11, 2020 expressed an unqualified opinion on the effectiveness of the Company's internal control over financial reporting.

Change in Accounting Principle

As discussed in Note 6 to the consolidated financial statements, the Company has changed its method of accounting for leases as of January 1, 2019 due to the adoption of Accounting Standards Codification Topic 842, Leases.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the consolidated financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Evaluation of the Realizability of Deferred Tax Assets

As discussed in Notes 1 and 11 to the consolidated financial statements, the Company had gross deferred tax assets of $3.3 billion and a related valuation allowance of $1.1 billion as of December 31, 2019.

We identified the evaluation of the realizability of deferred tax assets as a critical audit matter. This evaluation of the realizability of deferred tax assets, specifically related to net operating loss carryforwards and foreign tax credits, required subjective auditor judgment to assess the forecasts of future taxable income over the periods in which those temporary differences become deductible. Changes in assumptions regarding forecasted taxable income could have an impact on the Company's evaluation of the realizability of the deferred tax assets.

The primary procedures we performed to address this critical audit matter included the following. We tested certain internal controls related to the Company's evaluation of the realizability of deferred tax assets, including controls related to the development of forecasts of future taxable income. We evaluated the assumptions used in the development of forecasts of future taxable income by comparing to historical actuals while considering current and anticipated future commodity prices or market events. We also evaluated the Company's history of realizing deferred tax assets by evaluating the expiration of net operating loss carryforwards and foreign tax credits.

Assessment of the Fair Value of Property, Plant and Equipment

As discussed in Notes 1, 2, and 8 to the consolidated financial statements, the gross amount of property, plant and equipment as of December 31, 2019 was $19.9 billion and related accumulated depreciation of $12.6 billion. The Company recognizes impairment on property, plant and equipment when the undiscounted cash flows expected to result from the use and eventual disposition of the asset group is less than the carrying amount of the asset group. The Company recognized an impairment charge of $1.4 billion for the year ended December 31, 2019.

We identified the assessment of the Company's estimate of the fair value of property, plant and equipment as a critical audit matter. There was a high degree of subjectivity in evaluating the significant assumptions used in determining the discounted cash flows needed to estimate the fair value of the asset groups, specifically the revenue growth rates, operating margin and the discount rate used.

The primary procedures we performed to address the critical audit matter included the following. We tested certain internal controls over the Company's process to estimate the discounted cash flows of the asset groups, including controls related to the significant assumptions. We evaluated the Company's development of the revenue growth rates and operating margin assumptions by identifying and assessing the sources of data that management used in their assessment. We evaluated the revenue growth rates and operating margin for consistency with relevant historical data, changes in the business, and external industry data. In addition, we involved valuation professionals with specialized skills and knowledge to assist with evaluating the selected discount rate by comparing it against a discount rate range that was independently developed using publicly available market data for comparable companies.

/s/ KPMG LLP

We have served as the Company's auditor since 2002.

Houston, Texas
February 11, 2020

Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors
Halliburton Company:

Opinion on Internal Control Over Financial Reporting

We have audited Halliburton Company's and subsidiaries' (the Company) internal control over financial reporting as of December 31, 2019, based on criteria established in *Internal Control - Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2019, based on criteria established in *Internal Control - Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of December 31, 2019 and 2018, the related consolidated statements of operations, comprehensive income (loss), shareholders' equity, and cash flows for each of the years in the three-year period ended December 31, 2019, and the related notes (collectively, the consolidated financial statements), and our report dated February 11, 2020 expressed an unqualified opinion on those consolidated financial statements.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ KPMG LLP

Houston, Texas
February 11, 2020

HALLIBURTON COMPANY
Consolidated Statements of Operations

	Year Ended December 31		
Millions of dollars and shares except per share data	2019	2018	2017
Revenue:			
Services	$ 16,884	$ 18,444	$ 15,408
Product sales	5,524	5,551	5,212
Total revenue	22,408	23,995	20,620
Operating costs and expenses:			
Cost of services	15,684	16,591	14,205
Cost of sales	4,439	4,418	4,138
Impairments and other charges	2,506	265	647
General and administrative	227	254	256
Total operating costs and expenses	22,856	21,528	19,246
Operating income (loss)	(448)	2,467	1,374
Interest expense, net of interest income of $23, $44, and $112	(569)	(554)	(593)
Other, net	(105)	(99)	(99)
Income (loss) from continuing operations before income taxes	(1,122)	1,814	682
Income tax provision	(7)	(157)	(1,131)
Income (loss) from continuing operations	(1,129)	1,657	(449)
Loss from discontinued operations, net	—	—	(19)
Net income (loss)	$ (1,129)	$ 1,657	$ (468)
Net (income) loss attributable to noncontrolling interest	(2)	(1)	5
Net income (loss) attributable to company	$ (1,131)	$ 1,656	$ (463)
Amounts attributable to company shareholders:			
Income (loss) from continuing operations	$ (1,131)	$ 1,656	$ (444)
Loss from discontinued operations, net	—	—	(19)
Net income (loss) attributable to company	$ (1,131)	$ 1,656	$ (463)
Basic and diluted income (loss) per share attributable to company shareholders:			
Income (loss) from continuing operations	$ (1.29)	$ 1.89	$ (0.51)
Loss from discontinued operations, net	—	—	(0.02)
Net income (loss) per share	$ (1.29)	$ 1.89	$ (0.53)
Basic weighted average common shares outstanding	875	875	870
Diluted weighted average common shares outstanding	875	877	870

See notes to consolidated financial statements.

HALLIBURTON COMPANY
Consolidated Statements of Comprehensive Income (Loss)

	Year Ended December 31		
Millions of dollars	2019	2018	2017
Net income (loss)	$ (1,129)	$ 1,657	$ (468)
Other comprehensive income (loss), net of income taxes:			
Defined benefit and other post retirement plans adjustment	(11)	131	(22)
Other	3	(17)	7
Other comprehensive income (loss), net of income taxes	(8)	114	(15)
Comprehensive income (loss)	$ (1,137)	$ 1,771	$ (483)
Comprehensive (income) loss attributable to noncontrolling interest	(2)	(1)	5
Comprehensive income (loss) attributable to company shareholders	$ (1,139)	$ 1,770	$ (478)

See notes to consolidated financial statements.

HALLIBURTON COMPANY
Consolidated Balance Sheets

Millions of dollars and shares except per share data	December 31 2019	2018
Assets		
Current assets:		
Cash and equivalents	$ 2,268	$ 2,008
Receivables (net of allowances for bad debts of $776 and $738)	4,577	5,234
Inventories	3,139	3,028
Other current assets	1,228	881
Total current assets	11,212	11,151
Property, plant and equipment (net of accumulated depreciation of $12,630 and $13,153)	7,310	8,873
Goodwill	2,812	2,825
Deferred income taxes	1,683	1,384
Operating lease right-of-use assets	931	—
Other assets	1,429	1,749
Total assets	$ 25,377	$ 25,982
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable	$ 2,432	$ 3,018
Accrued employee compensation and benefits	604	714
Taxes other than income	310	248
Current portion of operating lease liabilities	208	—
Other current liabilities	1,324	822
Total current liabilities	4,878	4,802
Long-term debt	10,316	10,312
Operating lease liabilities	825	—
Employee compensation and benefits	525	483
Other liabilities	808	841
Total liabilities	17,352	16,438
Shareholders' equity:		
Common stock, par value $2.50 per share (authorized 2,000 shares, issued 1,068 and 1,069 shares)	2,669	2,671
Paid-in capital in excess of par value	143	211
Accumulated other comprehensive loss	(362)	(355)
Retained earnings	11,989	13,739
Treasury stock, at cost (190 and 198 shares)	(6,427)	(6,744)
Company shareholders' equity	8,012	9,522
Noncontrolling interest in consolidated subsidiaries	13	22
Total shareholders' equity	8,025	9,544
Total liabilities and shareholders' equity	$ 25,377	$ 25,982

See notes to consolidated financial statements.

HALLIBURTON COMPANY
Consolidated Statements of Cash Flows

	Year Ended December 31		
Millions of dollars	2019	2018	2017
Cash flows from operating activities:			
Net income (loss)	$ (1,129)	$ 1,657	$ (468)
Adjustments to reconcile net income (loss) to cash flows from operating activities:			
Impairments and other charges	2,506	265	647
Cash impact of impairments and other charges - severance payments	(144)	—	—
Depreciation, depletion and amortization	1,625	1,606	1,556
Deferred income tax provision (benefit), continuing operations	(396)	(267)	734
Changes in assets and liabilities:			
Receivables	636	(186)	(1,350)
Accounts payable	(595)	483	753
Inventories	(202)	(681)	(29)
Other operating activities	144	280	625
Total cash flows provided by (used in) operating activities	2,445	3,157	2,468
Cash flows from investing activities:			
Capital expenditures	(1,530)	(2,026)	(1,373)
Proceeds from sales of property, plant and equipment	190	218	158
Payments to acquire businesses, net of cash acquired	(33)	(187)	(628)
Other investing activities	(72)	2	(84)
Total cash flows provided by (used in) investing activities	(1,445)	(1,993)	(1,927)
Cash flows from financing activities:			
Dividends to shareholders	(630)	(630)	(626)
Proceeds from issuance of common stock	118	195	158
Stock repurchase program	(100)	(400)	—
Payments on long-term borrowings	(13)	(445)	(1,641)
Other financing activities	(70)	(139)	(52)
Total cash flows provided by (used in) financing activities	(695)	(1,419)	(2,161)
Effect of exchange rate changes on cash	(45)	(74)	(52)
Increase (decrease) in cash and equivalents	260	(329)	(1,672)
Cash and equivalents at beginning of year	2,008	2,337	4,009
Cash and equivalents at end of year	$ 2,268	$ 2,008	$ 2,337
Supplemental disclosure of cash flow information:			
Cash payments (receipts) during the period for:			
Interest	$ 534	$ 556	$ 594
Income taxes	$ 363	$ 178	$ (178)

See notes to consolidated financial statements.

HALLIBURTON COMPANY
Consolidated Statements of Shareholders' Equity

Millions of dollars	Company Shareholders' Equity: Common Stock	Paid-in Capital in Excess of Par Value	Treasury Stock	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Noncontrolling Interest in Consolidated Subsidiaries	Total
Balance at December 31, 2016	$ 2,674	$ 201	$ (7,153)	$ 14,141	$ (454)	$ 39	$ 9,448
Comprehensive income (loss):							
Net loss	—	—	—	(463)	—	(5)	(468)
Retained earnings adjustment for new accounting standard	—	—	—	(384)	—	—	(384)
Other comprehensive loss	—	—	—	—	(15)	—	(15)
Cash dividends ($0.72 per share)	—	—	—	(626)	—	—	(626)
Stock plans	(1)	6	396	—	—	—	401
Other	—	—	—	—	—	(7)	(7)
Balance at December 31, 2017	$ 2,673	$ 207	$ (6,757)	$ 12,668	$ (469)	$ 27	$ 8,349
Comprehensive income (loss):							
Net income	—	—	—	1,656	—	1	1,657
Other comprehensive income	—	—	—	—	114	—	114
Cash dividends ($0.72 per share)	—	—	—	(630)	—	—	(630)
Stock plans	(2)	4	413	—	—	—	415
Stock repurchase program	—	—	(400)	—	—	—	(400)
Other	—	—	—	45	—	(6)	39
Balance at December 31, 2018	$ 2,671	$ 211	$ (6,744)	$ 13,739	$ (355)	$ 22	$ 9,544
Comprehensive income (loss):							
Net loss	—	—	—	(1,131)	—	2	(1,129)
Other comprehensive loss	—	—	—	—	(8)	—	(8)
Cash dividends ($0.72 per share)	—	—	—	(630)	—	—	(630)
Stock plans	(2)	(67)	417	—	—	—	348
Stock repurchase program	—	—	(100)	—	—	—	(100)
Other	—	(1)	—	11	1	(11)	—
Balance at December 31, 2019	$ 2,669	$ 143	$ (6,427)	$ 11,989	$ (362)	$ 13	$ 8,025

See notes to consolidated financial statements.

