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SUSTAINABLE GOALS



















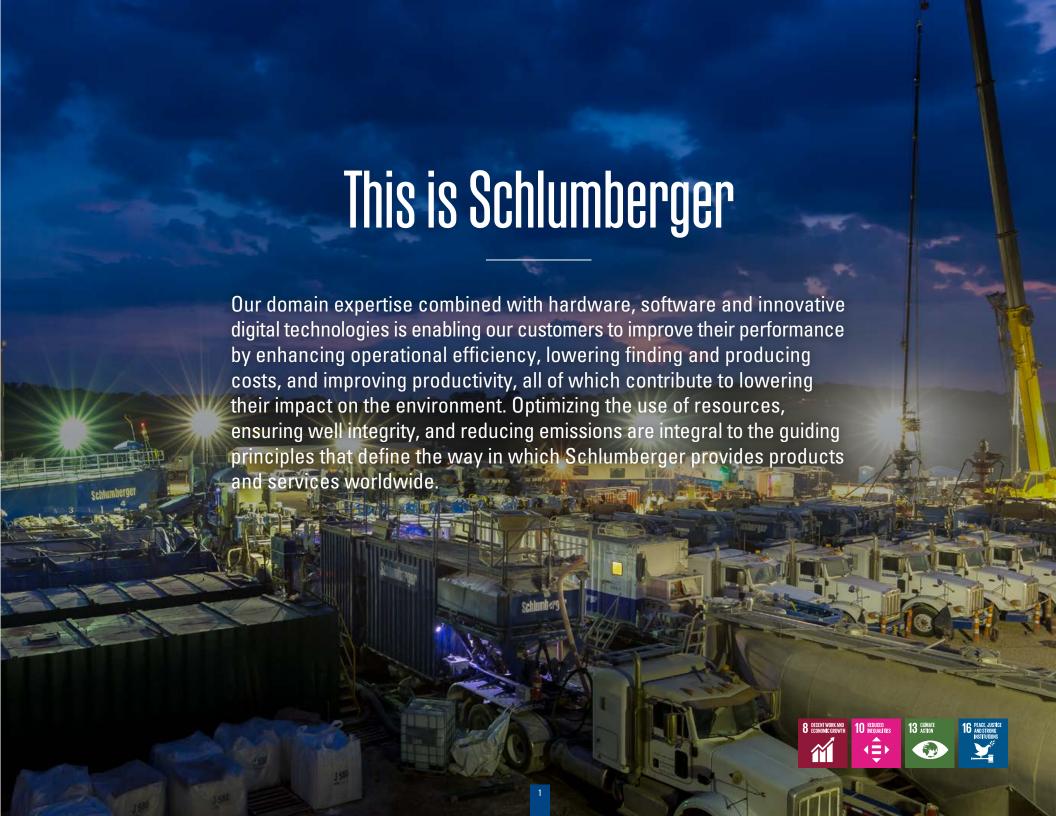












Chairman's Message

ENVIRONMENT

The Schlumberger approach to sustainability is founded upon a strong culture of social and environmental stewardship.

Our expertise in hardware, software, and E&P domain knowledge enables the design and deployment of innovative technologies that increase operational efficiency and maximize hydrocarbon recovery while contributing to a lower environmental footprint for our customers.

Addressing climate change has become more important in every industry, including oil and gas, and Schlumberger has been collaborating with our customers and relevant organizations to effect change through increased environmental performance and improved social and economic conditions in the communities where we live and work.

Our stewardship journey, which has evolved over the past decades, is gaining momentum as we continue to work with our customers to achieve their environmental, social, and governance (ESG) objectives; mitigate social and environmental risks; and lower their greenhouse gas emissions in field operations.

Schlumberger has always been at the forefront of change, including technology innovation, training and development of our people and, more recently, our New Way of Working that encompasses our corporate transformation. Our ESG activities are a key differentiator for us in the industry as we continuously improve our sustainable business

practices. In recognition of the growing importance of our Global Stewardship program, the Schlumberger Board of Directors provides oversight for the Company's sustainability efforts and receives quarterly updates on our progress.

In terms of collaboration, Schlumberger became an associate member of IPIECA—the global oil and gas industry association for environmental and social issues. We participated in IPIECA's development of Mapping the Oil and Gas Industry to the Sustainable Development Goals: an Atlas, a report about the implications of the United Nations Sustainable Development Goals (SDGs) for the oil and gas industry.

Furthermore, Schlumberger partnered with the Solar Impulse Foundation in support of the World Alliance for Efficient Solutions initiative. By contributing both financial and human resources, we are helping to meet the initiative's target of selecting 1,000 clean, efficient, and profitable solutions for environmental and socio-economic benefits.

In addition, we are developing technologies to measure and manage our carbon footprint. For example, we have improved our ability to manage water use by designing a new water-modeling software that is being implemented at many of our facilities. Also, the Schlumberger Stewardship Tool is a software that incorporates sustainability into our engineering and operational practices by modeling efficiency gains at the wellsite that yield a lower environmental footprint.

In line with our commitment to safety, we continued to guard against the risks that road journeys present using our global network of Journey Management Centers. We also remained focused on science education through SEED and HSE for Youth workshops around the world, which reinforce our culture of safety in the scientists of tomorrow. Another effort in support of education includes the Schlumberger Foundation granting 38 new Faculty for the Future fellowships to women in emerging and developing countries, enabling them to pursue advanced graduate



studies in science, technology, engineering, and mathematics (STEM) subjects at top-tier universities around the world.

Finally, Schlumberger has always been committed to conducting business in a manner that preserves and respects human dignity, and you can read about our Human Rights position on our website.

I am pleased that our Global Stewardship program continues to grow and would like to thank our employees for their commitment in successfully implementing the initiatives you will read about in this report.

Sincerely,

aal Kibsgaard

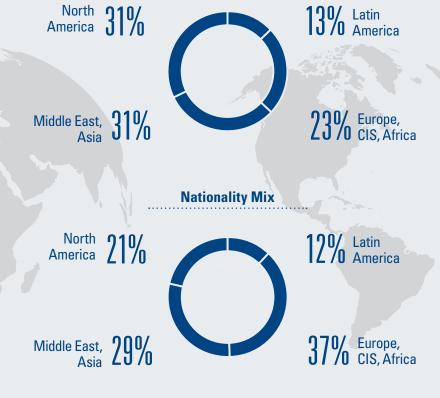
Chairman and Chief Executive Officer

100,000 Approximate Number of Employees Worldwide

Nationalities Countries

Founded in 1926, Schlumberger is the world's leading provider of technology for reservoir characterization, drilling, production, and processing to the oil and gas industry. Having invented wireline logging as a technique for obtaining downhole data in oil and gas wells, Schlumberger today provides the industry's widest range of products and services through its various subsidiaries and operating entities.

Schlumberger has principal executive offices in Paris, Houston, London, and The Haque. As of December 31, 2017, the Company employed approximately 100,000 people who represent over 140 nationalities operating in more than 85 countries. Schlumberger attracts talented people from around the world. This broad range of perspectives—experience, education, geography, nationality, culture, gender, and age—stimulates creativity and innovation, helping us maintain our competitive edge. Moreover, our diverse workforce is better able to understand, respond to, and deliver services that meet the unique expectations and requirements of our stakeholders, including our customers, suppliers, and shareholders.



Revenue Contribution



Learn more about the Schlumberger commitment to Global Stewardship: www.slb.com/globalstewardship

Governance and Ethics

Schlumberger is committed to excellence in everything we do. We aim to do business in a consistent and transparent way with our customers, who place a great deal of trust in us. Our reputation for integrity and fair dealing is vitally important in winning and retaining that trust.

Schlumberger strives to maintain the trust and confidence of our customers and shareholders, as well as all other stakeholders affected by our operations.

When we are clearly seen to behave in an ethical manner, we enhance our reputation for integrity, which helps us attract and retain customers and employees.



Corporate Governance

Board of Directors

The Schlumberger Limited Board of Directors consists of 10 members and includes one executive director and eight independent directors. Our director independence standards exceed the independence requirements in the listing standards of the New York Stock Exchange (NYSE).

In 2017, the Board of Directors assumed responsibility for Global Stewardship programs and activities. As our Company's highest governing body with oversight over climate-related risks and opportunities, the Board receives quarterly updates on the progress Schlumberger is making toward a low-carbon future.

The Nominating & Governance Committee of the Board evaluates the suitability of potential nominees for Board membership, taking into consideration the Board's current composition and the Schlumberger diversity policy, which states that the Board should include appropriate expertise and reflect the gender, cultural and geographical diversity of the Company.

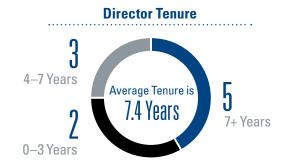
Structure

The Board recognizes that one of its key responsibilities is to evaluate and determine an appropriate board leadership structure to ensure independent oversight of management. The Board believes that there is no single, generally accepted board leadership structure that is appropriate across all circumstances, and that the right structure may vary as circumstances change. As such, the Board's independent directors consider the Board's leadership structure annually, and may modify this structure from time to time to best address the Company's unique circumstances and advance the best interests of all

stockholders, when and as appropriate. Most recently, the independent members of the Board determined that it was appropriate to combine the positions of Chairman of the Board and Chief Executive Officer. However, the independent directors of the Board may, at their discretion, separate those roles in the future if they deem such action appropriate.

Diversity

With approximately 100,000 employees who represent over 140 nationalities, Schlumberger and our Board of Directors value gender, cultural, and geographic diversity. Three of our 10 directors are women. Among our directors, four are citizens of the United States, and the others are citizens of Norway, Argentina and the United Kingdom, Canada, France, Russia and Saudi Arabia. Our diverse Board also evidences the Board's commitment to have directors who represent countries where Schlumberger operates. The Nominating & Governance Committee's evaluation of director nominees considers a director's ability to contribute to the Board's diversity, and the committee annually reviews its effectiveness in balancing these considerations in the context of its consideration of director nominees.



Board responsibilities include reviewing the Company's major financial objectives, critical strategies and long-term plans, including major allocations of capital, significant proposed business acquisitions and divestitures, operating performance, sustainability, and stockholder returns.

Board of Directors

- » Peter L.S. Currie
- » Miguel M. Galuccio
- » V. Maureen Kempston Darkes
- » Paal Kibsgaard
- » Nikolay Kudryavtsev
- » Michael E. Marks
- » Indra K. Nooyi
- » Lubna S. Olayan
- » Leo Rafael Reif
- " LOO HATAGI HG
- » Henri Seydoux

¹As of 02 2018

THIS IS SCHLUMBERGER ENVIRONMENT COMMUNITY TRACK RECORD Corporate Governance

2017 Global Stewardship Report

Board Committees

The Schlumberger Board of Directors maintains five committees. The Audit Committee assists in oversight of financial statements as well as legal and regulatory compliance and independent auditor performance. The Compensation Committee helps the Board discharge its responsibilities in regard to executive compensation. The Nominating & Governance Committee identifies and recommends individuals qualified to become directors, oversees the Ethics and Compliance Program and conducts an annual review of the Board's performance. The Finance Committee assists with financing policies along with pension and profit-sharing trusts. The Science & Technology Committee advises the Board and management on matters involving the Company's research and development programs. The preceding descriptions are select summaries only, and are qualified by reference to the committee charters, which can be found at:

Audit Committee
Compensation Committee
Nominating & Governance Committee
Finance Committee
Science & Technology Committee

Communication with the Board

The Schlumberger Board of Directors and individual members can be contacted at the following address:

Schlumberger Board of Directors or name of Board member c/o the Secretary Schlumberger Limited 5599 San Felipe, 17th Floor Houston, Texas 77056

Executive Compensation

Our compensation program is designed so that the higher an executive's position in the Company, the larger the portion of compensation that is contingent on long-term stock price performance, the Company's financial performance, and individual

performance—described as "at-risk" compensation. The Company believes that having a significant portion of executive compensation at-risk more closely aligns the interests of its executives with the long-term interests of Schlumberger and its stockholders. Accordingly, our executive officers receive a greater percentage of their compensation through at-risk pay tied to Company performance than our other executives.

A more detailed discussion of our executive compensation program is available in our 2018 proxy statement starting on page 24.

The Compensation Committee believes that:

- The pay of our named executive officers and other senior executives should be strongly linked to performance that is evaluated against personal and Company financial goals.
- Our compensation program should enable us to recruit, develop, motivate, and retain top global talent, both in the short-term and long-term, by establishing compensation that is competitive and promoting the Company's values of people, technology, and profit.
- Long-term incentive equity awards should encourage the creation
 of long-term stockholder value, align our executives'
 compensation with the stock price returns of our stockholders,
 and incentivize our executives to achieve strategic and financial
 goals that support our long-term performance and leadership
 position in our industry.
- Our executives should be required to hold stock acquired through equity-based awards and stock ownership guidelines that align their interests with those of our other stockholders

Promotion from within the Company is a key principle at Schlumberger, and all of our executive officers have reached their current positions through career development with the Company.

Schlumberger sees diversity of its workforce as an important part of its cultural philosophy and a business imperative. We believe that our consistent approach to compensation at all levels,

irrespective of nationality, is a strong factor in achieving a diverse workforce comprised of top global talent.

Financial Performance²

(Stated in millions, except per-share amounts)

	2015		2016		2017
\$	35,475	\$	27,810	\$	30,440
\$ r	2,072	\$	(1,687)	\$	(1,505)
\$ ions	1.63	\$	(1.24)	\$	(1.08)
\$	2.00	\$	2.00	\$	2.00
\$	8,805	\$	6,261	\$	5,663
	\$ r \$ ions	\$ 35,475 \$ 2,072 r \$ 1.63 ions \$ 2.00	\$ 35,475 \$ \$ 2,072 \$ r \$ 1.63 \$ ions \$ 2.00 \$	\$ 2,072 \$ (1,687) r \$ 1.63 \$ (1.24) ions \$ 2.00 \$ 2.00	\$ 35,475 \$ 27,810 \$ \$ 2,072 \$ (1,687) \$ r

For more information:

http://investorcenter.slb.com/phoenix.zhtml?c=97513&p=irol-reportsannual

Independent Audit

PwC auditors reviewed our processes and procedures for 2017 and verified this year's selected subset of our data. PwC has expressed a limited assurance that our data are, in all material respects, fairly presented and in accordance with Schlumberger procedural guidelines. The data reviewed included: Scope 1 and Scope 2 emissions of greenhouse gases, waste production, water consumption, energy consumption, spills, employee and contractor lost time injury frequencies, and occupational illness frequency rate. PwC performed this work in accordance with their professional standards and with ISAE 3000 (assurance engagements other than audits or reviews of historical financial information).

² All financial figures referenced in US dollars.

