

From: Halliburton Communications
Sent: 17 October 2003 08:43 AM
Subject: Defending our Company

TO: All Halliburton employees
FROM: Dave Leser, chairman, president and CEO
SUBJECT: Defending our Company

Last May, I sent you a copy of an editorial that I wrote for the *Houston Chronicle* responding to criticism of our work in Iraq. (It was subsequently run in other newspapers.) Today, we are still faced with some of the same criticism. As chief executive officer and proud leader of this great company, I have written an editorial that appears in today's *Wall Street Journal*. (I've attached a copy at the end of this message.)

The criticism that has come our way is unfounded. You know it and fortunately our customers know it, too. Without exception, they have told me they understand what we are doing in Iraq, and they appreciate our work there supporting the troops and improving the lives of the Iraqi people.

When I see the allegations repeated day after day in the press, I am offended, and I know a lot of you feel the same way. But remember, because these attacks are less about us and more about external issues, we must react in a way that is not challenging, but that presents facts. Regardless of our individual political views or opinions about U.S. foreign policy, it is obvious that these attacks are inaccurate and unwarranted, and not based on the realities we face in Iraq. In order for people to know the truth, we need to be proactive in getting the message out in a thoughtful, non-confrontational manner.

Now, I'm asking you to help by writing a letter to the editor of your newspaper. Please add your voice to mine, so we can be heard over those who are distorting our efforts.

Here are some facts that you can use to help deliver your letter.

Key facts the public should know:

- Halliburton makes our troops more comfortable in a difficult environment by bringing shelter, supplies, clean uniforms and mail from home.
- Halliburton is proud to offer its global resources at this critical time in the Middle East.
- Halliburton has successfully helped to restore needed services in Iraq that will help bring some sense of normalcy for those who have suffered losses.
- Halliburton helped build U.S. warships in World War II, as well as projects in Somalia, Rwanda and Haiti. It also put out more than half of the oil well fires in Kuwait during the 1991 Gulf War and now is working in Iraq.

— Halliburton's skills and abilities make it one of the few companies in the world that can do the work needed by the U.S. military.

Every day in Iraq we:

- Transport 500 million gallons of water.
- Deliver 92,000 pieces of mail.
- Do laundry for more than 100,000 troops — and that involves water, power, detergent and waste water management. Over a year, this is 73 million pounds of laundry.
- Feed 95,000 troops in 57 dining facilities.
- Since May, we have cleaned up more than 45,000 barrels of oil in Iraq, and our work restoring the infrastructure has resulted in the export of more than 38 million barrels of oil — Helping to create jobs and a functioning economy.

When you write your letter to the editor, here are a few suggestions for making it effective:

- Please write from the heart and use your own words, and, where possible, use first-hand stories. People will respond to your honesty and sincerity. They have already heard from me, so please don't copy my article. They need to hear from you.
- It's OK to show your pride in your work and your co-workers, and to mention your own experience with Halliburton.
- Please keep your letter short. Approximately 150 words is the limit for most newspapers. Don't feel like you have to explain everything about Halliburton's work in the Middle East. Just write about what you feel most strongly.
- Remember, be positive. Our goal is to make people understand the real issues. The facts are on our side and when they are rationally and calmly presented, the public will see the difference for what it is. We should avoid stooping to our critics' level of dialogue, no matter how tempting that may be.
- Include your name, address and phone number, so the paper can verify that you wrote the letter.

Also, it would be helpful to write to your representatives in Washington, D.C., asking them to support fairness and accuracy. There is a special *HalWorld* site that will give you the address of your representatives at <http://www.bipac.net/lookup.asp?q=hal>.

The vast majority of people care about accuracy and fairness, and they are the ones we want to reach.

After you have submitted your letter to a publication, please send a copy of your letter to <mailto:FHOULETTER>.

Thank you for your cooperation and support. I hope you are as proud to be a Halliburton employee as I am.

The following opinion piece, written by Dave Lesar, appeared in today's *Wall Street Journal*

A Halliburton cook in Baghdad is a VIP in the Middle East. Just ask the soldiers she serves. She has never met Richard Cheney, the former CEO of the company who now is the Vice President of the United States.

Our cook has one mission, to help the troops by delivering meals, as only she can do, and assisting other Halliburton employees to make life easier for soldiers in Iraq.

On special evenings, she delivers a little bit of Louisiana to Baghdad. In fact, she delivers *agniappe*, the word used in Louisiana that means "a little bit extra."