HALLIBURTON COMPANY
Notes to Consolidated Financial Statements

Note 1. Description of Company and Significant Accounting Policies

Description of Company

Halliburton Company is one of the world's largest providers of products and services to the energy industry. Its predecessor was established in 1919 and incorporated under the laws of the State of Delaware in 1924. We help our customers maximize asset value throughout the lifecycle of the reservoir - from locating hydrocarbons and managing geological data, to drilling and formation evaluation, well construction and completion, and optimizing production throughout the life of the asset. We serve major, national and independent oil and natural gas companies throughout the world and operate under two divisions, which form the basis for the two operating segments we report, the Completion and Production segment and the Drilling and Evaluation segment.

Use of estimates

Our financial statements are prepared in conformity with United States generally accepted accounting principles, requiring us to make estimates and assumptions that affect:

- the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements; and
- the reported amounts of revenue and expenses during the reporting period.

We believe the most significant estimates and assumptions are associated with the forecasting of our effective income tax rate and the valuation of deferred taxes, legal reserves, long-lived asset valuations, purchase price allocations, and allowance for bad debts. Ultimate results could differ from our estimates.

Basis of presentation

The consolidated financial statements include the accounts of our company and all of our subsidiaries that we control or variable interest entities for which we have determined that we are the primary beneficiary. All material intercompany accounts and transactions are eliminated. Investments in companies in which we do not have a controlling interest, but over which we do exercise significant influence, are accounted for using the equity method of accounting. If we do not have significant influence, we use the cost method of accounting. In addition, certain reclassifications of prior period balances have been made to conform to the current period presentation.

Revenue recognition

Our services and products are generally sold based upon purchase orders or contracts with our customers that include fixed or determinable prices but do not include right of return provisions or other significant post-delivery obligations. The vast majority of our service and product contracts are short-term in nature. We recognize revenue based on the transfer of control or our customers' ability to benefit from our services and products in an amount that reflects the consideration we expect to receive in exchange for those services and products. We also assess our customers' ability and intention to pay, which is based on a variety of factors, including our historical payment experience with and the financial condition of our customers. Rates for services are typically priced on a per day, per meter, per man-hour or similar basis. See Note 4 for further information on revenue recognition.

Research and development

We maintain an active research and development program. The program improves products, processes and engineering standards and practices that serve the changing needs of our customers, such as those related to high pressure and high temperature environments, and also develops new products and processes. Research and development costs are expensed as incurred and were $404 million in 2019, $390 million in 2018 and $360 million in 2017.

Cash equivalents

We consider all highly liquid investments with an original maturity of three months or less to be cash equivalents.

Inventories

Inventories are stated at the lower of cost and net realizable value. Cost represents invoice or production cost for new items and original cost. Production cost includes material, labor and manufacturing overhead. The majority of our inventory is recorded on the average cost method. We regularly review inventory quantities on hand and record provisions for excess or obsolete inventory based primarily on historical usage, estimated product demand and technological developments.

Allowance for bad debts

We establish an allowance for bad debts through a review of several factors, including historical collection experience, current aging status of the customer accounts and financial condition of our customers. Our policy is to write off bad debts when the customer accounts are determined to be uncollectible.

Property, plant and equipment

Other than those assets that have been written down to their fair values due to impairment, property, plant and equipment are reported at cost less accumulated depreciation, which is generally provided on the straight-line method over the estimated useful lives of the assets. Accelerated depreciation methods are used for tax purposes, wherever permitted. Upon sale or retirement of an asset, the related costs and accumulated depreciation are removed from the accounts and any gain or loss is recognized. Planned major maintenance costs are generally expensed as incurred. Expenditures for additions, modifications and conversions are capitalized when they increase the value or extend the useful life of the asset.

Goodwill and other intangible assets

We record as goodwill the excess purchase price over the fair value of the tangible and identifiable intangible assets acquired in a business acquisition. Changes in the carrying amount of goodwill are detailed below by reportable segment.

Millions of dollars	Completion and Production	Drilling and Evaluation	Total
Balance at December 31, 2017:	$ 1,922	$ 771	$ 2,693
Current year acquisitions	99	6	105
Purchase price adjustments for previous acquisitions	34	(7)	27
Balance at December 31, 2018:	$ 2,055	$ 770	$ 2,825
Current year acquisitions	6	5	11
Purchase price adjustments for previous acquisitions	(1)	(1)	(2)
Other	(21)	(1)	(22)
Balance at December 31, 2019:	$ 2,039	$ 773	$ 2,812

The reported amounts of goodwill for each reporting unit are reviewed for impairment on an annual basis, during the third quarter, and more frequently when circumstances indicate an impairment may exist. Due to the impairments and other charges recorded during the fourth quarter of 2019, we updated our goodwill impairment assessment through December 31, 2019. As a result of our goodwill impairment assessments performed in the years ended December 31, 2019, 2018 and 2017, we determined that the fair value of each reporting unit exceeded its net book value and, therefore, no goodwill impairments were deemed necessary. For further information on our goodwill impairment assessments, see "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations – Critical Accounting Estimates."

We amortize other identifiable intangible assets with a finite life on a straight-line basis over the period which the asset is expected to contribute to our future cash flows, ranging from one year to twenty-eight years. The components of these other intangible assets generally consist of patents, license agreements, non-compete agreements, trademarks and customer lists and contracts.

Evaluating impairment of long-lived assets

When events or changes in circumstances indicate that long-lived assets other than goodwill may be impaired, an evaluation is performed. For assets classified as held for use, we first group individual assets based on the lowest level for which identifiable cash flows are largely independent of the cash flows from other assets. We then compare estimated future undiscounted cash flows expected to result from the use and eventual disposition of the asset group to its carrying amount. If the asset group's undiscounted cash flows are less than its carrying amount, we then determine the asset group's fair value by using a discounted cash flow analysis and recognize any resulting impairment. When an asset is classified as held for sale, the asset's book value is evaluated and adjusted to the lower of its carrying amount or fair value less cost to sell. In addition, depreciation and amortization is ceased while it is classified as held for sale. See Note 2 for further information on impairments and other charges recorded in 2019.

Income taxes

We recognize the amount of taxes payable or refundable for the year. In addition, deferred tax assets and liabilities are recognized for the expected future tax consequences of events that have been recognized in the financial statements or tax returns. A valuation allowance is provided for deferred tax assets if it is more likely than not that these items will not be realized.

In assessing the realizability of deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Management considers the scheduled reversal of deferred tax liabilities, projected future taxable income and tax planning strategies in making this assessment. Based upon the level of historical taxable income and projections for future taxable income over the periods in which the deferred tax assets are deductible, management believes it is more likely than not that we will realize the benefits of these deductible differences, net of the existing valuation allowances.

We recognize interest and penalties related to unrecognized tax benefits within the provision for income taxes on continuing operations in our consolidated statements of operations.

Derivative instruments

At times, we enter into derivative financial transactions to hedge existing or projected exposures to changing foreign currency exchange rates and interest rates. We do not enter into derivative transactions for speculative or trading purposes. We recognize all derivatives on the balance sheet at fair value. Derivatives that are not hedges are adjusted to fair value and reflected through the results of operations. If the derivative is designated as a hedge, depending on the nature of the hedge, changes in the fair value of derivatives are either offset against:

- the change in fair value of the hedged assets, liabilities or firm commitments through earnings; or
- recognized in other comprehensive income until the hedged item is recognized in earnings.

The ineffective portion of a derivative's change in fair value is recognized in earnings. Recognized gains or losses on derivatives entered into to manage foreign currency exchange risk are included in "Other, net" on the consolidated statements of operations. Gains or losses on interest rate derivatives are included in "Interest expense, net."

Foreign currency translation

Foreign entities whose functional currency is the United States dollar translate monetary assets and liabilities at year-end exchange rates, and nonmonetary items are translated at historical rates. Revenue and expense transactions are translated at the average rates in effect during the year, except for those expenses associated with nonmonetary balance sheet accounts, which are translated at historical rates. Gains or losses from remeasurement of monetary assets and liabilities due to changes in exchange rates are recognized in our consolidated statements of operations in "Other, net" in the year of occurrence.

Stock-based compensation

Stock-based compensation cost is measured at the date of grant, based on the calculated fair value of the award and is recognized as expense over the employee's service period, which is generally the vesting period of the equity grant. Additionally, compensation cost is recognized based on awards ultimately expected to vest, therefore, we have reduced the cost for estimated forfeitures based on historical forfeiture rates. Forfeitures are estimated at the time of grant and revised in subsequent periods to reflect actual forfeitures. See Note 13 for additional information related to stock-based compensation.

Note 2. Impairments and Other Charges

Market conditions negatively impacted our business during 2019, particularly in North America. We experienced continued pricing pressure and customer activity reductions for our products and services. The North America land rig count decreased 26% from its high point in early 2019 to its low point in December 2019, and we idled equipment throughout the year to adjust to changing activity levels. During the fourth quarter of 2019, the North America market continued to deteriorate with a 9% decrease in the average land rig count compared to the third quarter. Customer activity declined across all basins, affecting both our drilling and completions businesses, and pricing pressure persisted during the year-end tendering season.

As a result of these market conditions and our service delivery improvement strategy, we took actions during the fourth quarter of 2019 to proactively manage our equipment fleet, rationalize our portfolio of real estate facilities, and initiate reductions in our global workforce in an effort to mitigate the impact of market deterioration and better align our workforce with anticipated activity levels. As part of our real estate rationalization, we identified owned properties to sell and leased properties to abandon. We reviewed the recoverability of our long-lived assets and, based upon our impairment assessments, we determined the carrying amount of some of our long-lived assets exceeded their respective fair values.

We determined the fair value of our long-lived assets based on a discounted cash flow analysis, with the exception of real estate facilities classified as held for sale for which fair value was based on third party sales price estimates. These fair value assessments required the use of estimates which represent significant unobservable inputs. The discounted cash flow analysis utilized management’s short-term and long-term forecast of operating performance, including revenue growth rates and expected profitability margins, the remaining useful life and service potential of the asset, and a discount rate based on our weighted average cost of capital. As such, these analyses incorporate inherent uncertainties about commodity prices, supply and demand for our services, and future market conditions that are difficult to predict in volatile economic environments. If market conditions worsen, our fair value assumptions of estimated future cash flows could be materially altered and we may be required to record additional asset impairments. Such a potential impairment charge could have a material adverse impact on our operating results.

As a result of the events described above, we recorded impairments and other charges of approximately $2.5 billion during the year ended December 31, 2019. The following table presents various pre-tax charges we recorded during the years ended December 31, 2019, 2018 and 2017 which are reflected within "Impairments and other charges" on our consolidated statements of operations.

	Year Ended December 31		
Millions of dollars	2019	2018	2017
Long-lived asset impairments	$ 1,603	$ —	$ —
Inventory costs and write-downs	458	—	—
Severance	172	—	—
Joint ventures	154	—	—
Venezuela investment write-down	—	265	647
Other	119	—	—
Total impairments and other charges	$ 2,506	$ 265	$ 647

Of the $2.5 billion of impairments and other charges recorded during the year ended December 31, 2019, approximately $1.6 billion was attributable to our Completion and Production segment and approximately $849 million was attributable to our Drilling and Evaluation segment. Long-lived asset impairments include impairments of property, plant and equipment, intangible assets, and real estate facilities. The $1.6 billion of long-lived asset impairments consists of the following: $759 million attributable to hydraulic fracturing equipment, the majority of which was located in North America; $243 million related to legacy drilling equipment; $215 million related to real estate properties owned and classified as held for sale; $139 million related to right-of-use assets associated with operating leases; $98 million related to intangible assets; and $148 million of other fixed asset impairments. Included within "Inventory costs and write-downs" in the table above are amounts associated with certain supply contracts, coupled with a write-down of some of our inventory which exceeded its market value. We also rationalized our portfolio of existing joint ventures and recorded resulting charges within "Joint ventures" in the table above.