Sustainable Development Goals

Schlumberger has, for a third year, chosen to align with the Sustainable Development Goals introduced by the United Nations in 2015. In this year's Global Stewardship report, we demonstrate how we align with the goals that are listed below.

Alignment with United Nations Sustainable Development Coals

Alignment with United Nations	Sustainable Development Goals
United Nations Sustainable	Schlumberger Global
Development Goal	Stewardship Report 2017
No Poverty	Supply chain, pages 56-57
	Education, pages 36-43
	Diversity, pages 68-71
Good Health and Well-Being	Health & Safety, pages 44-51
	HSE for Youth, page 40
Quality Education	Education, pages 36-43
	University Relations, page 64
	Local Initiatives and Global
	Impact, page 72
Gender Equality	Gender Diversity, pages 68-71
•••••	Education, pages 36-43
Economic Growth	Supply Chain, pages 56-57
	Ethics, pages 8-11
Reduced Inequalities	Supply Chain, page 56
•••••	Ethics, pages 8-11
Climate Action	Climate Change, pages 11,15
Life on Land	Biodiversity, page 15
Life Below Water	eSource, page 28
Partnerships for the Goals	University Relations, page 64
	Education, page 36-43
	Stakeholder Engagement,
	pages 58-61
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2017 Materiality

Greenhouse Gas

Climate Change

Risk Management

Technology Impact

Energy Efficiency

Waste Management Resource Consumption Research and Development

Chemical Transparency

Biodiversity

Emissions Reduction

Issues that continue to be significant to our business are listed below. These issues were identified in consultation with our stakeholders and are based on an internal review that assessed risk, applicability, and degree of impact.

Governance & Ethics Board Leadership, Responsibility, and Diversity **Executive Compensation** Ethics, Integrity, Compliance, and Transparency Fiscal Responsibility **Environment Unintended Releases** to the Environment Water Optimization

Community

STEM & HSE Education Employee Health and Safety **HSE Training and Management** Driving Safety and Injury Prevention Contractor and Supplier Management Crisis Management Community Engagement Process Improvement Stakeholder Engagement Supply Chain Management **Human Rights** Local Investment **Employee Benefits** and Compensation Gender Diversity Global (Nationality) Diversity Knowledge Management Recruiting Training and Development University Relations

THIS IS SCHLUMBERGER ENVIRONMENT COMMUNITY TRACK RECORD Ethics

2017 Global Stewardship Report

Ethics

We believe that to succeed, we must draw on the foundations that preserve our identity and establish the direction we must follow. This means understanding what defines us as a company, recognizing how we behave toward others, and defining how we approach our work. The Blue Print documents—Our Identity and Our Code of Conduct—are designed to help employees accomplish this. These documents summarize a number of elements that include Our Purpose, Ambitions, and Values, and they express the mindset we need to succeed.

The <u>Schlumberger Blue Print in Action—Our Code of Conduct</u> applies to all Schlumberger directors, officers, employees, and contractors of the Company. It is designed to help each employee handle business situations professionally and fairly. It explains how our actions reflect on the Company, and how the Company is, therefore, the sum of our actions

Employees are the first line of defense in protecting the Company against incidents of non-compliance. Ethics and Compliance (E&C) training is designed to provide targeted training to employees throughout their careers in Schlumberger, focusing on the E&C risks encountered in their various roles in the Company. Employees are required to complete E&C-related training on a regular basis and as their careers progress. The E&C training requirements are periodically adjusted to ensure employees continue to receive proper E&C training.

Business Ethics

Acting ethically involves more than simply ensuring compliance with laws and regulations. It involves recognition that our decisions

Our Mindset summarizes the behavior expected of every Schlumberger team member, including attitude, words and actions, as we interact with each other and with our external stakeholders. Commitment Integrity Understand and support Recognize the boundaries the direction ahead. and have the courage to act Make a difference. honestly and responsibly. » Service focus Do the right thing. » Continuous improvement » Decision-making » Self-development » Responsibility Commitment Integrity Drive Teamwork Drive **Teamwork** Take action and have Trust others to do their part a positive impact on and work together toward performance. common goals. Achieve excellence. Help the team succeed. » Creativity » Collaboration » Initiative » Communication » Adaptability » Coaching and mentoring » Results focus » Diversity

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affect others. By keeping this in mind, we earn the respect, trust, and confidence of our customers, colleagues, shareholders, and others affected by our operations. By doing things right the first time, every time, we enhance our reputation for integrity with these stakeholders (Code of Conduct, p. 11).

Supply Chain Management

Schlumberger works with suppliers in a socially responsible and ethical manner. We have zero tolerance for corruption of any kind and we expect the same from our contractors and suppliers. To meet our industry requirements, suppliers must adhere to responsible social, environmental, and economic practices, including avoiding the use of conflict minerals in our source activities. Our suppliers are selected and retained in alignment with our health, safety, and environmental stewardship standards and Code of Conduct (Code of Conduct, p. 12).

Employee Whistle Blower Protection

Employees who believe that a violation of Our Code of Conduct has occurred must report concerns to management using any available channel of communication. Schlumberger will not tolerate retaliation against anyone who raises a concern in good faith. Employees are required to report known and suspected violations of the Code of Conduct and applicable national laws. However, employees who intentionally report false information are subject to disciplinary action (Code of Conduct, pp. 1 and 12).

Conflicts of Interest

Conflicts between personal interests and the interests of Schlumberger or its customers may arise when personal, social, financial, political, or other interests interfere. To avoid such conflicts of interest, employees must not hold financial stakes in companies that do business with Schlumberger. They must put Schlumberger business interests first, disclose all conflicts of interest, and avoid situations that create the appearance of a conflict of interest. If such a conflict exists, the affected employee must obtain written approval from an appropriate Schlumberger controller before continuing to work (Code of Conduct, p. 16).

Stock Transactions

Our Insider Trading Standard prohibits employees from releasing material, non-public information about Schlumberger, such as financial results, changes in dividends and earnings, mergers and acquisitions, and business strategies. Employees are required to keep such information confidential, including all nonpublic and insider information that relates to Schlumberger or its financial position. Also, employees may not buy or sell Schlumberger Limited stock or publicly traded derivatives until the information becomes public, nor may they act to acquire or sell stocks and derivatives of companies with which Schlumberger does business until the information is public knowledge (Code of Conduct, p. 17).

Gifts and Entertainment

Accepting or giving business gifts or hospitality must never influence business decisions. Items or benefits for which the recipient does not pay fair market value, including meals, entertainment, or tickets to sporting events worth more than a nominal value cannot be offered to or accepted from any individual or organization that wishes to do business with Schlumberger (Code of Conduct, p. 19).

Antibribery

No employee may offer or accept bribes in any form or under any circumstance, including bribes related to charitable contributions. We avoid facilitation payments, making them only in very limited circumstances, such as when an individual's health or safety is at risk and only when we have obtained proper approval and documentation according to Schlumberger requirements. In addition, payments to government officials are forbidden. Schlumberger is politically neutral and does not make political contributions (Code of Conduct, p. 23).

Fair and Ethical Business Practices

Schlumberger does not win business or maintain customer relationships by acting illegally or unethically. We do not enter into agreements that can restrict full and fair competition. We do not

Blue Print in Action

The Blue Print in Action reinforces the Blue Print—Our Identity, which summarizes our purpose, ambitions, values and the mindset we need to succeed. The Schlumberger Blue Print in Action—Our Code of Conduct is reviewed periodically and amended as appropriate.

In Brief

All Schlumberger employees, contractors, and third parties must:

- » know and obey the laws where the Company operates
- » not engage in actions unless they are ethical and legal
- » ask questions and raise concerns when issues arise
- » report actual or potential violations internally

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share pricing or bidding information with competitors or with anyone outside of the Company. We do not use Company funds or assets for political purposes. We may engage in dialogue with public policy decision makers, but we do not use lobbyists or seek to bring about particular outcomes or decisions. We compete aggressively, but fairly (Code of Conduct, p. 26).

Trade Compliance

Schlumberger provides products and services in many countries worldwide. Nearly all the countries in which we operate have customs laws, and many have additional trade controls that govern the import, temporary import, export or re-export of Schlumberger products, services, technology, software, and finances. Wherever we do business, we comply with all customs and trade control laws and regulations that apply to us, and we are especially mindful of technology transfers (Code of Conduct, p. 30).

Business and Financial Transparency

Schlumberger keeps honest and accurate business records. Employees must not hide, alter, falsify or disguise the true nature of any business transaction. Schlumberger complies with accounting and financial reporting standards, and requires employees to follow internal financial approval guidelines. We retain and destroy business records in accordance with local laws and Schlumberger requirements (Code of Conduct, p. 36).

Conflict Minerals

Schlumberger recognizes that human rights abuses can exist in the extraction, transportation, and trade of minerals in some countries including the Democratic Republic of the Congo and its adjoining countries. We do not knowingly contribute to the conflict in our sourcing activity in the covered countries. Schlumberger does not tolerate corruption of any kind and we expect our suppliers to adhere to the same standard. We have also developed a Conflict Minerals Position Statement.

Information Protection

Information Security

Schlumberger is committed to protecting and respecting the privacy of every employee and the personal information of every third party that it processes. Specific internal data privacy requirements guide the collection, use, transfer (including transfer across international boundaries), release, disclosure, and security of such data. These requirements also describe our expectations for third parties who process such data on our behalf (Code of Conduct, p. 31).

Consumer Data Protection

Information is the foundation of our business. Confidential or commercially sensitive information comes in many forms, including via conversations, on paper, and electronically. We treat all records created or transmitted using Company tools as Company property and we take every available measure to preserve the confidentiality of Schlumberger and customer data (Code of Conduct, p. 34).

Intellectual Property Rights Protection

Intellectual property that is created when an employee makes a new discovery or conceives of an idea, device, technique or process related to our business becomes the exclusive property of Schlumberger. All employees agree to this concept as a condition of employment. The Company protects its intellectual property and confidential information by using non-disclosure agreements and confidential disclosure agreements before giving third parties access to such information. We also comply with restrictions on the installation and use of third-party software (Code of Conduct, p. 36).

Social Responsibility

Equal Opportunity-No Discrimination

One of our greatest strengths is the diversity of our workforce. Employees of many nationalities and backgrounds work together to achieve common objectives. As a global company, we encourage fair employment practices and offer equal opportunities to all our employees (Code of Conduct, p. 27).

Fair Wages

Compensation paid to workers must comply with all applicable wage laws, including those relating to minimum wages, overtime hours, and benefits. The basis on which workers are being paid is clearly conveyed to them in a timely manner. We offer competitive compensation and benefits packages, and we require our suppliers to comply with all applicable wage laws wherever we work (Code of Conduct, p. 27, and internal personnel policy).

Human Rights

Schlumberger employees represent more than 140 nationalities who live and work in more than 85 countries around the globe. Schlumberger is committed to conducting business in a manner that preserves and respects human dignity. The Company obeys the employment laws of the countries in which it operates and does not engage in discrimination based on race, color, gender, age, sexual orientation, ethnicity, disability, religion, union membership, or marital status in hiring and employment practices such as promotions, rewards, and access to training. Our employees are expected to treat one another professionally and with mutual respect. Schlumberger maintains zero tolerance for corruption of any kind, and we expect the same from our contractors, suppliers, and agents. They are required to comply with the laws of the countries in which they operate, and to act in a socially responsible and ethical manner, consistent with The Blue Print in Action. All suppliers, contractors, and agents must be approved and managed in accordance with internal requirements.

Schlumberger respects the principles in The International Bill of Human Rights, including Child Labor (Article 25); Discrimination (Article 7); Fair Wage and Collective Bargaining (Article 23); Freedom of Association (Article 20); Human Rights (Articles 1 and 2); and Modern Slavery and Human Trafficking (Article 4) (Code of Conduct, p. 27, and Supply Chain Services).

Immigration and Employment Laws

Because our business involves frequent international movement of employees, we ensure that the travel, transfer, employment, and residence of all personnel complies with applicable immigration and employment laws. This requirement extends to dependents of our employees and contractor personnel. Schlumberger has visa and immigration compliance programs to assist in this effort, but we expect all employees to take responsibility for their own immigration status (Code of Conduct, p. 30).

Child Labor

Hiring children is strictly prohibited. Our internal personnel policy defines a child laborer as any working person who is, (1) under the age of 15, (2) under the age for completing compulsory education, or (3) under the minimum age for employment in the country.

Social Responsibility

We contribute to the social development of our communities by supporting initiatives that improve youth education and living conditions. We foster the economic development of these communities by recruiting, hiring, and training where we work; promoting from within; and complying with national regulations and rules. We actively promote health and education in these communities (Code of Conduct, p. 27).

Social and Environmental Management Standard

A standard to manage social and environmental issues, risks, and impacts in large-footprint projects has been applied to 14 projects where Schlumberger Production Management (SPM) develops and comanages customer oilfield assets under long-term commercial agreements. The SPM Social and Environmental Management Standard, which aligns with the International Finance Corporation Performance Standards on Environmental and Social Sustainability, provides a framework for managing our local impact and ensuring that we respect the rights of individuals and groups in the communities where we live and work. The standard provides specific guidance in six social and six environmental subject areas.

Environmental Responsibility

Operations Integrity

Operations integrity means that every employee commits to doing the job right the first time, every time. We do this to protect our people, our communities, and the environment, and to deliver flawless quality to our customers. To help make continuous quality improvements, we participate in all required audits and periodic assessments. We also help improve quality by addressing customer feedback in a timely and appropriate manner (Code of Conduct, p. 14).

Protecting the Environment

Our advanced technologies enable our customers to lower their environmental impact while optimizing the recovery of nonrenewable resources. By combining our technology advantage with increased engagement in the communities where we work, we are lowering emissions, decreasing water usage, and reducing unplanned releases.

Addressing Climate Change

As a global technology leader, we believe that our ability to address climate change issues with new technologies and increased operational performance is integral to the energy industry's global initiative to reduce its carbon footprint. Schlumberger technologies are already directly and indirectly helping our customers reduce or avoid emissions, lower water usage, improve chemistry applications, and increase oil and gas production by using fewer resources. Our corporate strategy includes the development of advanced technologies for faster drilling, reduced surface and subsurface footprint, and improved reservoir recovery and production—all of which contribute to lowering resource requirements and creating fewer emissions per hydrocarbon unit produced.

Environmental Management

Our <u>HSE management system</u> has encompassed environmental quality management for more than 18 years. This system has been independently reviewed for conformance to the ISO 14001 Environmental Management System standard, and for conformance to environmental standards of the International Finance Corporation.