In wartime, "a little extra" means getting mail from home, wearing clean uniforms, taking a shower, eating hot meals, providing water and electricity, and consuming an occasional platter of Cajun delicacies. For her and all Halliburton employees, *agniappe* is her job. And she does it on special occasions for the young men and women working to keep the peace in Iraq.

The cook I mentioned is one of thousands of Halliburton employees who are proudly serving in the Middle East at this critical time. Her skills, as well as other employees' expertise and our extensive experience doing the difficult work that must be done in Iraq, make Halliburton uniquely qualified to serve the Armed Services.

We have done this vital work for years, serving both Republican and Democrat administrations. In World War II, we built warships. In Vietnam, we constructed airfields and port facilities. In Somalia, Rwanda, Haiti and the Balkans, we worked alongside the troops to help provide a sense of normalcy to those countries. In 1991, during the first Gulf War, our people helped extinguish over one half of the oil fires in Kuwait.

The company was founded in 1919 and has primarily focused on business-to-business relationships. Many people have never heard of Halliburton, despite the company's worldwide reach and long service to the government. But now, because of politics, that is changing. It began in August 2000 when the company's chairman, Richard Cheney, became a vice presidential candidate.

At that time, Mr. Cheney totally removed himself from Halliburton's operations. In short, Mr. Cheney has no financial interest in the future success of Halliburton.

Despite these steps by Mr. Cheney and the great work of Halliburton's employees in Iraq, the company's contract with the government has become a political target.

The question raised is not about Halliburton's capabilities to do the job. The company is one of only a few that actually can successfully accomplish all the work that needs to be done. Let's be clear. This is not a vacation escape. Our folks deliver the essentials, build the transmission lines, dig the ditches, keep open the communications lines from home, and they have a host of other duties. Our Halliburton employees live in the same conditions as the troops.

The particular contract that has been used in political banter is actually an extension of an earlier competitively bid contract. When we were awarded the contract to provide logistical assistance, Halliburton was told to develop an emergency plan in case of war with Iraq. Specifically, we prepared a contingency plan to extinguish oil field fires and rebuild infrastructure that might be destroyed during the war.

Everyone remembers the damage from burning oil well fires in the first Gulf War. The hostilities caused some of the damages, but internal saboteurs contributed to the destruction of road, rail and

When the Iraq war began, the Department of Defense asked Halliburton to implement its wartime emergency plan that was approved under the existing and competitively bid contract. It is critical that the Defense Department be able to quickly respond to the needs on the ground as they arise. Those who were fighting the war, and who now are trying to keep the peace, needed a support system right away. A lengthy bid process simply wasn't feasible.

There have been allegations from politicians earlier this week about the cost of procuring and delivering fuel in Iraq. We awarded the fuel acquisition contract to the suppliers who could meet the very strict requirements defined by our client, the United States Government. The requirement included the ability to acquire the necessary quantities of fuel and the ability to deliver it in a hostile environment. We continue to negotiate fair and competitive prices to provide fuel to the Iraqi people that will help create a sense of normalcy for those who have suffered.

Even our critics concede that Halliburton has the right skills to perform the work. Our employees are there to make the troops more comfortable in a difficult environment by bringing them shelter, supplies, clean uniforms and mail from their loved ones back home. And, we are building roads, putting out fires, and restoring services in Iraq. The goal is to create a sense of normalcy for those who have suffered.

Halliburton's work with governmental contracts is a small but important part of our overall operations. Halliburton is one of the world's largest oil field services companies, and it is a premier provider of engineering and construction services. We build pipelines and bridges, and we contract with other companies to deliver much-needed energy supplies to parts of the world that are sorely lacking in these services.

The services for the military, in fact, produce a profit of only a few cents on the dollar — we do this work because it is important. And, it has been proven that when Halliburton provides these backup and support services for the military, lives are saved because fewer troops are placed in harm's way and more soldiers can stay home with their families. Our people are brought in to get the job done and they do it well.

Frankly, I know the political attacks will continue. As chief executive officer of a great company with 100,000 employees, I am extremely proud of our work and our ability to do the tough job — we thrive on the challenge. Every one of us will be resolute in our commitment to deliver the essentials to the men and women who are serving our country. They deserve nothing less. To the soldiers in Iraq, you can count on us. You have earned your claim for a little "tagliapape" like mail, meals, electricity and life support systems.

If you have employees who don't have electronic access, please share this information with them.