Note 3. Business Segment and Geographic Information

We operate under two divisions, which form the basis for the two operating segments we report: the Completion and Production segment and the Drilling and Evaluation segment. For more information about the product service lines included in each segment, see "Part I, Item 1. Business." The business operations of our divisions are organized around four primary geographic regions: North America, Latin America, Europe/Africa/CIS and Middle East/Asia. Our equity in earnings and losses of unconsolidated affiliates that are accounted for using the equity method of accounting are included within cost of services and cost of sales on our statements of operations, which is part of operating income of the applicable segment.

Operations by business segment

The following tables present financial information on our business segments.

	Year Ended December 31		
Millions of dollars	2019	2018	2017
Revenue:			
Completion and Production	$ 14,031	$ 15,973	$ 13,077
Drilling and Evaluation	8,377	8,022	7,543
Total revenue	$ 22,408	$ 23,995	$ 20,620
Operating income:			
Completion and Production	$ 1,671	$ 2,278	$ 1,625
Drilling and Evaluation	642	745	726
Total operations	2,313	3,023	2,351
Corporate and other (a)	(255)	(291)	(330)
Impairments and other charges (b)	(2,506)	(265)	(647)
Total operating income (loss)	$ (448)	$ 2,467	$ 1,374
Interest expense, net of interest income	$ (569)	$ (554)	$ (593)
Other, net	(105)	(99)	(99)
Income (loss) from continuing operations before income taxes	$ (1,122)	$ 1,814	$ 682
Capital expenditures:			
Completion and Production	$ 800	$ 1,364	$ 1,111
Drilling and Evaluation	728	657	261
Corporate and other	2	5	1
Total	$ 1,530	$ 2,026	$ 1,373
Depreciation, depletion and amortization:			
Completion and Production	$ 1,049	$ 1,058	$ 953
Drilling and Evaluation	552	512	563
Corporate and other	24	36	40
Total	$ 1,625	$ 1,606	$ 1,556

(a) Includes certain expenses not attributable to a particular business segment, such as costs related to support functions and corporate executives, operating lease assets, and also includes amortization expense associated with intangible assets recorded as a result of acquisitions.
(b) Impairments and other charges are as follows:
- For the year ended December 31, 2019, amount includes approximately $1.6 billion attributable to Completion and Production, $849 million attributable to Drilling and Evaluation, and $56 million attributable to Corporate and other.
- For the years ended December 31, 2018 and December 31, 2017, we recorded aggregate charges of $265 million and $647 million, respectively, to write-down our investment in Venezuela.

	December 31	
Millions of dollars	2019	2018
Total assets:		
Completion and Production (a)	$ 11,894	$ 13,231
Drilling and Evaluation (a)	8,059	8,037
Corporate and other (b)	5,424	4,714
Total	$ 25,377	$ 25,982

(a) Assets associated with specific segments primarily include receivables, inventories, property, plant and equipment, operating lease right-of-use assets, equity in and advances to related companies and goodwill.
(b) Corporate and other primarily include cash and equivalents and deferred tax assets.

Operations by geographic region

The following tables present information by geographic area. In 2019, 2018 and 2017, based on the location of services provided and products sold, 51%, 58% and 53%, respectively, of our consolidated revenue was from the United States. As of December 31, 2019 and December 31, 2018, 59% and 62% of our property, plant and equipment was located in the United States. No other country accounted for more than 10% of our revenue or property, plant and equipment during the periods presented.

	Year Ended December 31		
Millions of dollars	2019	2018	2017
Revenue:			
North America	$ 11,884	$ 14,431	$ 11,564
Latin America	2,364	2,065	2,116
Europe/Africa/CIS	3,285	2,945	2,781
Middle East/Asia	4,875	4,554	4,159
Total	$ 22,408	$ 23,995	$ 20,620

	December 31	
Millions of dollars	2019	2018
Net property, plant and equipment:		
North America	$ 4,666	$ 5,621
Latin America	754	937
Europe/Africa/CIS	772	936
Middle East/Asia	1,118	1,379
Total	$ 7,310	$ 8,873

Note 4. Revenue

Revenue is recognized based on the transfer of control or our customers' ability to benefit from our services and products in an amount that reflects the consideration we expect to receive in exchange for those services and products. The vast majority of our service and product contracts are short-term in nature. In recognizing revenue for our services and products, we determine the transaction price of purchase orders or contracts with our customers, which may consist of fixed and variable consideration. We also assess our customers' ability and intention to pay, which is based on a variety of factors, including our historical payment experience with and the financial condition of our customers. Payment terms and conditions vary by contract type, although terms generally include a requirement of payment within 20 to 60 days. Other judgments involved in recognizing revenue include an assessment of progress towards completion of performance obligations for certain long-term contracts, which involve estimating total costs to determine our progress towards contract completion and calculating the corresponding amount of revenue to recognize.

Disaggregation of revenue

We disaggregate revenue from contracts with customers into types of services or products, consistent with our two reportable segments, in addition to geographical area. Based on the location of services provided and products sold, 51%, 58% and 53% of our consolidated revenue was from the United States for the years ended December 31, 2019, 2018 and 2017, respectively. No other country accounted for more than 10% of our revenue. The following table presents information on our disaggregated revenue.

	Year Ended December 31		
Millions of dollars	2019	2018	2017
Revenue by segment:			
Completion and Production	$ 14,031	$ 15,973	$ 13,077
Drilling and Evaluation	8,377	8,022	7,543
Total revenue	$ 22,408	$ 23,995	$ 20,620
Revenue by geographic region:			
North America	$ 11,884	$ 14,431	$ 11,564
Latin America	2,364	2,065	2,116
Europe/Africa/CIS	3,285	2,945	2,781
Middle East/Asia	4,875	4,554	4,159
Total revenue	$ 22,408	$ 23,995	$ 20,620

Contract balances

We perform our obligations under contracts with our customers by transferring services and products in exchange for consideration. The timing of our performance often differs from the timing of our customer's payment, which results in the recognition of receivables and deferred revenue. Deferred revenue represents advance consideration received from customers for contracts where revenue is recognized on future performance of service. Deferred revenue, as well as revenue recognized during the period relating to amounts included as deferred revenue at the beginning of the period, was not material to our consolidated financial statements.

Transaction price allocated to remaining performance obligations

Remaining performance obligations represent firm contracts for which work has not been performed and future revenue recognition is expected. We have elected the practical expedient permitting the exclusion of disclosing remaining performance obligations for contracts that have an original expected duration of one year or less. We have some long-term contracts related to software and integrated project management services such as lump sum turnkey contracts. For software contracts, revenue is generally recognized over time throughout the license period when the software is considered to be a right to access our intellectual property. For lump sum turnkey projects, we recognize revenue over time using an input method, which requires us to exercise judgment. Revenue allocated to remaining performance obligations for these long-term contracts is not material.

Note 5. Receivables

As of December 31, 2019, 36% of our net trade receivables were from customers in the United States. As of December 31, 2018, 43% of our net trade receivables were from customers in the United States. No other country or single customer accounted for more than 10% of our net trade receivables at these dates.

We routinely monitor the financial stability of our customers and employ an extensive process to evaluate the collectability of outstanding receivables. This process, which involves a high degree of judgment utilizing significant assumptions, includes analysis of our customers' historical time to pay, financial condition and various financial metrics, debt structure, credit agency ratings, and production profile, as well as political and economic factors in countries of operations and other customer-specific factors.

The table below presents a rollforward of our global allowance for bad debts for 2017, 2018 and 2019.

Millions of dollars	Balance at Beginning of Period	Provision (a)	Other (b)	Balance at End of Period (c)
Year ended December 31, 2017	$ 175	$ 566	$ (16)	$ 725
Year ended December 31, 2018	725	57	(44)	738
Year ended December 31, 2019	738	50	(12)	776

(a) Represents increases to allowance for bad debts charged to costs and expenses, net of recoveries.
(b) Includes write-offs, balance sheet reclassifications, and other activity.
(c) The allowance for bad debts in all years is primarily comprised of a full reserve against accounts receivable with our primary customer in Venezuela.

Note 6. Leases

We adopted a comprehensive new lease accounting standard effective January 1, 2019. The details of the significant changes to our accounting policies resulting from the adoption of the new standard are set out below. We adopted the standard using the optional modified retrospective transition method; accordingly, the comparative information as of December 31, 2018 and for the years ended December 31, 2018 and 2017 have not been adjusted and continue to be reported under the previous lease standard. Under the new lease standard, assets and liabilities that arise from all leases are required to be recognized on the balance sheet for lessees. Previously, only capital leases, which are now referred to as finance leases, were recorded on the balance sheet. The adoption of this standard resulted in the recognition of approximately $1.0 billion of operating lease right-of-use assets and operating lease liabilities on our consolidated balance sheets as of January 1, 2019. The adoption of this standard did not materially impact our consolidated results of operations for the year ended December 31, 2019. See Note 17 for additional information about the new accounting standard.

Beginning January 1, 2019, for all leases with a term in excess of 12 months, we recognized a lease liability equal to the present value of the lease payments and a right-of-use asset representing our right to use the underlying asset for the lease term. For operating leases, lease expense for lease payments is recognized on a straight-line basis over the lease term, while finance leases include both an operating expense and an interest expense component. For all leases with a term of 12 months or less, we elected the practical expedient to not recognize lease assets and liabilities. We recognize lease expense for these short-term leases on a straight-line basis over the lease term.

We are a lessee for numerous operating leases, primarily related to real estate, transportation and equipment. The vast majority of our operating leases have remaining lease terms of 10 years or less, some of which include options to extend the leases, and some of which include options to terminate the leases. We generally do not include renewal or termination options in our assessment of the leases unless extension or termination for certain assets is deemed to be reasonably certain. The accounting for some of our leases may require judgment, which includes determining whether a contract contains a lease, determining the incremental borrowing rates to utilize in our net present value calculation of lease payments for lease agreements which do not provide an implicit rate, and assessing the likelihood of renewal or termination options. We also have some lease agreements with lease and non-lease components, which are generally accounted for as a single lease component. For certain equipment leases, such as offshore vessels and drilling rigs, we account for the lease and non-lease components separately.

The following tables illustrate the financial impact of our leases as of and for the year ended December 31, 2019, along with other supplemental information about our existing leases:

Millions of dollars	Year Ended December 31, 2019
Components of lease expense:	
Finance lease cost:	
Amortization of right-of-use assets	$ 19
Interest on lease liabilities	51
Operating lease cost	355
Short-term lease cost	110
Sublease income	(5)
Total lease cost	$ 530

For the years ended December 31, 2018 and 2017, total rentals on our operating leases under the previous lease standard, net of sublease rentals, were $680 million and $574 million, respectively.

Millions of dollars		As of December 31, 2019
Components of balance sheet:		
Operating leases:		
Operating lease right-of-use assets (non-current)	$	931
Current portion of operating lease liabilities		208
Operating lease liabilities (non-current)		825
Finance leases:		
Other assets (non-current)	$	123
Other current liabilities		19
Other liabilities (non-current)		124

During the year ended December 31, 2019, a $139 million impairment charge was recorded related to operating lease right-of-use assets. See Note 2 to the consolidated financial statements for further discussion on impairments and other charges.

Millions of dollars except years and percentages		Year Ended December 31, 2019
Other supplemental information:		
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	$	316
Operating cash flows from finance leases		51
Financing cash flows from finance leases		24
Right-of-use assets obtained in exchange for lease obligations:		
Operating leases (a)	$	1,362
Finance leases		74
Weighted-average remaining lease term:		
Operating leases		9.5 years
Finance leases		5.4 years
Weighted-average discount rate for operating leases		4.4%

(a) Primarily consists of operating lease right-of-use assets exchanged for lease obligations upon implementation of the new lease accounting standard on January 1, 2019.