Social and Environmental Management Standard

Environmental

Waste Management
Water Resource Management
Management of Greenhouse Gases and Air Emissions
Environmental Emergency Management
Land and Biodiversity Management
Hazardous Materials Management

Social
Community Relations
Management of Nuisance
Local Content
Social Investment
Indigenous Peoples and Cultural Heritage
Land Acquisition and Land Access



Environment THIS IS SCHLUMBERGER ENVIRONMENT COMMUNITY TRACK RECORD

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Learn more about the Schlumberger commitment to the environment: www.slb.com/globalstewardship/environment

In 2017, we increased our ability to manage water use at our facilities. A new facilities water model developed to determine how facilities consume water is now enabling managers to identify best water management practices and recognize leaks and unintentional uses of water. At our engineering centers, water is used for equipment manufacturing and cleaning, and at our field operations facilities it is used for domestic purposes, vehicle washing, irrigation, and facility-specific tasks. We also continued work to reduce greenhouse gas emissions through the commercialization of new technologies, better data collection, and more accurate measurement. We report on this progress annually to RobecoSAM Corporate Sustainability Assessment, CDP Climate Change, Bloomberg, FTSE Russell, and other company filings.

3 million

Gallons of water being saved annually at one facility.

40

Number of carbon capture and storage projects Schlumberger is involved in around the world.

80

Tonnes of lithium metal batteries recycled.











THIS IS SCHLUMBERGER ENVIRONMENT COMMUNITY TRACK RECORD Environmental Performance

2017 Global Stewardship Report

Environmental Performance

Our 2017 environmental performance in several priority areas is set out below. We also continue to develop technologies that can help our customers optimize production and reduce their environmental impacts.

Our greenhouse gas emissions remained relatively flat during the year. Total energy consumption rose slightly, mainly due to our merger with Cameron in 2016 — Cameron has manufacturing units that require more energy than most of our other business units. Fuel consumption on land rose as well, primarily due to increased hydraulic fracturing activity in North America.



Climate Change

We align with the United Nations Sustainable Development Goals (UN SDGs) of reducing environmental impacts and fostering technology innovation. We also support the efforts of IPIECA, the global oil and gas industry association for environmental and social issues. IPIECA has partnered with the United Nations Development Programme (UNDP) and the International Finance Corporation (IFC) to develop a shared understanding of the implications of the UN SDGs for the oil and gas industry.

Internally, we continue to advance our data collection capabilities with the intention of addressing climate change through annual improvement in the measurement and management of our carbon footprint. A new model we developed to monitor water use is now helping managers at many of our facilities in the northwestern United States identify leaks and other anomalies, saving significant amounts of water. For example, our employees at a facility in Wyoming identified a leak using the model and are now saving nearly three million gallons of unintentional water use annually.

Externally, our position as a global technology leader gives us an unparalleled ability to address climate change with technologies that help our customers increase their operational performance while reducing or avoiding emissions, lowering water usage, improving chemistry applications, and increasing oil and gas production. Our corporate strategy is to continue developing a system-level view to fully optimize the finding, development, and production of new and existing oil and gas resources. Increasing the volume and quality of accessible data better equips the exploration and production (E&P)

industry to make informed decisions that reduce subsurface risk, optimize production, reduce resource consumption, and save greenhouse gas emissions.

Biodiversity

To eliminate, minimize, mitigate, and manage significant ecosystem or biodiversity impacts, Schlumberger has developed a risk-based procedure for the creation of ecosystem and biodiversity management plans. These plans protect sensitive wildlife areas, flora and fauna, ecosystems, and conservation areas. They also prevent the introduction of invasive species and establish conditions to facilitate the rehabilitation or restoration of land areas impacted by Schlumberger operations and project activities. The plans detail any local regulations requiring reporting on ecosystem and biodiversity management activities, and are reviewed periodically to ensure applicability.

Schlumberger designs and manages its operations to minimize the impact on ecosystems and biodiversity across the life cycle of each facility, activity, product or service. Monitoring ecosystem and biodiversity impact takes place throughout the life cycle of the project or facility. Medium- to high-level risk controls are applied when Schlumberger operations are in environmentally sensitive areas, have a potential for significant wildlife loss, have the possibility to introduce invasive species, or could impact a large body of land or water.

As far as reasonably practical, Schlumberger uses existing infrastructure to avoid or reduce the need for land clearance for construction. Where practical, new Schlumberger infrastructure

is not placed in environmentally sensitive areas. The Company strives to minimize environmental disturbance; restrict the movement of machinery and equipment during work activities; plan land restoration; and schedule activities that may cause disruption and disturbance to wildlife to avoid sensitive periods of the year.

Our position as a global technology leader gives us an unparalleled ability to address climate change with technologies that help our customers reduce emissions and increase their operational performance.

THIS IS SCHLUMBERGER ENVIRONMENT COMMUNITY TRACK RECORD Performance Date

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Managing Environmental Risk

Schlumberger uses a flexible, risk-based approach to manage and mitigate the environmental aspects and impacts of our activities, products, and services. The diverse nature of these environmental aspects and impacts requires a flexible approach. Our commitment to environmental protection, as described in our HSE risk policy and the Schlumberger Blue Print in Action—Our Code of Conduct, requires that a minimum standard of environmental performance is established at each of the Company's facilities, regardless of local regulatory requirements.

Our environmental risk management program uses a combination of 14 fundamental controls that are implemented at Company locations in environmentally sensitive areas, and 12 risk-based controls that are implemented to manage the environmental aspects and impacts of a specific business activity. The requirements for risk-based controls are described in business-specific environmental risk assessments for each of our geographical regions and business Segments. Each of our worksites uses this risk assessment to create a documented, site-specific environmental program that describes which controls are applicable to the site and how those controls are implemented.

Implementation of the environmental management program is supported by the management systems and processes described in our corporate standards and a number of web-based IT systems designed to collect and manage environmental performance data, regulatory compliance documentation, and procedural documents.

Our environmental management program includes several processes that provide assurance of internal conformance to our own requirements and assurance of external compliance to applicable regulatory requirements. These assurance processes are documented and subject to periodic internal review. The Schlumberger environmental risk management program has been

Performance Data

Our overall environmental performance in 2017 was relatively unchanged compared with the previous year as the challenging industry environment began to rebalance. We continued working to improve our internal datagathering procedures, database systems, and reporting practices for greenhouse gas emissions, water consumption electricity generation, and waste. Each year we increase the number of sources from which we can track data; in 2017 monitoring water usage was a focus.

Loss of Containment

We have procedures in place to minimize, respond to, and control the environmental impact of uncontained spills at Company worksites and at some third-party controlled worksites. However, our industry-recognized number of incidents increased from 32 in 2016 to 45 in 2017, although the volume of hydrocarbons greater than one barrel fell from 547 barrels to 436, a decrease of 21%. We have reviewed our processes and procedures and provided employee training designed to minimize unplanned releases of oil and chemicals to the environment.

Water Use

Our overall water use increased slightly from 3.4 million cubic meters in 2016 to 3.8 million cubic meters in 2017. This increase in water use was primarily due to the inclusion of a full year of Cameron activities, which we acquired in 2016, and an increase in business activity in North America Land. Our water consumption data includes 100% of our facilities.

A facility water model we developed in 2017 is helping managers of Schlumberger facilities determine how the Company consumes water. The model looks at best water management practices and helps managers identify leaks and recognize unintentional uses of water. Water is used for equipment manufacturing and cleaning at our engineering centers, and for domestic purposes, vehicle washing, irrigation, and facility-specific tasks at our field operations facilities.

Air Emissions

Schlumberger wellsite activities increased in 2017, leading to a 19% increase in our overall Scope 1 emissions from 1.14 million tonnes in 2016 to 1.36 million tonnes. Our Scope 1 increase was primarily due to the upturn in pressure pumping and hydraulic fracturing in North America. This was partially offset by a 20% decrease in our overall Scope 2 emissions from 0.70 million to 0.56 million tonnes. This is primarily due to reduced manufacturing activity. Combined Scope 1 and Scope 2 GHG emissions increased marginally from 1.84 million tonnes to 1.92 million tonnes.

Waste Management

To manage waste materials more efficiently, Schlumberger is constantly improving processes and materials. We reuse materials when possible, recycle more for our own operations and for our customers, and use our novel technologies to find new recovery methods. We continue to seek opportunities to reduce both our direct consumption of resources and the waste we generate. In 2017, we continued to improve data collecting processes. Improvements to the measurement

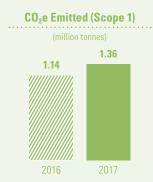
of our waste management processes in North America combined with the inclusion of a full year of Cameron data following our acquisition of Cameron in 2016 resulted in a 10% increase in reported waste generated for a combined total of 539,000 tonnes, of which 184,500 tonnes was recycled.

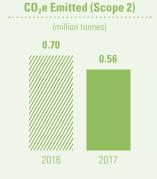
Raw Materials

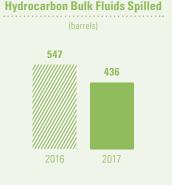
As a part of an ongoing effort to improve data collection, we have expanded raw material data to include global consumption of sand, proppants, brines, cement, barite, and bentonite. Raw materials utilization typically follows changes in wellsite activity.

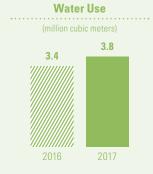
Electricity Use

Electricity use was essentially unchanged year-on-year, decreasing from 1,220,000 MwH in 2016 to 1,154,000 MwH in 2017. This was primarily due to relatively flat facility-related activity during the year.

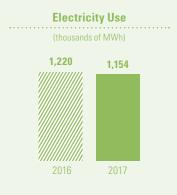


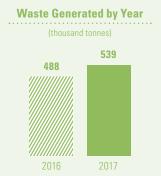


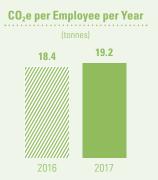


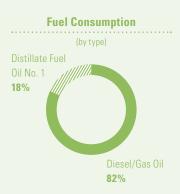












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developed to align with the requirements of our external stakeholders, including our customers and regulatory agencies in the countries where we operate. To support those stakeholders, we have developed our program to include the requirements of two recognized independent environmental management standards—the International Standards Organization ISO14001:2015 and the environmental components of the International Finance Corporation (World Bank Group) Environmental & Social Performance Standards. Furthermore, a third-party organization has completed a review of our program's alignment to those two standards.

Chemical Transparency

In 2010, Schlumberger developed a chemical disclosure process for hydraulic fracturing called the "systems approach." Five years later, the process was adopted by Frac Focus—a US and Canadian registry for public disclosure of fracturing chemistry—with the goal of improving industry-wide transparency rates. After eight years and nearly 22,000 disclosures by Schlumberger, our industry-leading rate of disclosure for chemical constituents continues to be nearly 100%.

Operational Integrity

Operational integrity at Schlumberger is about ensuring that the Company can deliver safe, efficient, and reliable products and services for our customers. Schlumberger is committed to achieving a tenfold improvement in operational reliability by 2020. In addition, our multiyear transformation program benefited field operations through increased efficiency, improved reliability, and reduced nonproductive time (NPT). NPT is the time it takes to return to the same working position on a job after a service quality incident or equipment failure. In 2017, we improved our NPT rate by 60% over our baseline year of 2011, which is a significant achievement given industry conditions. Working more efficiently, doing things right the first time, and decreasing nonproductive time helps our customers reduce emissions

Third-Party Audit

Schlumberger continues to quantify environmental data and identify ways to reduce it. In 2017, we engaged PricewaterhouseCoopers (PwC) again to audit our methodology for quantifying direct and indirect GHG emissions linked to our operations around the world. As a part of this process, PwC auditors reviewed our processes and procedures and verified selected environmental and health and safety data. Environmental data audited in 2017 includes Scope 1 and Scope 2 emissions of greenhouse gases, waste production, water consumption, spills, and energy consumption. Health and safety data includes employee and contractor lost time injuries and illnesses and the associated workhours to determine frequencies and rates. PwC has expressed a limited assurance that our data are in all material respects fairly presented and in accord with Schlumberger guidelines.

Evaluating Potential Impacts

The Schlumberger Stewardship Tool is software that we have developed to incorporate sustainability into our engineering and operational practices by modeling efficiency gains at the wellsite that yield a lower environmental footprint. By modeling our environmental footprint relative to metrics such as emissions, air quality, water use, noise, and chemical exposure, the unique web-based software is used to evaluate potential projects related to well stimulation. This stewardship tool has been used in the development new stimulation technologies that feature environmental benefits, including BroadBand Sequence* fracturing service and our Automated Stimulation Delivery Platform. In 2017, we developed new modules for wellsite preparation and drilling applications to expand the coverage of the stewardship tool beyond well stimulation. Our customers and stakeholders and other companies in the oil and gas industry can use this resource to evaluate each phase of a project and determine which activities have the greatest potential for environmental impacts.

Restoring Nature in Colombia

With stable production and a reduction in field investment activities near Yondó, a municipality in Colombia, Schlumberger Production Management (SPM) has started working to restore oilfield mud pits as a part of an alliance with a Colombian petroleum company. With the help of a thirdparty contractor, seven 2,000-cubic-meter mud pits were remediated and closed in 2017. The lined mud pits are used to store drilling cuttings and flowback or produced water at the worksite. Remediation work on the seven pits—each about the size of an Olympic swimming pool—took 140 days and cost more than USD 700,000. Remediation is designed to return the land to pre- work conditions, restoring balance to the ecosystem and allowing native flora and fauna to begin repopulating the area. Five more mud pits in the area are scheduled for remediation work in 2018.

Environmental Performance THIS IS SCHLUMBERGER ENVIRONMENT COMMUNITY TRACK RECORD

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Managing Facilities

The Schlumberger Global Facilities Management and Maintenance Standard defines our responsibilities associated with managing facility activities. The goal is to minimize utility use and the impact of our activities on the environment. The standard is designed to ensure that facility activities are compliant with Schlumberger policies as well as relevant local environmental legislation and directives. Waste generated by any facility task must be measured and disposed of in a responsible manner with a licensed waste broker, and materials (particularly chemicals) that reduce or control pollution must be handled and stored responsibly. The standard requires energy-saving products and practices to be used in all aspects of facilities management activities, and that a record is kept of energy use. In addition, employees and contractors who carry out facility activities must receive appropriate training, particularly when their work may have an impact on the environment. In 2017, Schlumberger occupied 713 sites and facilities with environmentally significant activities around the world, and 74 of them were certified to the ISO14001 standard.

Carbon Services

Schlumberger Carbon Services (SCS) is involved in more than 40 carbon capture and storage (CCS) projects around the world. SCS helps companies avoid emissions through the provision of services and technologies for long-term geological CO_2 storage. The business was formed in 2005 in response to growing awareness about the impact of CO_2 emissions, and SCS still focuses on the challenges of storing CO_2 captured from industrial sources underground to help mitigate climate change and protect the environment. In 2017, we continued to participate in the Illinois Industrial Carbon Capture and Sequestration Project, a large-scale demonstration project designed to store 1 million tonnes of CO_2 annually approximately 7,000 feet underground in the Mt. Simon

Sandstone. We also continued to offer carbon capture and utilization technologies for Enhanced Oil Recovery (EOR). These technologies are designed to assist energy providers and other large-scale carbon emitters in capturing and utilizing waste CO_2 in EOR operations. For example, we have provided characterization services at the Bell Creek field in Montana, where 1 million tonnes of CO_2 from the Lost Cabin gas plant in Wyoming is being injected underground.