The following table summarizes the maturity of our operating and finance leases as of December 31, 2019:

Millions of dollars		Operating Leases		Finance Leases
2020	$	235	$	61
2021		186		62
2022		149		62
2023		107		61
2024		71		48
Thereafter		442		82
Total lease payments		1,190		376
Less imputed interest		(157)		(233)
Total	$	1,033	$	143

As of December 31, 2018, future total rentals on our noncancellable operating leases under the previous lease standard were $975 million in the aggregate, which consisted of the following: $275 million in 2019; $146 million in 2020; $122 million in 2021; $100 million in 2022; $78 million in 2023; and $254 million thereafter.

Note 7. Inventories

Inventories consisted of the following:

	December 31	
Millions of dollars	2019	2018
Finished products and parts	$ 1,865	$ 1,947
Raw materials and supplies	1,147	934
Work in process	127	147
Total	$ 3,139	$ 3,028

All amounts in the table above are reported net of obsolescence reserves of $149 million at December 31, 2019 and $219 million at December 31, 2018.

Note 8. Property, Plant and Equipment

Property, plant and equipment were composed of the following:

	December 31	
Millions of dollars	2019	2018
Land	$ 202	$ 252
Buildings and property improvements	3,167	3,461
Machinery, equipment and other	16,571	18,313
Total	19,940	22,026
Less accumulated depreciation	12,630	13,153
Net property, plant and equipment	$ 7,310	$ 8,873

During the year ended December 31, 2019, a $1.4 billion impairment charge was recorded related to property, plant and equipment. See Note 2 to the consolidated financial statements for further discussion on impairments and other charges.

Classes of assets are depreciated over the following useful lives:

	Buildings and Property Improvements	
	2019	2018
1 - 10 years	12%	11%
11 - 20 years	41%	42%
21 - 30 years	22%	22%
31 - 40 years	25%	25%

	Machinery, Equipment and Other	
	2019	2018
1 - 5 years	43%	34%
6 - 10 years	47%	56%
11 - 20 years	10%	10%

Note 9. Debt

Our total debt, including short-term borrowings and current maturities of long-term debt, consisted of the following:

	December 31	
Millions of dollars	2019	2018
5.0% senior notes due November 2045	$ 2,000	$ 2,000
3.8% senior notes due November 2025	2,000	2,000
3.5% senior notes due August 2023	1,100	1,100
4.85% senior notes due November 2035	1,000	1,000
7.45% senior notes due September 2039	1,000	1,000
4.75% senior notes due August 2043	900	900
6.7% senior notes due September 2038	800	800
3.25% senior notes due November 2021	500	500
4.5% senior notes due November 2041	500	500
7.6% senior debentures due August 2096	300	300
8.75% senior debentures due February 2021	185	185
6.75% notes due February 2027	104	104
Other	28	47
Unamortized debt issuance costs and discounts	(90)	(92)
Total	10,327	10,344
Short-term borrowings and current maturities of long-term debt	(11)	(32)
Total long-term debt	$ 10,316	$ 10,312

Senior debt

All of our senior notes and debentures rank equally with our existing and future senior unsecured indebtedness, have semiannual interest payments and have no sinking fund requirements. We may redeem all of our senior notes from time to time or all of the notes of each series at any time at the applicable redemption prices, plus accrued and unpaid interest. Our 6.75% notes due February 2027, 7.6% senior debentures due August 2096 and 8.75% senior debentures due February 2021 may not be redeemed prior to maturity.

Revolving credit facilities

We have a revolving credit facility with a capacity of $3.5 billion, which expires in March 2024. The facility is for working capital or general corporate purposes. The full amount of the revolving credit facility was available as of December 31, 2019.

Debt maturities

Our long-term debt matures as follows: $11 million in 2020, $697 million in 2021, $4 million in 2022, $1.1 billion in 2023, no amounts in 2024, and the remainder thereafter.

Note 10. Commitments and Contingencies

The Company is subject to various legal or governmental proceedings, claims or investigations, including personal injury, property damage, environmental and tax-related matters, arising in the ordinary course of business, the resolution of which, in the opinion of management, will not have a material adverse effect on our consolidated results of operations or consolidated financial position. There is inherent risk in any litigation, claim or investigation and no assurance can be given as to the outcome of these proceedings.

Guarantee arrangements

In the normal course of business, we have agreements with financial institutions under which approximately $2.1 billion of letters of credit, bank guarantees, or surety bonds were outstanding as of December 31, 2019. Some of the outstanding letters of credit have triggering events that would entitle a bank to require cash collateralization. None of these off balance sheet arrangements either has, or is likely to have, a material effect on our consolidated financial statements.

Note 11. Income Taxes

The components of the provision for income taxes on continuing operations were:

	Year Ended December 31		
Millions of dollars	2019	2018	2017
Current income taxes:			
Federal	$ 32	$ 19	$ 40
Foreign	(426)	(428)	(423)
State	(9)	(15)	(14)
Total current	(403)	(424)	(397)
Deferred income taxes:			
Federal	383	286	(678)
Foreign	(36)	9	(31)
State	49	(28)	(25)
Total deferred	396	267	(734)
Income tax provision	$ (7)	$ (157)	$ (1,131)

The United States and foreign components of income (loss) from continuing operations before income taxes were as follows:

	Year Ended December 31		
Millions of dollars	2019	2018	2017
United States	$ (1,517)	$ 1,097	$ 694
Foreign	395	717	(12)
Total	$ (1,122)	$ 1,814	$ 682

Reconciliations between the actual provision for income taxes on continuing operations and that computed by applying the United States statutory rate to income (loss) from continuing operations before income taxes were as follows:

	Year Ended December 31		
	2019	2018	2017
United States statutory rate	21.0 %	21.0%	35.0%
Impact of impairments and other charges	(20.9)	—	—
Adjustments of prior year taxes	13.0	2.0	(2.3)
Valuation allowance against tax assets	(10.7)	(16.2)	(6.2)
State income taxes	(1.3)	1.9	1.7
Impact of foreign income taxed at different rates	0.8	(3.0)	(18.3)
Venezuela adjustment	—	5.7	36.6
Impact of U.S. tax reform	—	(2.6)	113.0
Undistributed foreign earnings	—	—	3.8
Other items, net	(2.5)	(0.1)	2.5
Total effective tax rate on continuing operations	(0.6)%	8.7%	165.8%

During the year ended December 31, 2019, we recorded a total income tax provision of $7 million on a pre-tax loss of $1.1 billion, resulting in an effective tax rate of -0.6%. The effective tax rate for 2019 was primarily impacted by a $291 million tax benefit associated with the $2.5 billion of impairments and other charges recognized during the year, which primarily consisted of the tax effects of impairment charges taxed at various rates, offset by valuation allowances on deferred tax assets associated with market conditions that negatively impacted our business during the year. See Note 2 for further information. Our 2019 effective tax rate was also impacted by certain discrete tax adjustments related to prior year taxes, offset by additional valuation allowances recorded on deferred tax assets.

The primary components of our deferred tax assets and liabilities were as follows:

	December 31	
Millions of dollars	2019	2018
Gross deferred tax assets:		
Net operating loss carryforwards	$ 1,301	$ 1,466
Foreign tax credit carryforwards	877	728
Research and development tax credit carryforwards	198	139
Employee compensation and benefits	215	242
Accrued liabilities	316	101
Other	382	265
Total gross deferred tax assets	3,289	2,941
Gross deferred tax liabilities:		
Depreciation and amortization	373	635
Operating lease right-of-use assets	109	—
Undistributed foreign earnings	2	2
Other	56	64
Total gross deferred tax liabilities	540	701
Valuation allowances	1,082	913
Net deferred income tax asset	$ 1,667	$ 1,327

At December 31, 2019, we had $1.5 billion of domestic and foreign tax-effected net operating loss carryforwards, with approximately $200 million estimated to be utilized against our unrecognized tax benefits. The ultimate realization of these deferred tax assets depends on the ability to generate sufficient taxable income in the appropriate taxing jurisdiction. $157 million of the net operating loss carryforwards will expire after taxable years ended from 2020 through 2024, $219 million will expire after taxable years ended from 2025 through 2029, and $755 million will expire after taxable years ended from 2030 through 2040. The remaining balance will not expire. Additionally, we had $967 million of foreign tax credit carryforwards that will expire from 2025 through 2029, which are offset by foreign branch deferred activity reflected in the above table, along with $198 million of research and development tax credit carryforwards that will expire from 2030 through 2040. During the year ended December 31, 2019, we increased our valuation allowance on deferred tax assets by $169 million related to $85 million associated with foreign deferred tax assets and $84 million associated with foreign tax credits.

In accordance with the Tax Cuts and Jobs Act of 2017, a company's foreign earnings accumulated under the legacy tax laws are deemed to be repatriated into the United States. We have provided federal and state income tax related to this deemed repatriation. We have not provided incremental United States income taxes and foreign withholding taxes on undistributed earnings of foreign subsidiaries as of December 31, 2019. The Company generally does not provide for taxes related to its undistributed earnings because such earnings either would not be taxable when remitted or they are considered to be indefinitely reinvested.

The following table presents a rollforward of our unrecognized tax benefits and associated interest and penalties.

Millions of dollars	Unrecognized Tax Benefits		Interest and Penalties
Balance at January 1, 2017	$ 427		$ 61
Change in prior year tax positions	(108)		—
Change in current year tax positions	24		2
Cash settlements with taxing authorities	(6)		—
Lapse of statute of limitations	(4)		(3)
Balance at December 31, 2017	$ 333		$ 60
Change in prior year tax positions	32		11
Change in current year tax positions	63		—
Cash settlements with taxing authorities	(7)		(2)
Lapse of statute of limitations	(4)		(2)
Balance at December 31, 2018	$ 417	(a)	$ 67
Change in prior year tax positions	25		11
Change in current year tax positions	29		—
Cash settlements with taxing authorities	(4)		—
Lapse of statute of limitations	(42)		(8)
Balance at December 31, 2019	$ 425	(a)(b)	$ 70

(a) Includes $25 million as of December 31, 2019 and $18 million as of December 31, 2018 in foreign unrecognized tax benefits that would give rise to a United States tax credit. As of December 31, 2019 and December 31, 2018, a net $271 million and $399 million without a net operating loss carryforward offset, respectively, of unrecognized tax benefits would positively impact the effective tax rate and be recognized as additional tax benefits in our statement of operations if resolved in our favor.

(b) Includes $30 million that could be resolved within the next 12 months.

We file income tax returns in the United States federal jurisdiction and in various states and foreign jurisdictions. In most cases, we are no longer subject to state, local, or non-United States income tax examination by tax authorities for years before 2009. Tax filings of our subsidiaries, unconsolidated affiliates and related entities are routinely examined in the normal course of business by tax authorities. Currently, our United States federal tax filings for the tax years 2016 through 2018 are under review by the Internal Revenue Service (IRS). Tax years 2012 through 2015 have been closed by exam and approved by Joint Committee. Amended tax returns filed for tax years 2008 through 2011 are under review by the IRS.

Note 12. Shareholders' Equity

Shares of common stock

The following table summarizes total shares of common stock outstanding:

	December 31	
Millions of shares	2019	2018
Issued	1,068	1,069
In treasury	(190)	(198)
Total shares of common stock outstanding	878	871

Our Board of Directors has authorized a program to repurchase a specified dollar amount of our common stock from time to time. The program does not require a specific number of shares to be purchased and the program may be effected through solicited or unsolicited transactions in the market or in privately negotiated transactions. The program may be terminated or suspended at any time. During the year ended December 31, 2019 we repurchased approximately 4.5 million shares of our common stock for a total cost of $100 million. There were 10.5 million repurchases made under the program during the year ended December 31, 2018. Approximately $5.2 billion remained authorized for repurchases as of December 31, 2019. From the inception of this program in February 2006 through December 31, 2019, we repurchased approximately 217 million shares of our common stock for a total cost of approximately $8.9 billion.

Preferred stock

Our preferred stock consists of five million total authorized shares at December 31, 2019, of which none are issued.

Accumulated other comprehensive loss

Accumulated other comprehensive loss consisted of the following:

	December 31	
Millions of dollars	2019	2018
Defined benefit and other postretirement liability adjustments (a)	$ (214)	$ (203)
Cumulative translation adjustment	(82)	(82)
Other	(66)	(70)
Total accumulated other comprehensive loss	$ (362)	$ (355)

(a) Included net actuarial losses for our international pension plans of $189 million at December 31, 2019 and $184 million at December 31, 2018.

Note 13. Stock-based Compensation

The following table summarizes stock-based compensation costs for the years ended December 31, 2019, 2018 and 2017.

	Year Ended December 31		
Millions of dollars	2019	2018	2017
Stock-based compensation cost	$ 257	$ 274	$ 290
Tax benefit	(48)	(51)	(64)
Stock-based compensation cost, net of tax	$ 209	$ 223	$ 226

Our Stock and Incentive Plan, as amended (Stock Plan), provides for the grant of any or all of the following types of stock-based awards:

- stock options, including incentive stock options and nonqualified stock options;
- restricted stock awards;
- restricted stock unit awards;
- stock appreciation rights; and
- stock value equivalent awards.

There are currently no stock appreciation rights, stock value equivalent awards, or incentive stock options outstanding. Under the terms of the Stock Plan, approximately 231 million shares of common stock have been reserved for issuance to employees and non-employee directors. At December 31, 2019, approximately 17 million shares were available for future grants under the Stock Plan. The stock to be offered pursuant to the grant of an award under the Stock Plan may be authorized but unissued common shares or treasury shares.

In addition to the provisions of the Stock Plan, we also have stock-based compensation provisions under our Restricted Stock Plan for Non-Employee Directors and our Employee Stock Purchase Plan (ESPP).

Each of the active stock-based compensation arrangements is discussed below.

Stock options

The majority of our options are generally issued during the second quarter of the year. All stock options under the Stock Plan are granted at the fair market value of our common stock at the grant date. Employee stock options generally vest ratably over a period of three years and expire 10 years from the grant date. Compensation expense for stock options is generally recognized on a straight line basis over the entire vesting period.

The following table represents our stock options activity during 2019.

	Number of Shares (in millions)	Weighted Average Exercise Price per Share	Weighted Average Remaining Contractual Term (years)	Aggregate Intrinsic Value (in millions)
Outstanding at January 1, 2019	21.2	$ 45.44		
Granted	5.4	25.46		
Exercised	(0.2)	21.30		
Forfeited/expired	(1.1)	40.71		
Outstanding at December 31, 2019	25.3	$ 41.58	5.9	$ 1
Exercisable at December 31, 2019	17.6	$ 45.56	4.6	$ —

The total intrinsic value of options exercised was $2 million in 2019, $25 million in 2018 and $21 million in 2017. As of December 31, 2019, there was $37 million of unrecognized compensation cost, net of estimated forfeitures, related to nonvested stock options, which is expected to be recognized over a weighted average period of approximately two years.

Cash received from issuance of common stock was $118 million during 2019, $195 million during 2018 and $158 million during 2017, of which $6 million, $88 million and $53 million related to proceeds from exercises of stock options in 2019, 2018 and 2017, respectively. The remainder relates to cash proceeds from the issuance of shares related to our employee stock purchase plan.

The fair value of options at the date of grant was estimated using the Black-Scholes option pricing model. The expected volatility of options granted was a blended rate based upon implied volatility calculated on actively traded options on our common stock and upon the historical volatility of our common stock. The expected term of options granted was based upon historical observation of actual time elapsed between date of grant and exercise of options for all employees. The assumptions and resulting fair values of options granted were as follows:

	Year Ended December 31		
	2019	2018	2017
Expected term (in years)	5.31	5.27	5.24
Expected volatility	31%	28%	32%
Expected dividend yield	2.25 - 3.88%	1.37 - 2.29%	1.28 - 1.72%
Risk-free interest rate	1.35 - 2.51%	2.27 - 2.84%	1.79 - 2.14%
Weighted average grant-date fair value per share	$5.91	$11.56	$13.11

Restricted stock

Restricted shares issued under the Stock Plan are restricted as to sale or disposition. These restrictions lapse periodically generally over a period of five years. Restrictions may also lapse for early retirement and other conditions in accordance with our established policies. Upon termination of employment, shares on which restrictions have not lapsed must be returned to us, resulting in restricted stock forfeitures. The fair market value of the stock on the date of grant is amortized and charged to income on a straight-line basis over the requisite service period for the entire award.

The following table represents our restricted stock awards and restricted stock units granted, vested and forfeited during 2019.

	Number of Shares (in millions)	Weighted Average Grant-Date Fair Value per Share
Nonvested shares at January 1, 2019	14.4	$ 46.01
Granted	9.8	24.75
Vested	(4.7)	46.91
Forfeited	(1.4)	40.34
Nonvested shares at December 31, 2019	18.1	$ 34.72

The weighted average grant-date fair value of shares granted was $24.75 during 2019, $47.43 during 2018 and $45.99 during 2017. The total fair value of shares vested was $107 million during 2019, $219 million during 2018, and $204 million during 2017. As of December 31, 2019, there was $427 million of unrecognized compensation cost, net of estimated forfeitures, related to nonvested restricted stock, which is expected to be recognized over a weighted average period of three years.

Employee Stock Purchase Plan

Under the ESPP, eligible employees may have up to 10% of their earnings withheld, subject to some limitations, to be used to purchase shares of our common stock. The ESPP contains four three-month offering periods commencing on January 1, April 1, July 1 and October 1 of each year. The price at which common stock may be purchased under the ESPP is equal to 85% of the lower of the fair market value of the common stock on the commencement date or last trading day of each offering period. Effective January 1, 2020, this purchase price threshold was changed from 85% to 90%. Under the ESPP, 74 million shares of common stock have been reserved for issuance, of which 54 million shares have been sold through the ESPP since the inception of the plan through December 31, 2019 and 20 million shares are available for future issuance. The stock to be offered may be authorized but unissued common shares or treasury shares.

The fair value of ESPP shares was estimated using the Black-Scholes option pricing model. The expected volatility was a one-year historical volatility of our common stock. The assumptions and resulting fair values were as follows:

	Year Ended December 31		
	2019	2018	2017
Expected volatility	34%	25%	29%
Expected dividend yield	3.06%	1.62%	1.51%
Risk-free interest rate	2.20%	1.92%	0.86%
Weighted average grant-date fair value per share	$ 5.22	$ 8.86	$ 9.95

Note 14. Income per Share

Basic income or loss per share is based on the weighted average number of common shares outstanding during the period. Diluted income per share includes additional common shares that would have been outstanding if potential common shares with a dilutive effect had been issued. Antidilutive securities represent potentially dilutive securities which are excluded from the computation of diluted income or loss per share as their impact was antidilutive.

A reconciliation of the number of shares used for the basic and diluted income per share computations is as follows:

	Year Ended December 31		
Millions of shares	2019	2018	2017
Basic weighted average common shares outstanding	875	875	870
Dilutive effect of awards granted under our stock incentive plans	—	2	—
Diluted weighted average common shares outstanding	875	877	870
Antidilutive shares:			
Options with exercise price greater than the average market price	24	14	6
Options which are antidilutive due to net loss position	1	—	2
Total antidilutive shares	25	14	8

Note 15. Financial Instruments and Risk Management

The carrying amount of cash and equivalents, receivables and accounts payable, as reflected in the consolidated balance sheets, approximates fair value due to the short maturities of these instruments.

The carrying amount and fair value of our total debt, including short-term borrowings and current maturities of long term debt, is as follows:

	December 31, 2019				December 31, 2018			
Millions of dollars	Level 1	Level 2	Total fair value	Carrying value	Level 1	Level 2	Total fair value	Carrying value
Total debt	$ 11,093	$ 868	$ 11,961	$ 10,327	$ 6,726	$ 4,041	$ 10,767	$ 10,344

Our debt categorized within level 1 on the fair value hierarchy is calculated using quoted prices in active markets for identical liabilities with transactions occurring on the last two days of period-end. Our debt categorized within level 2 on the fair value hierarchy is calculated using significant observable inputs for similar liabilities where estimated values are determined from observable data points on our other bonds and on other similarly rated corporate debt or from observable data points of transactions occurring prior to two days from period-end and adjusting for changes in market conditions. Differences between the periods presented in our level 1 and level 2 classification of our long-term debt relate to the timing of when transactions are executed. We have no debt categorized within level 3 on the fair value hierarchy based on unobservable inputs.

We are exposed to market risk from changes in foreign currency exchange rates and interest rates. We selectively manage these exposures through the use of derivative instruments, including forward foreign exchange contracts, foreign exchange options and interest rate swaps. The objective of our risk management strategy is to minimize the volatility from fluctuations in foreign currency and interest rates. We do not use derivative instruments for trading purposes. The fair value of our forward contracts, options and interest rate swaps was not material as of December 31, 2019 or December 31, 2018. The counterparties to our derivatives are primarily global commercial and investment banks.

Foreign currency exchange risk

We have operations in many international locations and are involved in transactions denominated in currencies other than the United States dollar, our functional currency, which exposes us to foreign currency exchange rate risk. Techniques in managing foreign currency exchange risk include, but are not limited to, foreign currency borrowing and investing and the use of currency exchange instruments. We attempt to selectively manage significant exposures to potential foreign currency exchange losses based on current market conditions, future operating activities and the associated cost in relation to the perceived risk of loss. The purpose of our foreign currency risk management activities is to minimize the risk that our cash flows from the purchase and sale of products and services in foreign currencies will be adversely affected by changes in exchange rates.

We use forward contracts and options to manage our exposure to fluctuations in the currencies of certain countries in which we do business internationally. These instruments are not treated as hedges for accounting purposes, generally have an expiration date of one year or less and are not exchange traded. While these instruments are subject to fluctuations in value, the fluctuations are generally offset by the value of the underlying exposures being managed. The use of some of these instruments may limit our ability to benefit from favorable fluctuations in foreign currency exchange rates.

Derivatives are not utilized to manage exposures in some currencies due primarily to the lack of available markets or cost considerations (non-traded currencies). We attempt to manage our working capital position to minimize foreign currency exposure in non-traded currencies and recognize that pricing for the services and products offered in these countries should account for the cost of exchange rate devaluations. We have historically incurred transaction losses in non-traded currencies.

The notional amounts of open foreign exchange derivatives were $513 million at December 31, 2019 and $591 million at December 31, 2018. The notional amounts of these instruments do not generally represent amounts exchanged by the parties, and thus are not a measure of our exposure or of the cash requirements related to these contracts. The fair value of our foreign exchange derivatives as of December 31, 2019 and December 31, 2018 is included in “Other current assets” in our consolidated balance sheets and was immaterial. The fair value of these instruments is categorized within level 2 on the fair value hierarchy and was determined using a market approach with certain inputs, such as notional amounts hedged, exchange rates, and other terms of the contracts that are observable in the market or can be derived from or corroborated by observable data.

Interest rate risk

We are subject to interest rate risk on our existing long-term debt. Our short-term borrowings do not give rise to significant interest rate risk due to their short-term nature. We had fixed rate long-term debt totaling $10.3 billion at both December 31, 2019 and December 31, 2018. We maintain an interest rate management strategy that is intended to mitigate the exposure to changes in interest rates in the aggregate for our debt portfolio. We use interest rate swaps to effectively convert a portion of our fixed rate debt to floating LIBOR-based rates. Our interest rate swaps, which expire when the underlying debt matures, are designated as fair value hedges of the underlying debt and are determined to be highly effective. These derivative instruments are marked to market with gains and losses recognized currently in interest expense to offset the respective gains and losses recognized on changes in the fair value of the hedged debt.