Schlumberger is committed to achieving a tenfold improvement in operational reliability by 2020.



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Technology Advantage

By disrupting the traditional way of working in the oil and gas industry, digital technology innovation is creating a step change in operational and business performance for Schlumberger and its customers.

The traditional way of working within the oil and gas industry presents barriers to the sharing of data and technical knowledge among domain experts. Integrating digital technology into workflows requires extensive domain expertise about the entire system—from hardware and software technologies to the complexity of the data and the numerous systems involved. Innovation around a single element of the E&P development chain cannot maximize efficiency if done in isolation. Our approach requires a complete understanding of what each element contributes to the entire chain. Achieving such a step change entails a new collaborative mindset, end-to-end systems knowledge, and redesigned business models that support new ways of working. Optimizing production can help to lower impacts on the environment.



The Reservoir Life Cycle

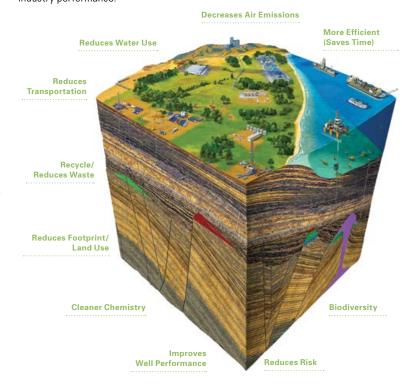
The life cycle of a reservoir includes activities related to exploration, drilling, completions, production and abandonment. Schlumberger offers a complete portfolio of technologies that address each phase of this process.

Our Reservoir Characterization Group continues to be a driving force behind the development of new technologies that enable our customers to create geological models and simulations that can improve hydrocarbon production and recovery while also helping to reduce emissions caused by exploration activities.

The Drilling Group brings together all the bottomhole assembly components into integrated downhole systems that leverage our knowledge of instrumentation, software, drilling optimization, and automation. Our integrated drilling system redefines traditional workflows, reduces total workhours, and requires fewer resources to drill a well. Faster drilling with less downtime increases well construction efficiency, minimizes risks, reduces the cost per barrel, and decreases emissions at the wellsite.

Our Production Group technology portfolio provides several environmental advantages by improving well production and overall recovery while also decreasing the wellsite footprint and reducing water and proppant consumption. Using less water and proppant in the production phase reduces the amount of truck traffic to and from the wellsite, resulting in a reduction of noise, dust, fuel consumption, and related emissions.

Cameron Group blowout preventers and control systems offer state-of-the-art technology to ensure well integrity and prevent unintended releases to the environment. The ongoing integration of Schlumberger reservoir and well technology with Cameron Group wellhead, flow control, and surface equipment into total drilling and production systems is set to provide a significant improvement in industry performance.



Schlumberger offers a complete portfolio of technologies that address each phase of the life cycle of a reservoir.

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Material Issues

Based on information obtained from our customers along with an internal review that assessed applicability, degree of impact, and risk, Schlumberger has identified three environmental issues that are material to our business. Unintended releases to the environment, our top material risk, includes both well integrity and container integrity. We also continue to reduce greenhouse gas emissions and optimize our water use.

Unintended Releases to the Environment

A properly constructed well creates barriers crucial to reducing the risk of uncontrolled release of formation fluids. Ensuring well integrity requires a thorough understanding of the short- and long-term conditions that the well might encounter, knowledge that enables optimization of the well design from the very beginning. Schlumberger has a portfolio of unique cementing technologies and logging tools for ensuring and evaluating well integrity.

Zonal isolation is created and maintained in the wellbore through the cementing process. Cement supports and protects well casings and helps prevent fluids in one zone from mixing with fluids in another zone. Cement systems that help establish zonal isolation work in a variety of reservoir conditions and remain in place throughout the life of the well. Schlumberger cementing technologies provide a wide range of solutions to achieve zonal isolation.

To prevent unplanned discharges, we also test the integrity of our containers on a regular basis, taking into consideration the unique conditions of each container, including its existing condition, age, service history, original construction specifications, and previous inspection results.

Well Integrity

We have developed a Well Integrity Barrier Standard containing 10 critical requirements that employees must follow on the job. Development of this standard was a company-wide initiative to raise awareness and impose mandatory rules that define the minimum requirements for training, certification, and knowledge of the barriers we provide.

We also identified a risk assessment methodology to ensure that sufficient controls are in place to prevent the failure of any barriers we provide to our customers. Focusing on process safety, the new methodology uses risk evaluation to analyze and demonstrate causal relationships in high-risk scenarios. We developed two corporate risk assessments: one for undesired events, such as the unplanned loss of a Schlumberger-provided barrier, and one for the loss of containment

Container Integrity

Regularly scheduled inspections, evaluations, and testing of bulk storage containers by qualified personnel are critical parts of discharge prevention. Our inspection and testing program involves an external visual inspection along with extensive testing and examination to evaluate container integrity. These inspections are site-specific and they meet or exceed industry standards.

The Schlumberger Environmental Management Standard establishes a minimum level of protection for all primary containers by using secondary containment, spill preparedness and response, and prohibitions of certain activities. This requirement is implemented even when local regulatory requirements set a lower standard.

Material Issues

Unintended releases to the environment

Greenhouse gas emissions

Water use optimization

Greenhouse Gas Emissions

Schlumberger provides a broad range of technologies and services that our customers can use to help them reduce emissions during the development of oil and gas fields. Lower emissions are achieved by reducing delivery of resources such as proppant and water to the wellsite, and by drilling wells faster and more efficiently. In 2017 we directed significant effort at increasing the accuracy of our emissions measurements by adding more data sources, implementing more accurate measuring systems, and expanding the geographic scope of our emissions scrutiny. This work is now leading to new opportunities for better emissions management. We also began implementing the recommendations of a third-party auditor following an audit of our emissions profile.

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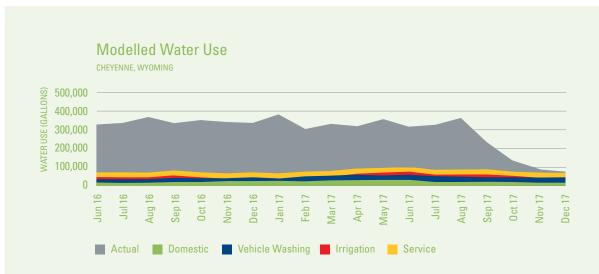
Water Use Optimization

Responsible water management is key to our operations and the growth of our company. Through corporate engagement, facility management, and technological innovation, Schlumberger recognizes the importance of water to our company as well as to civilizations around the world. By incorporating next-generation technologies and services to prepare for a future water-stressed world, we are anticipating a transition within our industry to meet evolving regulatory measures.

Schlumberger began taking water management to a new level in 2017 by developing a water-use model for facilities that is improving reporting on water use and helping reduce consumption.

The project began by identifying high-water-use facilities in the Rocky Mountains. Researchers studied water use patterns at those facilities between May 2016 and June 2017, dividing it into four categories: domestic, vehicle washing, irrigation, and facility-specific services. People's water-use habits were incorporated into the model, as were wash bay flow rates and vehicle washing frequencies for light and heavy vehicles. Irrigation logistics obtained from facility personnel included type of irrigation (drip or sprinkler), system flow rates, number of zones, times for each zone, and irrigation frequency.

By comparing water model estimates with monthly invoiced water charges at each facility, managers can identify excess consumption patterns caused by poor efficiencies or underground leaks, and put strategies in place to reduce consumption.



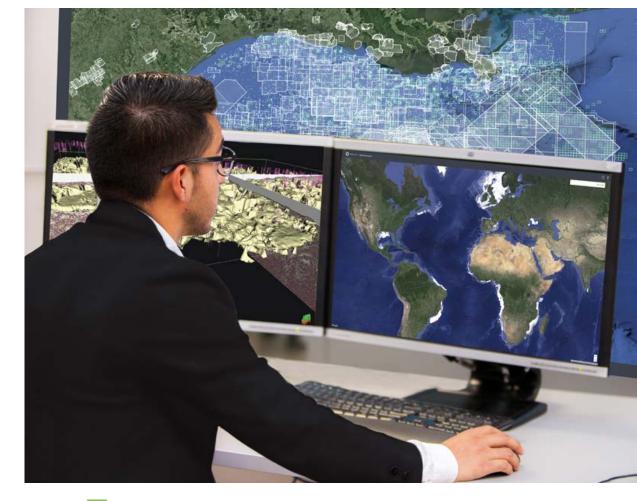
A facility water model developed in 2017 is helping Schlumberger determine how our facilities consume water. The model helps Schlumberger operators identify best water management practices and recognize leaks and unintentional usage of water. The chart above shows annual water use at a Schlumberger facility in Cheyenne, Wyoming. By comparing use patterns with the model's estimated domestic water use, vehicle washing, irrigation, and facility-specific services, managers discovered a leak. After fixing the leak, the Cheyenne facility is now saving over three million gallons of water annually and associated costs of USD 42,000 per year.

Technologies

Petrotechnical experts spend a great deal of time finding, preparing and interpreting the exploration-related data they need to make decisions. During a typical development process, different types of data exist in silos, making holistic analysis impossible. Without a system approach, information and time are lost because the lack of interface among different systems makes it difficult to share localized knowledge.

Schlumberger developed the DELFI cognitive E&P environment to enable a new way of working. As the first of its kind in the oil and gas industry, this secure, cloud-based environment harnesses data, scientific knowledge, and domain expertise to fundamentally change the industry's way of working. The DELFI environment uses an E&P data lake on a cloud platform that includes more than 1,000 3D seismic surveys, 5 million wells, 1 million well logs, and 400 million production records from around the world.

This data lake makes data from different sources available through a common interface, making it easier for users to discover what the data is, have access to it, and use it to maximum advantage. As our customers work with this vast amount of information in the cloud, the result is a step change in scalability and performance. The DELFI environment leverages data analytics, machine learning, high performance computing, and the Internet of things—all of which work together to maximize operational efficiency and deliver optimized production.



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DrillPlan in the DELFI cognitive E&P environment forms part of a fully integrated well construction solution, which transforms the planning and execution performance, efficiency, and quality of every well drilled. This radical new way of working delivers quicker and better quality drilling programs. The iterative workflow means that plans improve as new data are added, and future programs can learn from prior experience. The fully integrated well construction solution will be driving the Schlumberger Rig of the Future, which through knowledge capture, mechanization, and automation will deliver a further leap in performance, making sure that each well is better than the last. Drilling wells faster and more efficiently can significantly reduce environmental impacts.

Reducing Impact

The process of finding and recovering oil and gas involves subsurface exploration, characterizing a reservoir, constructing and completing the wells, and producing the field. The technologies listed on this page have attributes that help reduce the impact of these activities on the environment. These technologies are listed in the approximate order that our customers deploy them in the field.

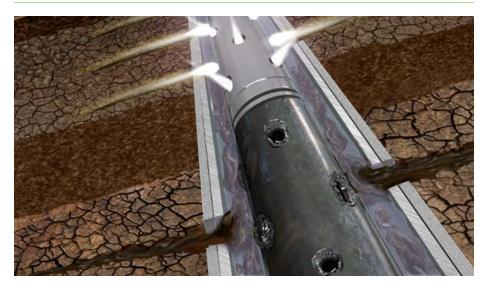
More information on the environmental benefits of these and other Schlumberger technologies can be found on our Global Stewardship website.

TECHNOLOGY	BENEFIT								
	Biodiversity	Decreases Air Emissions	Reduces Water Use	Recycle/Reduces Waste	Reduces Footprint/Land Use	Reduces Transportation	Cleaner Chemistry	More Efficient (Saves Time)	Reduces Risk
ACTive OptiFIRE CT Real-Time Selective Perforating and Activation System			•					•	
Automated Stimulation Delivery Platform		•			•			•	•
BroadBand Sequence Service		•	•		•	•	•	•	
Permanent Magnet Motor Electric Submersible Pumps								•	•
CemPRIME Scrub									•
e-Source	•								•
SCREEN PULSE Separator			•	•				•	
WellWatcher Permanent Monitoring Systems			•	•				•	•

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ACTive OptiFIRE CT Real-Time Selective Perforating and Activation System



The ACTive OptiFIRE CT real-time selective perforating and activation system's perforating guns can be activated up to 10 times with precise downhole depth and hydrostatic pressure control—all in a single run. As an example, an operator in the Middle East successfully deployed the ACTive OptiFIRE CT system on a 2,000 meter, high-pressure unconventional lateral, accomplishing in one run what otherwise would have required multiple runs. The system enabled shooting the same interval three times to achieve a perforated density of 18 shots per foot across a single 0.9 meter interval in a single run. Utilizing conventional perforating techniques would have required three separate runs. Fewer runs for single-perforation attempts reduce downtime, minimizing costs and risk. The improved efficiency results in reduced emissions.

Automated Stimulation Delivery Platform



The <u>Automated Stimulation Delivery Platform</u> redefines industry expectations for hydraulic fracturing process control and consistency. By integrating modular automated skids, trailers, and silos that work synergistically to optimize operations, we can increase efficiency and minimize HSE risks associated with silica dust encountered when fracturing proppant. The automated features of the process can save up to 15 minutes off each hydraulic fracturing stage, resulting in a three-hour reduction on the treatment of a typical 24-stage well and decreasing overall hydraulic fracturing equipment-related CO_2 emissions by 10%, as estimated using our <u>Schlumberger Stewardship Tool</u>. Additionally, the silo proppant storage system, utilizing a gravity dumping and conveyor system, significantly reduces the generation of silica dust encountered with pneumatic transfer systems.

Technologies THIS IS SCHLUMBERGER ENVIRONMENT COMMUNITY TRACK RECORD

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BroadBand Sequence Service



BroadBand Sequence fracturing service enables each zone to be sequentially isolated, fractured, and fully stimulated, resulting in greater reservoir volume and contact. When applied to previously producing wells, BroadBand Sequence can boost production and hydrocarbon recovery. In the Eagle Ford, well production increased from about 50 barrels of oil per day (BOPD) to 650 BOPD while flowing pressure increased from 250 to 5,000 PSI at approximately 20% of the cost of a drilling and completing a new well. Broadband Sequence allows our customers to boost production in a field while minimizing the need to drill new wells. Most wells using the Broadband Sequence service require fewer trucks and less equipment on site, leading to reduced fuel consumption overall and fewer emissions per well.