As of December 31, 2019, we had an interest rate swap relating to one of our debt instruments with a total notional amount of $100 million. The fair value of this interest rate swap as of December 31, 2019 and December 31, 2018 is included in “Other assets” in our consolidated balance sheets and was immaterial. The fair value of this interest rate swap is categorized within level 2 on the fair value hierarchy and was determined using a market approach with inputs, such as the notional amount, LIBOR rate spread and settlement terms that are observable in the market or can be derived from or corroborated by observable data.

Credit risk

Financial instruments that potentially subject us to concentrations of credit risk are primarily cash equivalents and trade receivables. It is our practice to place our cash equivalents in high quality investments with various institutions. Our trade receivables are from a broad and diverse group of customers and are generally not collateralized. As of December 31, 2019, 36% of our net trade receivables were from customers in the United States. As of December 31, 2018, 43% of our net trade receivables were from customers in the United States. We maintain an allowance for bad debts based upon several factors, including historical collection experience, current aging status of the customer accounts and financial condition of our customers. See Note 5 for further information.

We do not have any significant concentrations of credit risk with any individual counterparty to our derivative contracts. We select counterparties to those contracts based on our belief that each counterparty’s profitability, balance sheet and capacity for timely payment of financial commitments is unlikely to be materially adversely affected by foreseeable events.

Note 16. Retirement Plans

Our company and subsidiaries have various plans that cover a significant number of our employees. These plans include defined contribution plans, defined benefit plans and other postretirement plans:

- our defined contribution plans provide retirement benefits in return for services rendered. These plans provide an individual account for each participant and have terms that specify how contributions to the participant's account are to be determined rather than the amount of pension benefits the participant is to receive. Contributions to these plans are based on a percentage of pre-tax income, after-tax income, or discretionary amounts determined on an annual basis. Our expense for the defined contribution plans for continuing operations totaled $206 million in 2019, $193 million in 2018 and $173 million in 2017.
- our defined benefit plans, which include both funded and unfunded pension plans, define an amount of pension benefit to be provided, usually as a function of age, years of service and/or compensation. The unfunded obligations and net periodic benefit cost of our United States defined benefit plans were not material for the periods presented; and
- our postretirement plans other than pensions are offered to specific eligible employees. The accumulated benefit obligations and net periodic benefit cost for these plans were not material for the periods presented.

Funded status

For our international pension plans, at December 31, 2019, the projected benefit obligation was $1.1 billion and the fair value of plan assets was $1.0 billion, which resulted in an unfunded obligation of $111 million. At December 31, 2018, the projected benefit obligation was $951 million and the fair value of plan assets was $832 million, which resulted in an unfunded obligation of $119 million. The accumulated benefit obligation for our international plans was $1.0 billion at December 31, 2019 and $878 million at December 31, 2018.

The following table presents additional information about our international pension plans.

	December 31	
Millions of dollars	2019	2018
Amounts recognized on the Consolidated Balance Sheets		
Other Assets	$ 85	$ 39
Accrued employee compensation and benefits	7	8
Employee compensation and benefits	189	150
Pension plans in which projected benefit obligation exceeded plan assets		
Projected benefit obligation	$ 214	$ 176
Fair value of plan assets	18	18
Pension plans in which accumulated benefit obligation exceeded plan assets		
Accumulated benefit obligation	$ 121	$ 105
Fair value of plan assets	18	18

Fair value measurements of plan assets

The fair value of our plan assets categorized within level 1 on the fair value hierarchy is based on quoted prices in active markets for identical assets. The fair value of our plan assets categorized within level 2 on the fair value hierarchy is based on significant observable inputs for similar assets. The fair value of our plan assets categorized within level 3 on the fair value hierarchy is based on significant unobservable inputs.

The following table sets forth the fair values of assets held by our international pension plans by level within the fair value hierarchy.

Millions of dollars	Level 1	Level 2	Level 3	Net Asset Value (a)	Total
Cash and equivalents	$ —	$ 151	$ —	$ —	$ 151
Equity funds (b)	—	118	—	—	118
Bond funds (c)	—	292	—	99	391
Alternatives funds (d)	—	—	—	197	197
Real estate funds (e)	—	74	—	29	103
Other investments (f)	6	21	15	—	42
Fair value of plan assets at December 31, 2019	$ 6	$ 656	$ 15	$ 325	$ 1,002
Cash and equivalents	$ —	$ 12	$ —	$ —	$ 12
Equity funds (b)	—	137	—	—	137
Bond funds (c)	—	267	21	36	324
Alternatives funds (d)	—	—	—	209	209
Real estate funds (e)	—	80	—	28	108
Other investments (f)	6	21	15	—	42
Fair value of plan assets at December 31, 2018	$ 6	$ 517	$ 36	$ 273	$ 832

(a) Represents investments measured at fair value using the Net Asset Value (NAV) per share practical expedient and thus has not been categorized in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the total value of our international pension plans assets.
(b) Strategy of equity funds is to invest in diversified funds of global common stocks.
(c) Strategy of bond funds is to invest in diversified funds of fixed income securities of varying geographies and credit quality.
(d) Strategy of alternative funds is to invest in a fund of diversifying investments, including but not limited to reinsurance, commodities and currencies.
(e) Strategy of real estate funds is to invest in diversified funds of real estate investment trusts and private real estate.
(f) Other investments primarily includes investments in insurance contracts.

Risk management practices for these plans include diversification by issuer, industry and geography, as well as the use of multiple asset classes and investment managers within each asset class. Our investment strategy for our United Kingdom pension plan, which constituted 79% of our international pension plans' projected benefit obligation at December 31, 2019 and is no longer accruing service benefits, aims to achieve full funding of the benefit obligation, with the plan's assets increasingly composed of investments whose cash flows match the projected liabilities of the plan.

Net periodic benefit cost

Net periodic benefit cost for our international pension plans was $23 million in 2019, $32 million in 2018 and $30 million in 2017.

Actuarial assumptions

Certain weighted-average actuarial assumptions used to determine benefit obligations of our international pension plans at December 31 were as follows:

	2019	2018
Discount rate	2.5%	3.3%
Rate of compensation increase	6.0%	5.8%

Certain weighted-average actuarial assumptions used to determine net periodic benefit cost of our international pension plans for the years ended December 31 were as follows:

	2019	2018	2017
Discount rate	3.3%	2.8%	2.9%
Expected long-term return on plan assets	4.4%	4.1%	4.2%
Rate of compensation increase	5.8%	5.5%	4.8%

Assumed long-term rates of return on plan assets, discount rates for estimating benefit obligations and rates of compensation increases vary by plan according to local economic conditions. Where possible, discount rates were determined based on the prevailing market rates of a portfolio of high-quality debt instruments with maturities matching the expected timing of the payment of the benefit obligations. Expected long-term rates of return on plan assets were determined based upon an evaluation of our plan assets and historical trends and experience, taking into account current and expected market conditions.

Other information

Contributions. Funding requirements for each plan are determined based on the local laws of the country where such plan resides. In certain countries the funding requirements are mandatory, while in other countries they are discretionary. We currently expect to contribute $17 million to our international pension plans in 2020.

Benefit payments. Expected benefit payments over the next 10 years for our international pension plans are as follows: $42 million in 2020, $43 million in 2021, $47 million in 2022, $49 million in 2023, $53 million in 2024 and an aggregate $320 million in years 2025 through 2029.

Note 17. New Accounting Pronouncements

Standards adopted in 2019

Leases

Effective January 1, 2019, we adopted an accounting standard update issued by the Financial Accounting Standards Board (FASB) related to accounting for leases, which requires lessees to record assets and liabilities that arise for all leases on their balance sheet and expanded financial statement disclosures for both lessees and lessors. We adopted this standard using the optional modified retrospective transition method. As such, the comparative financial information has not been restated and continues to be reported under the lease standard in effect during those periods. We also elected other practical expedients provided by the new standard, including the package of practical expedients, the short-term lease recognition practical expedient in which leases with a term of 12 months or less are not recognized on the balance sheet, and the practical expedient to not separate lease and non-lease components for the majority of our leases. The adoption of this standard resulted in the recognition of approximately $1.0 billion of operating lease right-of-use assets and operating lease liabilities on our balance sheet as of January 1, 2019. Additionally, capital leases have been reclassified on our consolidated balance sheets as of December 31, 2018 to conform to current period presentation. This consisted of $88 million reclassified from property, plant and equipment to other assets and $109 million reclassified from long-term debt to other liabilities. The adoption of this standard did not materially impact our consolidated statements of operations for the year ended December 31, 2019. See Note 6 for further information about the new lease standard and our expanded lease disclosures.

HALLIBURTON COMPANY
Quarterly Financial Data
(Unaudited)

Millions of dollars except per share data	Quarter First	Quarter Second	Quarter Third	Quarter Fourth	Year
2019					
Revenue	$ 5,737	$ 5,930	$ 5,550	$ 5,191	$ 22,408
Operating income (loss)	365	303	536	(1,652)	(448)
Net income (loss)	152	77	296	(1,654)	(1,129)
Net income (loss) attributable to company	152	75	295	(1,653)	(1,131)
Basic and diluted net income (loss) per share	0.17	0.09	0.34	(1.88)	(1.29)
Cash dividends paid per share	0.18	0.18	0.18	0.18	0.72
2018					
Revenue	$ 5,740	$ 6,147	$ 6,172	$ 5,936	$ 23,995
Operating income	354	789	716	608	2,467
Net income	47	508	434	668	1,657
Net income attributable to company	46	511	435	664	1,656
Basic and diluted net income per share	0.05	0.58	0.50	0.76	1.89
Cash dividends paid per share	0.18	0.18	0.18	0.18	0.72

Note: Results for 2019 include charges related to asset impairments and severance costs. See Note 2 for further information. Results for the first quarter of 2018 include charges related to the write-down of our remaining investment in Venezuela.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.

None.

Item 9(a). Controls and Procedures.

In accordance with the Securities Exchange Act of 1934 Rules 13a-15 and 15d-15, we carried out an evaluation, under the supervision and with the participation of management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of our disclosure controls and procedures as of the end of the period covered by this report. Based on that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of December 31, 2019 to provide reasonable assurance that information required to be disclosed in our reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms. Our disclosure controls and procedures include controls and procedures designed to ensure that information required to be disclosed in reports filed or submitted under the Exchange Act is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

There has been no change in our internal control over financial reporting that occurred during the three months ended December 31, 2019 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

See page 35 for Management's Report on Internal Control Over Financial Reporting and page 38 for Report of Independent Registered Public Accounting Firm on its assessment of our internal control over financial reporting.

Item 9(b). Other Information.

None.

PART III

Item 10. Directors, Executive Officers and Corporate Governance.

The information required for the directors of the Registrant is incorporated by reference to the Halliburton Company Proxy Statement for our 2020 Annual Meeting of Shareholders (File No. 001-03492) under the captions “Election of Directors” and “Involvement in Certain Legal Proceedings.” The information required for the executive officers of the Registrant is included under Part I on pages 6 through 7 of this annual report. The information required for a delinquent form required under Section 16(a) of the Securities Exchange Act of 1934 is incorporated by reference to the Halliburton Company Proxy Statement for our 2020 Annual Meeting of Shareholders (File No. 001-03492) under the caption “Delinquent Section 16(a) Reports,” to the extent any disclosure is required. The information for our code of ethics is incorporated by reference to the Halliburton Company Proxy Statement for our 2020 Annual Meeting of Shareholders (File No. 001-03492) under the caption “Corporate Governance.” The information regarding our Audit Committee and the independence of its members, along with information about the audit committee financial expert(s) serving on the Audit Committee, is incorporated by reference to the Halliburton Company Proxy Statement for our 2020 Annual Meeting of Shareholders (File No. 001-03492) under the caption “The Board of Directors and Standing Committees of Directors.”

Item 11. Executive Compensation.

This information is incorporated by reference to the Halliburton Company Proxy Statement for our 2020 Annual Meeting of Shareholders (File No. 001-03492) under the captions “Compensation Discussion and Analysis,” “Compensation Committee Report,” “Summary Compensation Table,” “Grants of Plan-Based Awards in Fiscal 2019,” “Outstanding Equity Awards at Fiscal Year End 2019,” “2019 Option Exercises and Stock Vested,” “2019 Nonqualified Deferred Compensation,” “Employment Contracts and Change-in-Control Arrangements,” “Post-Termination or Change-in-Control Payments,” “Equity Compensation Plan Information” and “Directors’ Compensation.”

Item 12(a). Security Ownership of Certain Beneficial Owners.

This information is incorporated by reference to the Halliburton Company Proxy Statement for our 2020 Annual Meeting of Shareholders (File No. 001-03492) under the caption “Stock Ownership of Certain Beneficial Owners and Management.”

Item 12(b). Security Ownership of Management.

This information is incorporated by reference to the Halliburton Company Proxy Statement for our 2020 Annual Meeting of Shareholders (File No. 001-03492) under the caption “Stock Ownership of Certain Beneficial Owners and Management.”

Item 12(c). Changes in Control.

Not applicable.

Item 12(d). Securities Authorized for Issuance Under Equity Compensation Plans.

This information is incorporated by reference to the Halliburton Company Proxy Statement for our 2020 Annual Meeting of Shareholders (File No. 001-03492) under the caption “Equity Compensation Plan Information.”

Item 13. Certain Relationships and Related Transactions, and Director Independence.

This information is incorporated by reference to the Halliburton Company Proxy Statement for our 2020 Annual Meeting of Shareholders (File No. 001-03492) under the caption “Corporate Governance” to the extent any disclosure is required and under the caption “The Board of Directors and Standing Committees of Directors.”

Item 14. Principal Accounting Fees and Services.

This information is incorporated by reference to the Halliburton Company Proxy Statement for our 2020 Annual Meeting of Shareholders (File No. 001-03492) under the caption “Fees Paid to KPMG LLP.”

PART IV

Item 15. Exhibits.

1. Financial Statements:

   The reports of the Independent Registered Public Accounting Firm and the financial statements of Halliburton Company are included within Part II, Item 8 of this Annual Report on Form 10-K.

2. Financial Statement Schedules:

   The schedules listed in Rule 5-04 of Regulation S-X (17 CFR 210.5-04) have been omitted because they are not applicable or the required information is shown in the consolidated financial statements or notes thereto.

3. Exhibits:

Exhibit Number	Exhibits
3.1	Restated Certificate of Incorporation of Halliburton Company filed with the Secretary of State of Delaware on May 30, 2006 (incorporated by reference to Exhibit 3.1 to Halliburton's Form 8-K filed June 5, 2006, File No. 001-03492).
3.2	By-laws of Halliburton Company revised effective December 7, 2017 (incorporated by reference to Exhibit 3.1 to Halliburton's Form 8-K filed December 12, 2017, File No. 001-03492).
4.1	Form of debt security of 8.75% Debentures due February 12, 2021 (incorporated by reference to Exhibit 4(a) to the Form 8-K of Halliburton Company, now known as Halliburton Energy Services, Inc. (the Predecessor), dated as of February 20, 1991, File No. 001-03492).
4.2	Senior Indenture dated as of January 2, 1991 between the Predecessor and The Bank of New York Trust Company, N.A. (as successor to Texas Commerce Bank National Association), as Trustee (incorporated by reference to Exhibit 4(b) to the Predecessor's Registration Statement on Form S-3 (Registration No. 33-38394) originally filed with the Securities and Exchange Commission on December 21, 1990), as supplemented and amended by the First Supplemental Indenture dated as of December 12, 1996 among the Predecessor, Halliburton and the Trustee (incorporated by reference to Exhibit 4.1 of Halliburton's Registration Statement on Form 8-B dated December 12, 1996, File No. 001-03492).
4.3	Resolutions of the Predecessor's Board of Directors adopted at a meeting held on February 11, 1991 and of the special pricing committee of the Board of Directors of the Predecessor adopted at a meeting held on February 11, 1991 and the special pricing committee's consent in lieu of meeting dated February 12, 1991 (incorporated by reference to Exhibit 4(c) to the Predecessor's Form 8-K dated as of February 20, 1991, File No. 001-03492).
4.4	Second Senior Indenture dated as of December 1, 1996 between the Predecessor and The Bank of New York Trust Company, N.A. (as successor to Texas Commerce Bank National Association), as Trustee, as supplemented and amended by the First Supplemental Indenture dated as of December 5, 1996 between the Predecessor and the Trustee and the Second Supplemental Indenture dated as of December 12, 1996 among the Predecessor, Halliburton and the Trustee (incorporated by reference to Exhibit 4.2 of Halliburton's Registration Statement on Form 8-B dated December 12, 1996, File No. 001-03492).
4.5	Third Supplemental Indenture dated as of August 1, 1997 between Halliburton and The Bank of New York Trust Company, N.A. (as successor to Texas Commerce Bank National Association), as Trustee, to the Second Senior Indenture dated as of December 1, 1996 (incorporated by reference to Exhibit 4.7 to Halliburton's Form 10-K for the year ended December 31, 1998, File No. 001-03492).

4.6	Fourth Supplemental Indenture dated as of September 29, 1998 between Halliburton and The Bank of New York Trust Company, N.A. (as successor to Texas Commerce Bank National Association), as Trustee, to the Second Senior Indenture dated as of December 1, 1996 (incorporated by reference to Exhibit 4.8 to Halliburton's Form 10-K for the year ended December 31, 1998, File No. 001-03492).
4.7	Resolutions of Halliburton's Board of Directors adopted by unanimous consent dated December 5, 1996 (incorporated by reference to Exhibit 4(g) of Halliburton's Form 10-K for the year ended December 31, 1996, File No. 001-03492).
4.8	Form of debt security of 6.75% Notes due February 1, 2027 (incorporated by reference to Exhibit 4.1 to Halliburton's Form 8-K dated as of February 11, 1997, File No. 001-03492).
4.9	Copies of instruments that define the rights of holders of miscellaneous long-term notes of Halliburton Company and its subsidiaries have not been filed with the Commission. Halliburton Company agrees to furnish copies of these instruments upon request.
4.10	Form of Indenture dated as of April 18, 1996 between Dresser and The Bank of New York Trust Company, N.A. (as successor to Texas Commerce Bank National Association), as Trustee (incorporated by reference to Exhibit 4 to Dresser's Registration Statement on Form S-3/A filed on April 19, 1996, Registration No. 333-01303), as supplemented and amended by Form of First Supplemental Indenture dated as of August 6, 1996 between Dresser and The Bank of New York Trust Company, N.A. (as successor to Texas Commerce Bank National Association), Trustee, for 7.60% Debentures due 2096 (incorporated by reference to Exhibit 4.1 to Dresser's Form 8-K filed on August 9, 1996, File No. 1-4003).
4.11	Second Supplemental Indenture dated as of October 27, 2003 between DII Industries, LLC and The Bank of New York Trust Company, N.A. (as successor to JPMorgan Chase Bank), as Trustee, to the Indenture dated as of April 18, 1996 (incorporated by reference to Exhibit 4.15 to Halliburton's Form 10-K for the year ended December 31, 2003, File No. 001-03492).
4.12	Third Supplemental Indenture dated as of December 12, 2003 among DII Industries, LLC, Halliburton Company and The Bank of New York Trust Company, N.A. (as successor to JPMorgan Chase Bank), as Trustee, to the Indenture dated as of April 18, 1996, (incorporated by reference to Exhibit 4.16 to Halliburton's Form 10-K for the year ended December 31, 2003, File No. 001-03492).
4.13	Indenture dated as of October 17, 2003 between Halliburton Company and The Bank of New York Trust Company, N.A. (as successor to JPMorgan Chase Bank), as Trustee (incorporated by reference to Exhibit 4.1 to Halliburton's Form 10-Q for the quarter ended September 30, 2003, File No. 001-03492).
4.14	Second Supplemental Indenture dated as of December 15, 2003 between Halliburton Company and The Bank of New York Trust Company, N.A. (as successor to JPMorgan Chase Bank), as Trustee, to the Senior Indenture dated as of October 17, 2003 (incorporated by reference to Exhibit 4.27 to Halliburton's Form 10-K for the year ended December 31, 2003, File No. 001-03492).
4.15	Form of note of 7.6% debentures due 2096 (included as Exhibit A to Exhibit 4.14 above).
4.16	Fourth Supplemental Indenture, dated as of September 12, 2008, between Halliburton Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee to JPMorgan Chase Bank, to the Senior Indenture dated as of October 17, 2003 (incorporated by reference to Exhibit 4.2 to Halliburton's Form 8-K filed September 12, 2008, File No. 001-03492).
4.17	Form of Global Note for Halliburton's 6.70% Senior Notes due 2038 (included as part of Exhibit 4.16).
4.18	Fifth Supplemental Indenture, dated as of March 13, 2009, between Halliburton Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee to JPMorgan Chase Bank, to the Senior Indenture dated as of October 17, 2003 (incorporated by reference to Exhibit 4.2 to Halliburton's Form 8-K filed March 13, 2009, File No. 001-03492).

	4.19	Form of Global Note for Halliburton’s 7.45% Senior Notes due 2039 (included as part of Exhibit 4.18).
	4.20	Sixth Supplemental Indenture, dated as of November 14, 2011, between Halliburton Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee to JPMorgan Chase Bank, to the Senior Indenture dated as of October 17, 2003 (incorporated by reference to Exhibit 4.2 to Halliburton’s Form 8-K filed November 14, 2011, File No. 001-03492).
	4.21	Form of Global Note for Halliburton’s 3.25% Senior Notes due 2021 (included as part of Exhibit 4.20).
	4.22	Form of Global Note for Halliburton’s 4.50% Senior Notes due 2041 (included as part of Exhibit 4.20).
	4.23	Seventh Supplemental Indenture, dated as of August 5, 2013, between Halliburton Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee to JPMorgan Chase Bank (incorporated by reference to Exhibit 4.2 of Halliburton’s Form 8-K filed August 5, 2013, File No. 001-03492).
	4.24	Form of Global Note for Halliburton’s 3.50% Senior Notes due 2023 (included as part of Exhibit 4.23).
	4.25	Form of Global Note for Halliburton’s 4.75% Senior Notes due 2043 (included as part of Exhibit 4.23).
	4.26	Eighth Supplemental Indenture, dated as of November 13, 2015, between Halliburton Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee to JPMorgan Chase Bank (incorporated by reference to Exhibit 4.2 to Halliburton’s Form 8-K filed November 13, 2015, File No. 001-03492).
	4.27	Form of Global Note for Halliburton’s 3.800% Senior Notes due 2025 (included as part of Exhibit 4.26).
	4.28	Form of Global Note for Halliburton’s 4.850% Senior Notes due 2035 (included as part of Exhibit 4.26).
	4.29	Form of Global Note for Halliburton’s 5.000% Senior Notes due 2045 (included as part of Exhibit 4.26).
*	4.30	Description of Registrant's Securities.
†	10.1	Halliburton Company Restricted Stock Plan for Non-Employee Directors (incorporated by reference to Appendix B of the Predecessor’s proxy statement dated March 23, 1993, File No. 001-03492).
†	10.2	Dresser Industries, Inc. Deferred Compensation Plan, as amended and restated effective January 1, 2000 (incorporated by reference to Exhibit 10.16 to Halliburton’s Form 10-K for the year ended December 31, 2000, File No. 001-03492).
†	10.3	ERISA Excess Benefit Plan for Dresser Industries, Inc., as amended and restated effective June 1, 1995 (incorporated by reference to Exhibit 10.7 to Dresser’s Form 10-K for the year ended October 31, 1995, File No. 1-4003).
	10.4	Form of Indemnification Agreement for Officers (incorporated by reference to Exhibit 10.1 to Halliburton’s Form 8-K filed August 3, 2007, File No. 001-03492).
	10.5	Form of Indemnification Agreement for Directors (incorporated by reference to Exhibit 10.2 to Halliburton’s Form 8-K filed August 3, 2007, File No. 001-03492).