Permanent Magnet Motor Electric Submersible Pumps



The <u>Permanent Magnet Motor</u> (PMM) electric submersible pump has higher energy efficiency compared with conventional alternating-current inductive motors, which saves money on power consumption and reduces emissions related to electricity generation. The unique design of the Permanent Magnet Motor* enables superior performance, improved efficiency, and more power. In the Kaji-Semoga field in South Sumatra, recent campaigns replaced 20% of the older induction motor pumps with Permanent Magnet Motors, improving power efficiency by an average of 20% and reducing power generation costs by USD 750,000 along with greenhouse gas emissions associated with generating that electricity.

CemPRIME Scrub Engineered Scrubbing Spacer



CemPRIME Scrub engineered scrubbing spacer contains fibers that improve mud removal in wells where conventional chemistry-based mud cleaning systems are inadequate. Cementing is a critical part of achieving long-lasting zonal isolation, which is necessary to maintain well control. One of the primary challenges of achieving effective zonal isolation is removing nonaqueous drilling fluid from the wellbore. Microdebonding of the cement sheath is a significant risk to overall well integrity, potentially leading to sustained casing pressure and health, safety, and environment (HSE) hazards. Field applications of CemPRIME Scrub engineered scrubbing spacer provided improved cement evaluation logs and reduced or eliminated sustained casing pressure. Fully compatible with spacer, cement slurry, and drilling muds, CemPRIME is compatible with conventional systems but significantly improves rotor cleaning. Reducing sustained casing pressure indicates that the log response correlates to a tangible improvement in well integrity.

eSource Seismic Source Technology



eSource bandwidth-controlled seismic source technology was developed jointly to address environmental concerns by WesternGeco, a Schlumberger company, and Teledyne Bolt, the largest manufacturer and supplier of marine seismic data acquisition equipment. eSource uses a sophisticated mechanical filter to limit the high-frequency emissions that are believed to be the most disturbing to marine life. eSource reduces this unwanted source noise while delivering optimal imaging results and maintaining the lower frequencies that are critical to accurate seismic exploration. As part of the agreement for this joint development, the entire seismic industry and academia will be able to access the technology by purchasing eSource from Teledyne Bolt. Schlumberger deployed eSource for a total of 356 working days on three seismic surveys during 2017. The surveys in Western Australia, South Korea, and Malaysia covered almost 40,000 square kilometers.

SCREEN PULSE Separator



SCREEN PULSE fluid and cuttings separator is a simple retrofit installation delivering enhanced shale shaker performance while reducing the number of trucks required to haul away waste materials. While drilling onshore in the Shushufindi field in Ecuador, one of our customers discovered that the typical amount of fluid contained within drill cuttings was as high as 80% water content by weight. The high water content caused the volume of mud lost in the shakers to exceed 75 barrels per day, resulting in an increased number of trips to transport the drill cuttings for disposal. In addition, high volumes of diluted mud and mud from dewatering operations increased the amount of waste generated by the wells. SCREEN PULSE allowed the operator to reduce water content in the cuttings by an average of 15% to 29%, which in turn reduced the volume of cuttings transported for disposal. Reducing the volume of drilling waste lessoned the hauled waste from 80 loads to 57 loads, lowering the overall emissions footprint of the well.

WellWatcher Permanent Monitoring Systems



WellWatcher permanent monitoring systems integrate the most advanced permanent downhole measurement technology with surface acquisition and data communication systems to allow remote monitoring of wells and reservoirs in real time. The ability to transmit important well data such as pressure, temperature, density, and flow rates from remote locations via satellite, the Internet, or cable has the potential to reduce the number of physical visits to a wellsite and thus reduce the operator's carbon footprint. In Nigeria, an independent operator developing a remote onshore oil field initially planned to send a technician to the wellsite every two months for manual data retrieval. Using our WellWatcher permanent monitoring system to stream the data reduced wellsite visits from every two months to once every six months.

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Stewardship in Action: Environmental Engagement

Schlumberger employees are involved in a wide range of workplace initiatives and community projects that help reduce environmental impacts. Over the years, our employees have championed multiple strategies to improve internal efficiency. These and other employee-driven programs to reduce energy consumption, water use, and greenhouse gas emissions are helping the Company achieve substantial financial and environmental savings.



Recycling Lithium Metal Batteries

Liquid cathode lithium metal batteries are commonly used in the oil and gas industry to power sensors used in downhole equipment. The batteries provide reliable power for a diverse range of equipment in the oilfield, even when exposed to challenging high-pressure and high-temperature conditions, but they need careful handling and dedicated, climate-controlled storage. All applicable Schlumberger locations have a Battery Safety Officer (BSO) responsible for safely managing this resource. In addition, batteries must be used in accordance with the Schlumberger Battery Manual.

At the end of their life, lithium batteries require special treatment. Schlumberger uses a waste contractor in Canada that has a patented process designed to capture and recycle more than 83% by weight of each cell it processes. The process neutralizes 100% of the hazardous components of each battery (including lithium metal and thionyl chloride), leaving only scrap commodities, which are sold, and no hazardous residual products. In 2017, more than 80 tonnes of Schlumberger batteries were received at this waste facility, thereby meeting regulatory requirements and ensuring full and sustainable lifecycle management.

Tree Planting in Siberia

More than 40 families of Schlumberger employees participated in a seminar about how to plant trees, how to care for them, and the impact that planting trees can have on the local environment, then planted 70 pine trees and 40 popular trees at the Schlumberger Siberian Training Center in Tyumen, Russia. In addition to having a positive impact on the environment, the event helped these

Schlumberger families gain a better understanding of their ecological footprint.

Celebrating World Environment Day

Our Sub-Sahara Africa GeoMarket celebrated World Environment Day with numerous business units carrying out a variety of workshops and activities. These events included identification of environmental hazards; Reduce, Reuse, and Recycle challenges; tree planting sessions; and seminars focusing on climate changes and energy savings. Many of the outdoor activities aligned with the 2017 World Environment Day theme of "connecting people to nature."

Environmental Week in Malaysia

The Schlumberger Penang Product Center in Malaysia held an Environment Week to raise awareness of environmental issues. Through a series of engaging events, employees and their families were informed of the steps they can take to reduce their environmental footprint. Additionally, the World Wildlife Fund set up an exhibit to inform employees of current environmental issues within Malaysia.

Achieving Energy Efficiency in Gabon

A Schlumberger employee in Gabon successfully initiated an exceptional energy savings program at a Schlumberger facility. The employee used a comprehensive plan to more effectively use air conditioning units, revamp the facility's power subscriptions, and increase employee awareness of energy efficiency. Overall, the plan reduced the facility's annual electricity costs by USD 200,000.

Reducing Waste in Libya

Employees at a Schlumberger facility outside of Tajoura, Libya, found a simple way to reduce the amount of solid waste generated in the facility. After an investigation revealed that 22% of the facility's waste was from plastic and carton cups, the employees decided to purchase a personal mug for each employee and discontinue the purchase of disposable cups. This prevented the purchase and disposal of 60,000 disposable cups per year, reducing operating costs and environmental impact.

Solar Impulse Foundation Partnership

In 2017 Schlumberger became a partner of the <u>Solar Impulse</u>
<u>Foundation</u>, which has set a goal of selecting 1,000 efficient solutions that can help protect the environment in a profitable way.

The Solar Impulse Foundation was initiated by Bertrand Piccard, following the round-the-world journey of Solar Impulse, the first solar-powered airplane. Challenging conventional thinking, the Solar Impulse project resulted in major advancements in materials, lightweight technology, and energy efficiency, thus demonstrating the potential of clean technology and the need to keep innovating.

Following this exploit, Bertrand Piccard launched the second phase of his action and established the World Alliance for Efficient Solutions with a goal of selecting 1,000 clean, efficient and profitable solutions. At the COP 24 event and beyond, Piccard will present these solutions to governments, corporations and institutions to encourage decision makers to adopt more ambitious environmental targets and energy policies.

The solutions will be based on five of the 17 United Nations' Sustainable Development Goals: SDG 6 (Clean Water and Sanitation); SDG 7 (Affordable and Clean Energy); SDG 9 (Industry Innovation and Infrastructure); SDG 11 (Sustainable Cities and Communities); and SDG 12 (Responsible Consumption and Production).



"Today, 50% of the energy produced globally is wasted due to the old polluting devices we still use. This goes to show that the quest for efficiency is vital for all sectors. Schlumberger understood it better than other players in the oil and gas industry, making it a logical partner for the Solar Impulse Foundation and its ambition of selecting 1,000 solutions that are profitable to protect the environment."

Bertrand Piccard,
 Chairman
 Solar Impulse Foundation





WORLD ALLIANCE for EFFICIENT SOLUTIONS

SOLARIMPULSE FOUNDATION



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Learn more about the Schlumberger commitment to the community: www.slb.com/globalstewardship/community

Continuing our corporate focus on science education, we hosted 143 SEED workshops and 199 HSE for Youth workshops around the world in 2017. We also provided 38 new Faculty for the Future fellowships to women in emerging and developing economies. During the year, our HSE team mounted a number of disaster relief efforts around the world, including a campaign for Hurricane Harvey relief that raised more than USD 260,000 for Houston employees needing assistance. In addition, we introduced a Veteran Program to assist returning veterans in their transition back to civilian life. By combining our advanced technology with increased engagement in the communities where we live and work, we are reducing our impact on the environment while also helping our host countries build capacity and resilience at the local level.

342

Combined number of HSE for Youth and SEED workshops designed to inspire young people.

USD 260,000

Amount raised to assist Houston-area employees affected by Hurricane Harvey.

634

Number of women from developing and emerging countries awarded Faculty for the Future Fellowships since 2004.



















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Education

We believe that empowering the educational advancement of schoolchildren and women makes a powerful contribution to developing economies, as well as to the individuals themselves. Our educational focus is on science, technology, engineering, and mathematics (STEM) subjects.

Our community outreach programs are fully aligned with the United Nations Sustainable Development Goal of ensuring quality education and promoting lifelong learning opportunities for all. Through our outreach programs we offer learning opportunities for schoolchildren, we help students understand and adopt HSE-related standards, and we fund women from developing and emerging economies to pursue advanced graduate study in STEM subjects at top universities worldwide.



Community Outreach Initiatives



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Schlumberger Excellence in Education Development

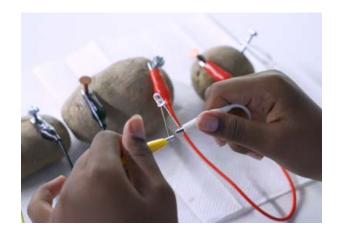
Schlumberger Excellence in Education Development (SEED) is an educational program focusing on communities where Schlumberger people live and work. Through SEED, Schlumberger engages employees, educators, retirees, and volunteers around the world to share their passion for learning and science with students. As a hands-on program that relies on the scientific and technological expertise of our employee volunteers, SEED focuses on STEM topics through camps, teacher professional development, workshops, and classroom visits. The SEED educational program is also focused on robotics, computer science, and energy education.

Computer Science

SEED sponsors workshops and clubs that introduce computer-based programming and coding to students as early as the second grade with an MIT-based platform called SCRATCH. To encourage more students to take an interest in computer science, we also donate resources related to our Petrel* E&P software platform to high schools and universities around the world. Schlumberger has partnered with Code.org, Microsoft TEALS, the Computer Science Teacher Association, and local educational systems to support the professional development of teachers in computer science education.

Robotics

SEED sponsors schools through a variety of learning opportunities, such as an introduction to robotics, construction of robots, programming via RobotC, and competitive challenges. For example, during some competitions, teams of students compete against each other to build a robot, and in the Schlumberger-sponsored robotics clubs, students learn about robotic programming. Students also learn about Schlumberger Robotics Services, which is building an ocean sensor network intended to help solve some of the world's greatest challenges and gain valuable insights into the marine environment.



Energy Education

We have formed partnerships with the American Geosciences Institute, Society of Petroleum Engineers, National Energy Education Development, and the Offshore Energy Center to develop workshops and educational programs that help students and teachers understand the highly technical skillset needed to work in the energy industry. We have also partnered with the Independent Petroleum Association of America to provide externships designed to introduce high school students to the energy industry.

PetroChallenge

PetroChallenge is a series of educational events held at universities and secondary schools that was designed to enhance students' knowledge about the oil and gas industry and develop their interest in pursuing educational and professional careers in the industry. PetroChallenge uses the OilSim* upstream learning simulator. Teams collaborate and compete against each other to discover and develop hydrocarbons. The OilSim simulator is also used by the industry to train professionals in technical and non-technical disciplines, such as geology, geophysics, project management, strategy, decision making and teamwork.

STEM Workshops by the Numbers





The Schlumberger Foundation awarded 38 new fellowships and renewed an additional 140 fellowships in its Faculty for the Future program for the 2017—2018 academic year.

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Texans Stats Challenge

The Houston Texans professional football team and Schlumberger have partnered to create Stats Challenge, a fun program that gives grade six students an opportunity to learn math through the game of football. The Stats Challenge curriculum corresponds to the Texas Essential Knowledge and Skills standard and strives to make math exciting by including classroom activities on ratios, rational numbers, and percentages. Since 2015, the program has helped more than 50,000 students in 450 classrooms in Houston and other cities in Texas.

Community Leaders

The Houston Astros professional baseball team maintains a Community Leaders program that is renovating baseball and softball fields over a five-year period for Houston-area children through a USD 18 million investment in city-owned public parks. The renovations and additional safety features are funded by corporate involvement in the Community Leaders program at no cost to taxpayers. To date, 20 fields in eight parks have been renovated and additional refurbishments are under way. The program includes year-round field maintenance and currently serves more than 1,200 children. As a corporate member, Schlumberger contributes financially to the Community Leaders program.

Science Project Challenge in Nigeria

SEED and the Nigerian Academy of Science (NAS) collaborated on a science project challenge designed to give educators and students opportunities to explore STEM subjects through practical problem-solving activities. Schools in Nigeria are assigned a mentor by the NAS to help apply their knowledge of engineering principles and participants compete at an annual exposition where the best projects are recognized.

Robotics Workshop in Ecuador

In Nuevo Rocafuerte, Ecuador, there was a STEM workshop for 90 students aged six to 16 years. Schlumberger volunteers introduced the students to a variety of engineering topics and facilitated a robotics workshop. The experience also enabled the students to learn more about potential careers in engineering and science.

SEED Workshop in Curação

In Curaçao, Schlumberger hosted a SEED workshop for elementary students. The students learned about careers in science and technology and different forms of energy through workshops on electronic circuit, electro-magnetism, and wind power. The event also focused on injury prevention, providing students with tips on how to be safe during outdoor activities.

First SEED Workshop in Libya

Schlumberger employees in Tripoli, Libya, conducted the first SEED workshop for 15 students aged eight to 14 years. During the workshop, which focused on Fruit Power, students learned about electricity, the principles and operation of batteries, and how to make a battery out of fruit. To further the students' understanding of electrical engineering, employees also provided a lesson on electric circuits that explained the difference between series and parallel circuits.

Faculty for the Future

Faculty for the Future enables women from developing economies to pursue advanced graduate studies in STEM subjects at top-tier universities around the world. Since its launch in 2004, the program has awarded fellowships to 634 women from 81 developing and emerging countries.

The Schlumberger Foundation, an independent nonprofit entity that supports STEM education, awarded 38 new fellowships and renewed an additional 140 fellowships in its Faculty for the Future program for the 2017–2018 academic year. Faculty for the Future fellows pursued doctoral and postdoctoral studies at 251 universities worldwide in 2017.

The fellowships represent the Schlumberger Foundation's long-term investment in a community of highly qualified role models who help narrow the gender gap in STEM disciplines by inspiring more women to study science. Fellowships are awarded based on the applicant's academic ability, leadership qualities, and engagement in outreach activities toward underserved communities with STEM as a development instrument in their home countries.

Recipients of Faculty for the Future fellowships have achieved academic excellence throughout their studies, often despite considerable financial challenges and traditional barriers to women's education.

After completing their studies, the alumnae are required to return to their home countries to contribute to economic, social, and technological advancement by strengthening the teaching and research faculties of their home institutions and taking positions in the public sector where their newly acquired technical and scientific skills can help provide evidence-based support for policy-making.

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The research focus of the newest cohort of Fellows is diverse, with the top five disciplines being engineering, climate and environmental sciences, chemistry, computer sciences, and agriculture. This reflects the regional challenges the fellows encounter and reveals their determination to improve conditions in their home countries through science.

In addition to enabling women to attend graduate school, Faculty for the Future hosts forums where fellows and alumnae share their experiences and foster cooperation while debating topics of interest. In 2017, two forums were organized—in Bandung, Indonesia in August and Cambridge, England in November—offering an opportunity for the participants to collaborate, learn from each other, and network with distinguished scientists and other invited speakers.

HSE for Youth

More than 4,000 young people participated in 199 HSE for Youth workshops held in 41 countries in 2017. More than 677 parents and other volunteers helped organize the workshops teaching children to stay alert, think calmly, and act quickly to protect themselves when at home, in school, or elsewhere in the community. Participants included more than 400 children of our customers, 1,600 children from local communities including schools and orphanages, and about 2,000 children of Schlumberger employees. The workshops on nine HSE for Youth topics are helping thousands of children learn about personal safety through games and fun activities. The latest workshop, developed in 2017 on the topic of first aid, is being well-received

HSE for Youth by the Numbers

Location Number of Worksho	
Middle East and Asia	54
Africa	30
Europe	15
North America	26
South America	37
Russia	37
Total	199

Topics	Number of Workshops
Injury Prevention	35
Personal Security	23
Internet Safety	48
Road Safety	50
HIV/AIDS	7
Climate Change/Enviro	nment 5
Water	18
Malaria	3
First Aid	10
Total	199

HSE for Youth in Action

In December, two fire trucks and an ambulance attended an HSE for Youth event in Houston, where approximately 25 children of Schlumberger employees learned first-aid techniques that focused on cardiopulmonary resuscitation (CPR) and choking. During the workshop, two of the firefighters raced each other to don firefighting gear, and the children practiced a number of first-aid techniques on mannequins. Using the Company's proprietary "Risk Ring" methodology, the children also learned about making safe choices. The event finished with a pizza party and certificates of completion for the children.



Also in December, Schlumberger employees and more than 150 of their teen and pre-teen children got together with the families of Addax Petroleum, a Schlumberger customer in Douala, Cameroon, for a HSE for Youth workshop and year-end celebration. Schlumberger frequently invites the children of customers and people in local communities to take part in HSE for Youth workshops, but this was the first time Addax invited an oilfield services company to attend its annual year-end event.

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Stewardship in Action: Community Outreach

Schlumberger employees are involved in a wide range of workplace initiatives and community projects that help build local capacity. Many of these initiatives involve education, particularly in STEM subjects. We also celebrate diversity and promote health and safety wherever we live and work.

A Vision for Sustainability

Jean-François Poupeau, Executive Vice President Corporate Engagement, spoke on the topic of sustainability at a global oil and gas conference hosted by <u>UBS</u>. Poupeau highlighted Schlumberger's commitment to its stakeholders and emphasized how the Company's core values of people, technology, and profits guide its approach to the environment, community engagement, corporate governance, and ethics. He went on to describe several initiatives that are helping Schlumberger achieve its environmental, social, and governance (ESG) objectives.

Schlumberger Joins IPIECA

Schlumberger was the first company to become an associate member of IPIECA, an international oil and gas association that promotes best practices in environmental and social issues. IPIECA is the industry's principal channel of communication with the United Nations on sustainability programs. Associate membership is open to companies providing services relating to exploration, production, treatment, storage, or transportation. The Company's association with IPIECA became effective in January 2017, and through IPIECA's Social Responsibility Working Group, Schlumberger was involved in mapping the oil & gas industry to the United Nations' Sustainable Development Goals Atlas.



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A Decade of Geoscience Aid

The Society of Exploration Geophysicists launched Geoscientists *Without* Borders® (GWB) in 2008 with a five-year grant from Schlumberger, and we have continued our support for the program every year since then.

GWB funds projects that help geoscientists apply their specialized knowledge and technical skills towards supporting humanitarian applications of geoscience around the world. Each project involves students working with experienced geoscientists to learn how to use technologies for humanitarian efforts, providing real-world experience for the students and bringing important social contributions to communities

To date, GWB has funded 35 projects in 27 countries, enabling geoscientists to help communities in need of groundwater management; earthquake, landslide, tsunami and volcano hazard preparedness; habitat management; pollution mitigation; and archeological investigations.

As an example, in 2016 and 2017 GWB funded a project to examine evidence preserved in the geological record for past tsunami events along the coast of Java, an island of Indonesia. Many coastal communities inhabit areas inundated by past tsunamis. However, most people in these areas, including disaster mitigation agencies, are not aware that they are at risk of recurring tsunamis. This risk is increasing in Indonesia, due mostly to exponential population growth and urbanization in vulnerable coastal regions, and to lack of tsunami hazards awareness

In 2016, the project team investigated sites along the 1,200-km coast of Java for geological and geophysical evidence of past tsunami events. Investigators found that during the past 400 years there have been 105 tsunamis throughout Indonesia — an average of at least one tsunami every four years. Two of these tsunamis struck the densely populated south coast of Java, but were relatively minor. These findings were presented to more than 2,500 Javanese



people through local community-based disaster mitigation organizations. The team also trained disaster mitigation agencies on how to use tsunami-modeling software and develop tsunami inundation maps for their communities. Ten evacuation drills were conducted in four different sites.

On the other side of the world, a GWB-funded team worked in 2016 and 2017 on a project to complete geophysical mapping of two important aquifers in Bolivia. The Challapampa and Punata aquifers supply water to local communities and farmers, serving populations of 300,000 to 400,000 people. Because the aquifers were poorly documented in terms of geometry and variation in aquifer properties, the project team conducted geophysical mapping to provide key information for management and protection of the aquifers, which are being threatened with over-exploitation and decreasing groundwater levels. In addition, groundwater quality is suffering from contamination caused by mining and industrial activities as well as road transport, latrines, pesticides and fertilizers. The GWB project combined its acquisition of information about the

aquifers with training of students and with knowledge transfer to local authorities within the groundwater and environmental sector.

In 2010, GWB funded a pollution mitigation project after 40 years of aggressive mining and ore processing in Romania's Ampoi Valley. GWB project leaders and students used near-surface geophysical and geochemical investigations to map the area's soil and aquifers for quality and degree of contamination. After those investigations, the Romanian government constructed a USD 10 million pipeline to bring potable water to local communities.

More than 500 undergraduate, graduate, and continuing education students in countries around the world have participated in these projects. In 2014, Geoscientists *Without* Borders was honored by World Oil as Best Outreach Program.

Celebrating First National Indigenous Peoples in Canada

Schlumberger Canada hosted its first National Indigenous Peoples of Canada celebration. Attended by dozens of Schlumberger employees, the celebration featured three keynote speakers from indigenous communities and support organizations. The event provided an opportunity for employees to learn more about the indigenous people of Canada and the relationship between indigenous people and the energy industry.

Energy Day 2017

Schlumberger sponsored and took part in Energy Day 2017 in Denver, Colorado, and Houston, Texas. Energy Day is a free family festival showcasing numerous exhibits that teach attendees about various forms of energy, including energy efficiency and conservation. The mission of Energy Day is to bridge the gap between education, career adoption, and the STEM and energy industries through fun and interactive exhibits and activities.

Supporting Careers in Science

In 2006, Schlumberger was a founding sponsor of the CGénial Foundation in France, furthering its mission to promote careers

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for young people in science, technology, and related professions. This sponsorship has continued every year since.

In addition to promoting scientific and technical careers, the foundation works to develop exchanges between youth and the science and business communities, advance science education in middle and high schools, inform young people about major societal issues related to the advancement of science and technology, and bring the world of business and education closer together. Activities in 2017 included bringing engineers and technicians into 373 classrooms to talk to more than 10,000 students about a career in science; bringing more than 2,000 teachers from 23 academic institutions into 130 companies and 209 industrial sites to talk with engineers and technicians; organizing a science competition for 8,315 students from 279 schools in which 324 projects were presented; implementing a new program, "Yes we code!," for 200 students; and offering an annual prize to promote entrepreneurship.

We Are Girls Conference

Employees volunteered at the We Are Girls Conference held in Houston and Austin, Texas. This conference introduces girls between the ages of eight and 14 to the electrical engineering field. Volunteers facilitated a Build Your Own Light-Emitting Diode (LED) Earrings workshop in which the girls learned the basics of electrical engineering, electric circuits, and soldering. The volunteers then assisted participants in soldering their own pair of LED earrings. In Austin, girls made simple and parallel circuits using paper, copper tape, LEDs, and three-volt coin-cell batteries. Participants gained a better understanding of careers in engineering and greater confidence in themselves.

Barbara Bush Houston Literacy Foundation

Schlumberger employees volunteered at two Barbara Bush Houston Literacy Foundation summer camp adventures at Houston-area schools. Employees introduced hundreds of elementary school students to careers in engineering and facilitated buoyancy and circuitry experiments. This experience generated an interest in STEM



for many of the participants and helped fulfill the Barbara Bush Houston Literacy Foundation's mission to "improve the quality of life for Houstonians of all ages through the power of literacy."

Work Experience Program in England

The Schlumberger Stonehouse Technology Center hosted 15 students in grades 11 and 12 for a week-long work experience program. The students visited many Schlumberger facilities, participating in activities to help them learn about E&P and the integral part that STEM fields play in the industry. Manufacturing, supply chain logistics, and computer programing seminars also gave them an opportunity to develop a wide breadth of knowledge and skills that will better prepare them for their continuing education and eventual careers.

Annual SPE Technical Conference and Exhibition

During the Offshore Technology Conference in Houston and the Annual Technical Conference Exhibition in San Antonio, Schlumberger sponsored energy education workshops for more than 300 teachers and students from Texas high schools. Workshops consisted of an interactive presentation by Energy4Me and a guided conference tour

by Schlumberger volunteers. During the tour, participants had the opportunity to see displays highlighting Schlumberger technology, software, and mechanical equipment.

Technology Engagement Program in Nigeria

Schlumberger launched the Technology Engagement Program for undergraduate students at the University of Benin in Benin City, Nigeria. The initiative focused on developing the competencies of talented undergraduates from Nigerian universities in building software technologies to address E&P industry needs. Over a six-week period, students underwent intensive training and mentorship in the development of software technologies to address shortfalls in seismic interpretation and fluid distribution mapping.

Houston Maker Faire

For the second consecutive year, Schlumberger participated in the Houston Maker Faire. The faire appeals to curious minds of all ages and provided exhibits in robotics, 3D printing, laser cutting, virtual reality, and other technologies. At the Schlumberger booth, employees presented Oil-X, a science kit the Company designed to introduce students to petroleum engineering. Oil-X is a fun and interactive way for students to learn about energy while also learning technical concepts such as robotics and coding.



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Health and Safety

Schlumberger is a recognized industry leader in Health, Safety and Environment (HSE) performance. The Company is committed to maintaining the highest health and safety standards for employees, customers, and contractors. Our commitment encompasses health and safety risks in the workplace, the field, and during travel on Company business.

Our management team applies rigorous policies and standards throughout the Company. The principles by which we conduct our operations worldwide are defined in the Schlumberger HSE Management System. In addition, we have a long-standing commitment to sharing best practices through technical papers and other means such as active involvement with industry trade associations and specialist HSE organizations.



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Health

To reduce work-related and location-specific health risks, Schlumberger promotes industrial hygiene, ergonomics, a healthy lifestyle, and preventive medicine. Good health management helps to reduce illness in the workplace, increase employee and family well-being, minimize medical evacuations, and streamline health care costs. It also helps the Company increase customer retention and satisfaction, optimize business performance and the Company's reputation, and reduce project disruptions while protecting the health of all involved.

We have a global network of health professionals (doctors, nurses, paramedics) in GeoMarket* regions, individual countries, and field sites to provide medical support at our operational locations. Each of these locations has a specific preventive training program with a significant focus on medical and occupational health and industrial hygiene, and each program is adapted to the working environment and location.

All our employees undergo medical checks to ensure their fitness level is adapted to the medical environment of the project to which they have been assigned. To reflect the findings and conclusions of the fitness evaluation of our employees, 15 levels of fitness restriction have been defined. Employees having potentially serious health/medical issues are prevented from working on remote operational locations (i.e. offshore, on a vessel, or on a project located more than one hour from the nearest secondary or tertiary medical facility). This restriction has greatly helped to reduce the number of medical evacuations during the last 15 years.



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We conduct a Health Risk Assessment (HRA) before a new operation begins and regularly thereafter. The HRA determines the risk level of the upcoming operation based on the activity performed and the exposure to potential and existing medical and/or work environment health hazards. Results of the HRA are combined with an assessment of our medical Emergency Response Plan to ensure that an efficient and reliable response is provided in case of emergency.

Schlumberger has developed specific health training and certifications in response to identifying the health risks that have the potential for rapid global expansion, including SARS, H1N1, Ebola, and Zika outbreaks.

Cardiovascular Diseases

Cardiovascular diseases are the most common causes of non-occupational deaths in Schlumberger. In 2017, Schlumberger created a cardiovascular disease awareness campaign that was translated into 10 languages and distributed to Company locations worldwide.