	10.6	Form of Indemnification Agreement for Officers (first elected after January 1, 2013) (incorporated by reference to Exhibit 10.2 to Halliburton's Form 10-Q for the quarter ended March 31, 2013, File No. 001-03492).
	10.7	Form of Indemnification Agreement for Directors (first elected after January 1, 2013) (incorporated by reference to Exhibit 10.1 of Halliburton’s Form 8-K filed March 22, 2013, File No. 001-03492).
†	10.8	Halliburton Company Pension Equalizer Plan, as amended and restated effective March 1, 2007 (incorporated by reference to Exhibit 10.8 to Halliburton’s Form 10-Q for the quarter ended September 30, 2007, File No. 001-03492).
†	10.9	Halliburton Company Directors' Deferred Compensation Plan, as amended and restated effective May 16, 2012 (incorporated by reference to Exhibit 10.5 to Halliburton's Form 10-Q for the quarter ended June 30, 2012, File No. 001-03492).
†	10.10	Retirement Plan for the Directors of Halliburton Company, as amended and restated effective July 1, 2007 (incorporated by reference to Exhibit 10.10 to Halliburton’s Form 10-Q for the quarter ended September 30, 2007, File No. 001-03492).
†	10.11	Halliburton Company Employee Stock Purchase Plan, as amended and restated effective February 24, 2015 (incorporated by reference to Appendix C of Halliburton’s proxy statement filed April 7, 2015, File No. 001-03492).
†	10.12	First Amendment to the Retirement Plan for the Directors of Halliburton Company, effective September 1, 2007 (incorporated by reference to Exhibit 10.3 to Halliburton’s Form 10-Q for the quarter ended March 31, 2011, File No. 001-03492).
†	10.13	First Amendment to Restricted Stock Plan for Non-Employee Directors of Halliburton Company, effective December 7, 2011 (incorporated by reference to Exhibit 10.41 to Halliburton’s Form 10-K for the year ended December 31, 2011, File No. 001-03492).
†	10.14	Second Amendment to Restricted Stock Plan for Non-Employee Directors of Halliburton Company, effective May 16, 2012 (incorporated by reference to Exhibit 10.4 to Halliburton's Form 10-Q for the quarter ended June 30, 2012, File No. 001-03492).
†	10.15	Third Amendment to Restricted Stock Plan for Non-Employee Directors of Halliburton Company, effective December 1, 2012 (incorporated by reference to Exhibit 10.44 to Halliburton’s Form 10-K for the year ended December 31, 2012, File No. 001-03492).
†	10.16	First Amendment dated December 1, 2012 to Halliburton Company Directors' Deferred Compensation Plan, as amended and restated effective May 16, 2012 (incorporated by reference to Exhibit 10.45 to Halliburton’s Form 10-K for the year ended December 31, 2012, File No. 001-03492).
†	10.17	Executive Agreement (Myrtle L. Jones) (incorporated by reference to Exhibit 10.1 to Halliburton's Form 10-Q for the quarter ended March 31, 2013, File No. 001-03492).
†	10.18	Executive Agreement (Timothy McKeon) (incorporated by reference to Exhibit 10.49 to Halliburton’s Form 10-K for the year ended December 31, 2013, File No. 001-03492).
†	10.19	Executive Agreement (Charles E. Geer, Jr.) (incorporated by reference to Exhibit 10.2 to Halliburton’s Form 8-K filed December 9, 2014, File No. 001-03492).
†	10.20	Halliburton Annual Performance Pay Plan, as amended and restated effective January 1, 2019) (incorporated by reference to Exhibit 10.7 to Halliburton's Form 10-Q for the quarter ended June 30, 2019, File No. 001-03492).

†	10.21	Form of Non-Employee Director Restricted Stock Agreement (Directors Plan) (incorporated by reference as Exhibit 99.5 of Halliburton's Form S-8 filed May 21, 2009, Registration No. 333-159394).
†	10.22	Form of Non-Employee Director Restricted Stock Agreement (Stock and Incentive Plan) (incorporated by reference to Exhibit 10.43 to Halliburton's Form 10-K for the year ended December 31, 2011, File No. 001-03492).
†	10.23	Executive Agreement (Joe D. Rainey) (incorporated by reference to Exhibit 10.1 to Halliburton's Form 8-K filed December 12, 2017, File No. 001-03492).
†	10.24	Executive Agreement (Anne Lyn Beaty) (incorporated by reference to Exhibit 10.1 to Halliburton's Form 10-Q for the quarter ended March 31, 2017, File No. 001-03492).
†	10.25	Executive Agreement (Jeffrey A. Miller) (incorporated by reference to Exhibit 10.1 to Halliburton's Form 8-K filed June 5, 2017, File No. 001-03492).
†	10.26	Halliburton Company Stock and Incentive Plan, as amended and restated effective May 15, 2019 (incorporated by reference to Appendix A of Halliburton's proxy statement filed April 2, 2019, File No. 001-03492).
†	10.27	Form of Nonstatutory Stock Option Agreement (U.S.) (incorporated by reference as Exhibit 99.2 of Halliburton's Form S-8 filed May 17, 2019, Registration No. 333-231571).
†	10.28	Form of Nonstatutory Stock Option Agreement (International) (incorporated by reference as Exhibit 99.3 of Halliburton's Form S-8 filed May 17, 2019, Registration No. 333-231571).
†	10.29	Form of Restricted Stock Agreement (incorporated by reference as Exhibit 99.4 of Halliburton's Form S-8 filed May 17, 2019, Registration No. 333-231571).
†	10.30	Form of Restricted Stock Unit Agreement (International) (incorporated by reference as Exhibit 99.5 of Halliburton's Form S-8 filed May 17, 2019, Registration No. 333-231571).
†	10.31	Form of Restricted Stock Unit Agreement (U.S. Expat) (incorporated by reference as Exhibit 99.6 of Halliburton's Form S-8 filed May 17, 2019, Registration No. 323-231571).
†	10.32	Executive Agreement (Eric J. Carre) (incorporated by reference as Exhibit 10.46 of Halliburton's Form 10-K for the year ended December 31, 2017, File No. 001-03492).
†	10.33	Executive Agreement (Lawrence J. Pope) (incorporated by reference as Exhibit 10.47 of Halliburton's Form 10-K for the year ended December 31, 2017, File No. 001-03492).
†	10.34	Executive Agreement (Robb L. Voyles) (incorporated by reference as Exhibit 10.48 of Halliburton's Form 10-K for the year ended December 31, 2017, File No. 001-03492).
†	10.35	Executive Agreement (Lance Loeffler) (incorporated by reference as Exhibit 10.1 of Halliburton’s Form 8-K filed December 11, 2018, File No. 001-03492).
†	10.36	Form of Non-Management Director Restricted Stock Unit Agreement (Stock and Incentive Plan) (incorporated by reference as Exhibit 10.46 of Halliburton's Form 10-K for the year ended December 31, 2018, File No. 001-03492).

†	10.37	Second Amendment dated January 1, 2019, to Halliburton Company Directors' Deferred Compensation Plan, as amended and restated effective May 16, 2012 (incorporated by reference as Exhibit 10.47 of Halliburton's Form 10-K for the year ended December 31, 2018, File No. 001-03492).
†	10.38	Executive Agreement (Mark J. Richard) (incorporated by reference as Exhibit 10.48 of Halliburton's Form 10-K for the year ended December 31, 2018, File No. 001-03492).
†	10.39	Halliburton Company Performance Unit Program, as amended and restated effective January 1, 2019 (incorporated by reference as Exhibit 10.8 of Halliburton's Form 10-Q for the quarter ended June 30, 2019, File No. 001-03492).
	10.40	U.S. $3,500,000,000 Five Year Revolving Credit Agreement among Halliburton, as Borrower, the Banks party thereto, and Citibank, N.A., as Agent (incorporated by reference to Exhibit 10.1 to Halliburton's Form 8-K filed March 7, 2019, File No. 001-03492).
*†	10.41	Halliburton Company Supplemental Executive Retirement Plan, as amended and restated effective December 5, 2019.
*†	10.42	Halliburton Company Benefit Restoration Plan, as amended and restated effective December 5, 2019.
*†	10.43	Halliburton Elective Deferral Plan, as amended and restated effective December 5, 2019.
*†	10.44	First Amendment dated December 5, 2019 to Halliburton Company Employee Stock Purchase Plan, as amended and restated effective February 24, 2015.
*	21.1	Subsidiaries of the Registrant.
*	23.1	Consent of KPMG LLP.
*	24.1	Powers of attorney for the following directors signed in January 2020: Abdulaziz F. Al Khayyal William E. Albrecht M. Katherine Banks Alan M. Bennett Milton Carroll Nance K. Dicciani Murry S. Gerber Patricia Hemingway Hall Robert A. Malone
*	31.1	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
*	31.2	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
**	32.1	Certification of Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
**	32.2	Certification of Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
*	95	Mine Safety Disclosures.

*	101.INS	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document
*	101.SCH	XBRL Taxonomy Extension Schema Document
*	101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
*	101.LAB	XBRL Taxonomy Extension Label Linkbase Document
*	101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document
*	101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
*	104	Cover Page Interactive Data File - the cover page interactive data file does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document

* Filed with this Form 10-K.
** Furnished with this Form 10-K.
† Management contracts or compensatory plans or arrangements.

Item 16. Form 10-K Summary.

None.

SIGNATURES

As required by Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has authorized this report to be signed on its behalf by the undersigned authorized individuals on this 11th day of February, 2020.

HALLIBURTON COMPANY

By /s/ Jeffrey A. Miller
Jeffrey A. Miller
Chairman of the Board, President and Chief Executive Officer

As required by the Securities Exchange Act of 1934, this report has been signed below by the following persons in the capacities indicated on this 11th day of February, 2020.

Signature	Title
/s/ Jeffrey A. Miller Jeffrey A. Miller	Chairman of the Board, Director, President and Chief Executive Officer
/s/ Lance Loeffler Lance Loeffler	Executive Vice President and Chief Financial Officer
/s/ Charles E. Geer, Jr. Charles E. Geer, Jr.	Senior Vice President and Chief Accounting Officer

Signature	Title
* Abdulaziz F. Al Khayyal Abdulaziz F. Al Khayyal	Director
* William E. Albrecht William E. Albrecht	Director
* M. Katherine Banks M. Katherine Banks	Director
* Alan M. Bennett Alan M. Bennett	Director
* Milton Carroll Milton Carroll	Director
* Nance K. Dicciani Nance K. Dicciani	Director
* Murry S. Gerber Murry S. Gerber	Director
* Patricia Hemingway Hall Patricia Hemingway Hall	Director
* Robert A. Malone Robert A. Malone	Director

/s/ Robb L. Voyles
*By Robb L. Voyles, Attorney-in-fact

This page intentionally left blank

Directions to the Halliburton Annual Meeting of Shareholders

The Halliburton North Belt Facility is located on the North Sam Houston Parkway (Beltway 8 Tollway) south feeder between Aldine Westfield and JFK Boulevard.

3000 N. Sam Houston Parkway East
Houston, Texas 77032
281-871-4000

From I-45	From I-69 / US 59 and IAH
• Take the Sam Houston Parkway East • Exit JFK Blvd	• Take the Sam Houston Parkway West • Exit Aldine Westfield • “U-Turn” at Aldine Westfield and proceed east on the Sam Houston Parkway feeder

The main entrance to the North Belt facility will be on your right, about halfway between Aldine Westfield and JFK Blvd.

HALLIBURTON

281.871.2699
www.halliburton.com