Health Campaigns in Angola

Schlumberger employees in Angola implemented a Kill the Buzz campaign at multiple locations to raise awareness about malaria prevention and misconceptions. Attended by nearly 300 employees, the campaign encouraged early diagnosis and testing in both adults and children. Each event concluded with a quiz during which employees received mosquito-repellent nets and other items as prizes.

Employees in Luanda, Angola, held a Make a Child Smile campaign to cheer up children who were in-patients on the pediatric ward of the Americo Boavida Hospital in the city. Employees donated 120 toys as well as crayons and coloring books to the children.

Heart Healthy Campaign

Schlumberger has been supporting the Houston Heart Walk, which raises funds for the American Heart Association, for six years. In 2017, a team of 320 employees and their families joined the walk to raise awareness about the benefits of exercise. Schlumberger also continued a global Getting Heart Healthy campaign to raise awareness among employees about how to prevent the development of cardiovascular risk factors and what to do in case of heart attack. Company employees around the world came together to support the campaign.

Health and Wellness Campaign in Singapore

Employees at the Singapore Center introduced a health and wellness campaign for employees that included participation in Singapore's National Corporate Steps Challenge, an exercise event, and an information session on the effects of noise and the importance of proper office ergonomics. These events provided fun and interactive ways for employees to stay healthy at work.

Schlumberger created a cardiovascular disease awareness campaign that was translated into 10 languages and distributed to Company locations worldwide.



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Safety

Shared Responsibility for Safety

Schlumberger maintains a safe and productive work environment free from alcohol, controlled substances, and illegal drugs. We design our equipment and workplaces to enable safe operations and we provide comprehensive training in injury prevention, driving safety, hazard identification, and risk assessment and management. We require comprehensive reporting of hazardous situations and conditions to identify opportunities for improvement and remedial actions to prevent recurrence. We also empower and obligate employees to intervene and stop any job if they consider a situation to be unsafe, a practice fully supported by Company management.

HSE Management System

The Schlumberger HSE Management System states the principles by which we conduct our operations worldwide in regards to health, safety, security, and the environment (HSE). We establish and communicate HSE priorities, objectives, requirements to all employees, contractors, customers, and third parties associated with our business. Our corporate HSE standards are implemented in all our operations and comprehensively assessed to assure compliance.

Fatalities

Schlumberger suffered three work-related fatalities in 2017. One contractor was fatally injured during mechanical lifting activities at a wellsite. One employee was fatally injured by a fall from less than 1.4 meters, and a contractor was involved in a head-on motor vehicle collision. Each of these fatalities was studied extensively and the associated lessons learned were communicated company-wide.

Security Management

Due to the nature of our global business and operations, Schlumberger maintains a focus on managing security for our personnel and assets. Our employees and their families, contractors and third parties, and our Company assets may be exposed to security-related threats, including armed conflict, criminality, and civil unrest. Our objective is to reduce security risks to a level "As Low As Reasonably Practicable" (ALARP) through effective implementation of fundamental and risk-based controls and active continuous monitoring of security conditions.

All contracted security specialists are contractually required to adhere to the Voluntary Principles on Security and Human Rights. Schlumberger and contractors under Schlumberger operational control are required to ensure that security arrangements are the most appropriate in the circumstances and consistent with applicable laws and the following international standards: a) United Nations Universal Declaration of Human Rights, b) Voluntary Principles on Security and Human Rights, c) United Nations Code of Conduct for Law Enforcement Officials, d) United Nations Principles on the Use of Force and Firearms.

Crisis Management

Schlumberger continued initiatives to cascade its crisis management training programs throughout the organization. In 2017, more than 200 employees attended crisis management workshops conducted around the world. This training incorporates best practices in crisis management techniques, practices from



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global academic experts, and expertise from within the Company. During the workshops, attendees participated in practical crisis management exercises.

Mechanical Lifting and DROPS

Schlumberger continued implementation of our risk-based mechanical lifting and DROPS standards, which are both fully aligned with industry best practices. Additional training and communication resources have been developed to support the risk-based approach with a focus on personnel competence, lifting equipment and load integrity, hands-free lifting techniques and active DROPS Zone management.

Injury Prevention

Schlumberger is committed to injury prevention for employees and contractors through effective implementation of internal best practices and those from the oil and gas industry. Our total recordable injury frequency (TRIF) rate increased slightly in 2017. This was in large part due to an increase of operational activity in North America.

An annual analysis of our HSE data revealed that over 45% of personal injuries are related to hands and fingers. Although the overall number of personal injuries has decreased during the past 10 years, limited improvement has occurred in the hands and fingers category. To address this type of injury, communication programs and initiatives on hand and finger injury safety continue to be a focus area.

World Safety Day

Schlumberger once again took part in World Safety Day in April by conducting emergency drills and responding to real-life scenarios at various facilities around the world. The scenarios were based on location-specific hazards and included occupational injury, chemical spills, unauthorized access, fire drills, and accident simulations. Employees also engaged in activities to reinforce best safety practices and address common attitudes and behaviors.

Life-Saving Rules Campaign

As part of World Safety Day, Schlumberger initiated a campaign to reaffirm the International Association of Oil and Gas Producers (IOGP) Life-Saving Rules. The IOGP Life-Saving Rules consist of 18 workplace rules to prevent the most common causes of upstream oil and gas industry fatalities.

Driving Safety

In 2017, our focus continued to be on driver training and journey management, and the implementation of advanced new technologies to improve driver performance.

Our risk-based driving and journey management approach provides effective management of driving activities in more than 85 countries. Every Schlumberger driver, from field to office, is required to take regular fit-for-purpose driver training, including the use of simulators and driver-improvement monitors to provide real-time, in-vehicle driving performance feedback. We also actively share our experience and expertise with our customers and in the communities where we live and work through our HSE for Youth and community outreach programs.

Our comprehensive driver management system consolidates the best practices of our various business groups to systematically eliminate accidents through training, journey and trip management, safe driving behavior, and compliance with Our Code of Conduct.

Effective driver engagement continues to be a priority.

Schlumberger has a comprehensive driver recognition program and is actively using technology solutions to engage individuals and reward desired driver behavior and performance, as the following examples demonstrate.

In France, employees at the Roissy Technical Center took part in a series of driving simulations to better understand the dangers associated with driving. Employees participated in three separate simulations: reaction and breaking distance; the effect of

Safety Milestones

Schlumberger celebrated no lost-time incidents at a number of facilities and locations around the world. Some examples include:

- The Samarang Alliance achieved 7.6 million workhours without a single lost-time incident.
 The project team executed 27 wells, three major workovers, 200 rigless well interventions, four major modifications on existing platforms, and installation of four flexible pipelines in an offshore environment subject to seasonal monsoons with more than 50 contractors and 600 people involved during peak periods.
- M-I SWACO, a Schlumberger company, celebrated 20 years without a lost-time incident in Cabinda, Angola, where it is supporting Chevron. Chevron management joined the celebrations to mark the occasion at the recently inaugurated Malembo support base.
- The Early Production Facility team in Kuwait achieved seven million hours without a lost-time incident across all three of the project's vast sites.
- The Artificial Lift base in Inverurie, Scotland, celebrated 10 years without a lost-time incident.
- More than one million workhours—equivalent to 15 years—have passed since the last lost-time incident was recorded by the Surface & Production Testing product line in Houma, Louisiana. This milestone includes shop, field, and offshore operations.

impairment on vision and coordination; and a rollover simulation. These simulations gave employees the opportunity to experience first-hand what it is like to be involved in an accident, all in a safe environment. Instructors provided tips for how to minimize the risk of injury if involved in an accident.

In Angola, police authorities invited Schlumberger to lead a driving safety workshop to improve road safety for drivers, passengers, and pedestrians. Schlumberger donated a seat belt convincer crash-simulation device that gives participants an opportunity to experience the effects of low-speed collisions with and without a seat belt. The device encourages the use of seat belts.

In Malaysia, Schlumberger employees and contractors from Kemaman organized a road safety event in conjunction with the Terengganu State Road Safety Department of Malaysia. Three officials from the department presented best practices for staying safe as a motorist, cyclist, and pedestrian. This event furthered the department's mission of inspiring people to "Drive Safe, Ride Safe, Walk Safe" and also supported the Schlumberger mission to reduce traffic accidents to zero

Mobile App Promotes Safety

Schlumberger has more than 45,000 certified drivers and 22,000 vehicles worldwide. We drive more than 27 million miles per month, equivalent to 32 times around the world per day. In 2017, we developed an eJourney mobile app for Android or iOS phones to help our employees and contractors stay safe on the road. The app enables drivers to manage their road trips without having to call in to a Schlumberger Global Journey Management Center. The app automatically calculates specific trip risk factors, helps keep track of driving certifications, and provides reminders when it is time to take a break. The eJourney mobile app was introduced in the United States and is now being made available to Schlumberger drivers around the world.

Journey Management Centers

Our Journey Management Centers around the world reinforce safe driving behaviors and deliver increased support for drivers during each journey. The centers ensure that every trip is verified for compliance with journey management procedures where higher-risk driving environments are subject to more stringent controls and standards. Real-time tracking monitors driving behavior and provides immediate feedback to drivers. By defining, measuring, and shaping driving behaviors, the centers help drivers continuously improve their performance. These centers serve more than 56 countries with real-time journey tracking in 15 languages 24 hours a day, seven days a week, 365 days a year. The Journey Management Centers also use data analytics to better understand driving behaviors and develop initiatives that promote continuous improvement.



Our focus continues to be on driver training, journey management, and new technologies to improve driver performance.

Assist & Assure Australia

The Schlumberger Land Rigs team in Australia participated in a rollout by Shell of its Assist & Assure safety program, which is designed to improve HSE performance at the wellsite. Assist & Assure consists of two components — coaching and communicating (Assist); and measuring effectiveness (Assure). The program encourages active participation by workers in safety practices.

After introducing Shell's Assist & Assure program in our land rig operations in our Australia, the progress has been encouraging. Our 2017

NonProductive Time rate dropped below 1% (an overall NPT reduction of 45% compared to 2016); our Total Recordable Injury Frequency rate for 2017 was 0; and we achieved Goal Zero on all rigs. Shell's Goal Zero ambition is to do no harm and have no leaks across all of its operations. In 2017, Schlumberger had no major or catastrophic service quality events in Australia.

THIS IS SCHLUMBERGER ENVIRONMENT COMMUNITY TRACK RECORD Performance Data

2017 Global Stewardship Report

Performance Data

Schlumberger captures HSE performance data through an online, enterprise-level business system that consolidates all HSE information. Accessible by all employees, this system enables them to monitor reported HSE events, incidents, observations, and hazardous situation reports.

Lagging indicator incident data is used to benchmark our performance against industry data sources. The system facilitates the investigation process and the management of remedial work plans and actions to prevent recurrence. Comprehensive investigations are conducted for incidents and high-potential events to identify learning opportunities, and lessons learned are incorporated into improvements of our facilities, equipment, processes, training, and systems.

To ensure continuous improvement, Schlumberger personnel are actively encouraged to report hazardous situations and near misses. We use this data to monitor trends and identify areas of concern. Schlumberger employees can also use the online business system to suggest improvements, post recognitions, track HSE training, and analyze HSE data. The system can be used to assign job-specific online HSE training and facilitate and track the testing and certification of computer-based training material.

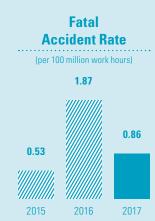
In 2017, Schlumberger launched a revised HSE reporting mobile app incorporating enhanced features and additional capabilities. Global campaigns focused on communicating learning from events using an HSE communications toolkit for facilitated safety meetings, poster campaigns, and HSE alerts.

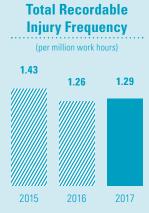
Our overall health and safety performance has shown steady progress. There was a slight deterioration in our TRIF rate in 2017, but an improvement in workforce lost-time incident rate (frequency). Our automotive accident rate showed a slight deterioration compared with 2016, primarily due to an influx of low-seniority personnel in logistics-intensive and rapidly growing markets. We have reinforced our commitment to improve driving and implement journey management across the entire organization, including short-service personnel. Our contractor lost-time injury rate (frequency) decreased from 0.56 injuries per million hours worked in 2016 to 0.42 injuries per million hours worked in 2017.

The International Association of Oil and Gas Producers (IOGP) annually reports upstream oil and gas work-related safety performance statistics. Schlumberger uses the IOGP definitions and reporting criteria to classify HSE data. The data include injuries sustained by Company employees and contractors engaged in work-related activities.

PwC auditors reviewed our processes and procedures for 2017 and verified this year's selected subset of our data. The health and safety data audited included employee and contractor lost-time injury and occupational illness frequency rates. PwC has expressed a limited assurance that our data are, in all material respects, fairly presented and in accordance with Schlumberger procedural guidelines.

Note: 2016 data includes the Cameron Group from April through December.

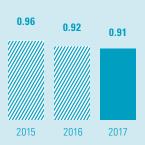




2017 Global Stewardship Report

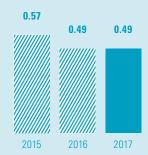
Combined Lost-Time Injury and Illness Frequency

(per million work hours)



Employee Lost-Time Injury Frequency

(per million work hours)



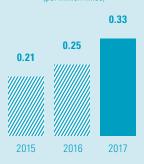
Fatalities by Year

(employees)



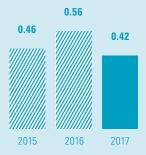
Automotive Accident Rate

(per million miles)



Contractor Lost-Time Injury Frequency

(per million work hours)



Fatalities by Year

(contractors)



Disaster Relief Efforts

Almost every year extreme weather events present a risk to our employees somewhere in the world. The Company is always ready to assist employees in times of crisis. The following examples show how our employees harnessed the power of teamwork in assisting coworkers affected by extreme weather.

To aid people in Trinidad and Tobago who were devastated by hurricane conditions in June, members of the Schlumberger family came together to hold a charity drive that resulted in the donation of hundreds of water bottles, canned food, clothing, personal care products, candles and other home products.

Hurricane Harvey devastated parts of the Texas and Louisiana Gulf Coast in August. A Harvey Relief group created in Yammer, an enterprise social networking service, enabled employees to share information and help each other. A Harvey Relief hotline—primarily staffed by volunteers from the Schlumberger Canada Land team—provided 24-hour phone line for employees negatively impacted by the storm. More than 200 employees gave their personal time to help over 70 Schlumberger families. Schlumberger provided short- and long-term housing accommodation for nearly 300 displaced employees and their families. The Company also created a Hurricane Harvey Relief Grant to provide financial assistance to affected employees.

After a 7.1-magnitude earthquake struck Mexico in September, Schlumberger employees in Villahermosa, Veracruz and Mexico City mobilized to provide relief for victims. More than 1,500 items of personal protective equipment were donated to the rescuers.

Flooding in Penang, Malaysia, paralyzed the city and forced eight of our employees and their families to evacuate their homes. During the crisis, Schlumberger assisted those families in finding shelter, purchased groceries and provisions, made sure they were safe, and provided financial assistance.

THIS IS SCHLUMBERGER ENVIRONMENT COMMUNITY TRACK RECORD Social and Economic Impact

2017 Global Stewardship Report

Social and Economic Impact

Reflecting our belief that diversity spurs creativity, collaboration, and understanding the needs of our customers, we employ more than 100,000 people representing over 140 nationalities. This global work force is spread throughout more than 85 countries.

Our employees are committed to working with our customers to create the highest level of added value. Knowledge communities and special interest groups within our organization enable teamwork and knowledge sharing unencumbered by geographic boundaries. At the local level, we help countries build capacity and resilience by providing employment and training for local workers and procuring goods and services locally. We take a long-term interest in our communities and strive to create shared value with actions that generate business value while also generating social value.



Investing Locally

In 2017, our community investment focus continued to address social issues such as health and education. Because we care about our impact on society, we focus on areas where our organizational strengths, our technological expertise, and our cultural values can have the greatest impact. Typically, this takes the form of investing in activities that involve education and training in STEM subjects.

Our philanthropic activities reflect the Company's values and focus on a limited range of social and educational issues that call for strategic involvement and partnerships with community organizations. We make our largest commercial investments in academia for basic and applied research that we conduct in partnership with top universities, where we also contribute millions of dollars annually in reservoir software, training, and support. Our in-kind contributions to the community include Schlumberger products, equipment, services, and other noncash items, as well as 3D printers, refurbished computers, office supplies, and office furniture.

Socially Responsible Company

For the ninth consecutive year, Schlumberger was recognized by the Mexican Center of Philanthropy as a socially responsible company. The award was received in recognition of Schlumberger's charitable work in Mexico through programs such as SEED, HSE for Youth, Good Neighbors, and the Jueguetón program. The award reflects the Company's commitment to having a positive impact in the communities where we live and work.

School for Volunteers

More than 1,000 Schlumberger employees live and work in Tyumen, Russia, and there is increasing interest in volunteerism in the area. In 2017, Schlumberger launched a school for volunteers with a goal to train them to participate more effectively in community events, including sporting activities and workshops for young people. The pilot volunteer training class was held in February.

Family Day in Norway

OneSubsea, a Schlumberger company, hosted a Family Day in Horsøy, Norway, for more than 200 employees and family members. The focus of the event was on health and safety. Participants received training in first aid, fire safety, boat safety, and driving safety. The event provided an engaging way for families to learn about safe practices and develop a greater understating of how to be safe while in the workplace and on vacation.

In-Kind Giving

Commercial Initiatives

2017

Community Initiatives

2016



2017

THIS IS SCHLUMBERGER FNVIRONMENT COMMUNITY TRACK RECORD **Human Rights**

2017 Global Stewardship Report

Human Rights

Schlumberger is committed to supporting the United Nations General Assembly Universal Declaration of Human Rights. Our commitment is articulated in The Blue Print in Action—Our Code of Conduct, which states, "Schlumberger is committed to respecting the principles in The International Bill of Human Rights, and conducting business in a manner that preserves and respects human dignity." Schlumberger participates in the United Nations Guiding Principles Reporting Framework, which includes a picture of the Company's activities on human rights. We also support the United Nations Sustainable Development Goals and continue to align our Global Stewardship program with them.

Due Diligence

During the year, Schlumberger developed a new methodology for screening proposed projects for social and environmental risks and impacts as a part of its regular due diligence process. The screening helps to ensure that local issues—such as protected areas, historical contamination, sensitive receptors, labor rights and working conditions, community conflict, and security issues—are incorporated into the decision-making process. In 2017, Canada, Nigeria, Iraq, Bahrain,

India, Kazakhstan, and Argentina completed screenings using this new methodology.

Baseline Surveys

Projects with a high potential for significant social and environmental impact are required to have in place a social and environmental baseline that serves as a knowledge base for all aspects of the project's performance, including the management of possible human rights impacts. In 2017, independent studies were commissioned in Argentina, Georgia and Nigeria.

Social Risk Assessments

Social risk assessments are designed for projects with a high potential for significant social and environmental impact. The proprietary tool we use has three integrated phases: planning, implementation, and monitoring and evaluation. Information collected during the planning phase is used to analyze social hazards in terms of risks to people and projects and to develop appropriate responses. Since we implemented the social risks assessment process in 2009, 40 assessments have been completed in more than 15 countries. Five social risk assessments were completed or updated in Latin America, North America, Africa, and Asia in 2017.

Conflict Sensitivity

Schlumberger Production Management (SPM) developed a new conflict-sensitive business approach in Ecuador in 2017. The approach involves working with community stakeholders during a series of workshops designed to help SPM understand how new operations may interact with pre-existing conflicts or tensions in a community. Our goal is to better understand the issues the community faces by bringing them into the planning process to ensure that decisions made by Schlumberger and our contractors do not cause or exacerbate conflict

Established our social responsibility process and began

conducting social risk assessments for large-footprint

projects in sensitive operating environments.

Developed guidelines relating to working conditions and eligibility for supply chain contractors.

Reviewed 400 statements of Company policy, standards, and guidelines against the Business and Human Rights Matrix developed by the Business Leaders Initiative on Human Rights.

Completed a review of customer and peer human rights statements and policies to improve our understanding of the United Nations' Protect, Respect, and Remedy framework.

2017 Global Stewardship Report

Performance Data (2009-2017)

Social Risks Assessments

Social and Environmental Baseline Surveys

Countries

Introduced a new Social and Environmental Management

Standard that recognizes IFC Performance Standards

as a key point of reference for our large-footprint projects.

Continents























15 LIFE ON LAND











Revised our Security Standard to incorporate references to the Voluntary Principles on Security and Human Rights.

Developed preliminary alignment of our Global Stewardship program with the United Nations Sustainable Development Goals.

First oilfield services company to become an associate member of IPIECA, the global oil and gas industry association for environmental and social issues.

THIS IS SCHLUMBERGER ENVIRONMENT COMMUNITY TRACK RECORD Supply Chain

2017 Global Stewardship Report

Supply Chain

Schlumberger Supply Chain Services provides our field and manufacturing locations with supplier management, strategic sourcing, logistics, and inventory management. Supply chain processes are regularly reviewed to ensure quality in our services and products. Every supplier we select must comply with Schlumberger standards.

Acquiring goods and services from local suppliers is a legal and contractual obligation in many countries where we work, but we also view it as a way to maximize our positive impact in communities where we live and work. We contribute to the social and economic development of these communities by supporting initiatives that improve living conditions, providing business and growth opportunities, developing and fostering long-term relationships, recruiting and training where we work, and buying local services and products.

We expect the highest ethical standards of business conduct and compliance with local laws and regulations from our suppliers. By helping local suppliers meet our industry requirements, we seek to promote innovation through the sourcing of new products and services. This helps to develop alternative channels for procuring goods and services and creates new business opportunities in the locations where we operate.

In today's competitive global economy, we know that strong relationships with our suppliers are essential to

meeting our own needs, the needs of our customers, and national content. We only procure goods and services from financially stable, technically qualified, and reliable sources. Our preferred suppliers are those who work with us in a professional, ethical, competitive, and cost-effective manner consistent with Schlumberger policies, procedures, and business objectives. When evaluating potential suppliers, Schlumberger considers delivery, price, reliability, operational costs, and after-sales support.

Local Suppliers

We invest time and resources to help local suppliers meet our stringent quality and HSE standards. Our investment in things such as safety training, driver training, installation of in-vehicle monitors, and vehicle maintenance standards helps build the competitiveness of local vendors. All our social investments in local suppliers are underpinned by core principles: they must be connected to our business and rooted in the communities where we work; and they must be focused, streamlined, and accountable.

Supply Chain Management

Schlumberger maintains a Supplier Management Dashboard that analyzes our spending by supplier, commodity, geography, business segment, legacy company, and trends over time. Schlumberger supplier managers are responsible for evaluating suppliers against our established performance metrics for them to be included in our approved supplier list. The analysis includes a tally for total procurement spending.

Performance Data

Awareness



Critical suppliers for which more than 40% of their revenue comes from Schlumberger

79 suppliers



Spend analysis covers 100% of suppliers 41,232 suppliers

Risk Assessment



Of spend is covered in risk analysis



Suppliers that are at high risk

Risk Management



Supplier audits were conducted in 2017



Of audited suppliers have a documented development plan

Critical Suppliers

Suppliers are classified as critical if they provide materials, components, or services that may significantly influence one or more aspects of Schlumberger products and service performance. This includes elements such as safety, technology, and competitiveness as well as compliance with operations integrity, HSE, and ethics standards.

Comprehensive audits of our critical suppliers are conducted per a defined schedule and may incorporate supplier performance, finance, contract, HSE, Quality, and Ethics and Compliance components, including human rights and labor questions.

REACH

Registration, Evaluation, Authorization, and Restriction of Chemicals (REACH) is an European Union regulation that covers the manufacturing, importing, placement, and use of chemical substances. It provides a high level of protection to human health and the environment by making people responsible for understanding and managing the risks associated with chemical use. In 2017, Schlumberger continued to develop new chemicals and technologies that comply with REACH regulations in Europe. Furthermore, we reviewed our European chemicals portfolio to reduce our REACH registration costs.

Conflict-Free Minerals

Schlumberger is committed to purchasing only those parts and products containing minerals that have been procured through a validated conflict-free supply chain, avoiding the use of minerals that have financed conflict in the covered countries, and we expect our suppliers to abide by the same standard. When a validated conflict-free supply chain or a robust mineral-tracing program is established, we expect our direct suppliers to procure minerals using only that validated supply chain. If a direct supplier provides us with minerals that have not been procured through a validated supply chain or that are found to have financed conflict, we will recommend that the supplier seek an alternative means of sourcing to prevent possible termination of our relationship with that supplier.

Freely Chosen Employment

Schlumberger is committed to, and expects from its suppliers, the highest ethical standards of business conduct and compliance with laws and regulations in the countries where we operate. We require that all work is voluntary and that workers are free to leave upon reasonable notice. We prohibit the use of forced, bonded, indentured, or involuntary prison labor.

Developing Local Supply Chains

Working in 85 countries presents several logistical challenges, one of which is difficult geographies. Success in these jurisdictions depends on having supply chain professionals capable of dealing with our complex operations. To enable a strong pipeline of people who have these skills, Schlumberger has partnered with top-tier supply chain training programs to assist our team members in geographies where supply chain training is not widely available. In 2017, these team members focused on learning and building expertise with the intention of returning to their markets and increasing the level of supply chain performance.

National Content Requirements

During the past 10 years, many countries with oil and gas activities have introduced requirements for local or national content into their regulatory frameworks. These requirements seek to create jobs, promote enterprise development, and accelerate the transfer of skills and technologies to the benefit of local industries and populations.

Our supply chain plays a key role in national content development through supplier sourcing, tendering, contract awarding, and spend management. We recognize that there are various aspects to national content, including development of national businesses through the purchase of goods and services manufactured within the country, or through goods and services purchased from firms owned by nationals of the country.

To help ensure that local communities benefit from our activities, Schlumberger developed and tested a process in 2017 through which our supply chain teams can prioritize and manage our supplier base with respect to national content requirements. The process was piloted in three countries within our Sub-Saharan Africa GeoMarket region—Mozambique, Tanzania, and Uganda—and is now being reviewed for implementation in other countries.

Supply Chain Program for First Australians

In 2017, Schlumberger launched a local suppliers' development program for First Australians that is intended to drive improvements in our own supply chain performance and in the capacity of local suppliers. The program is initially supporting 23 Indigenous Australian suppliers in the categories of facility management, staffing, marketing, relocation, freight forwarding, and logistics. Our Supply Chain Program for First Australians is bringing educational, employment, and traineeship opportunities to numerous local communities in Australia and was designed to empower and upskill the local workforce, helping them become more self-sustainable over the long term.

Critical Suppliers

2,230

Critical Suppliers (absolute number)

44%

Critical Suppliers (percentage of total spend)

41,232

Total Suppliers (absolute number)

THIS IS SCHLUMBERGER ENVIRONMENT COMMUNITY TRACK RECORD Stakeholder Engagement

2017 Global Stewardship Report

Stakeholder Engagement

We engage with our stakeholders to learn about their changing expectations and needs. By actively listening to their feedback, we are better able to align our business processes to conform to local and national priorities.

Our stakeholder engagement takes many forms. We meet regularly with investors, we join industry initiatives and partnerships, we participate in academic forums and, in consultation with our customers, we often participate in local community meetings. In 2017, we committed significant resources to listening to our employees through Engage to Excel, a new and ongoing employee engagement program.



Our Stakeholders

Customers

Continuous engagement with customers enables us to appreciate their needs and expectations around many issues in the oil and gas industry. Our interpretation of this information enables our investment in technologies and solutions to be tailored to market requirements while also remaining aligned with our Global Stewardship priorities. Strategic planning demands that we respond to environmental and other concerns in a manner that leads toward our sustainable existence in the communities where we live and work

Employees

We work in more than 85 countries and employ approximately 100,000 people who represent over 140 nationalities. Our commitment to nationality and gender diversity enables us to offer a truly global approach. Our employees are the most professional women and men in the oil and gas services industry, and we consider them to be the most credible ambassadors of Schlumberger and one of our most important stakeholder groups.

Communities

We strive to make a marked and positive impact wherever we work. The results of our efforts touch our employees, contractors, suppliers, and clients as well as the communities in which we live and work. Schlumberger trucks and equipment are often the most visible aspect of our presence in these communities, and our impact is frequently measured by local populations in increased potholes, dust, and traffic noise. Our direct impact on local economies can also be measured in taxes, customs tariffs, the wages we pay



THIS IS SCHLUMBERGER ENVIRONMENT COMMUNITY TRACK RECORD Stakeholder Engagement

2017 Global Stewardship Report

to local workers, the promotion of our strong health and safety culture, and the wide range of initiatives we undertake to build supply chain capacity in communities.

Universities

Schlumberger has a long history of partnering with <u>universities</u>. Our relationships with approximately 700 universities and other academic institutions around the world contribute to developing our products and services and provide a plentiful source of potential employees. These partnerships are part of our Global Stewardship network, which is how we manage our impact on the wider environment and in the communities where we live and work.

Suppliers

Schlumberger <u>Supply Chain Services</u> pursues relationships with suppliers based on cooperation, trust, reliability, and communication. We procure products and services through manufacturers and suppliers that demonstrate high standards for quality, service, pricing, performance, after-sales support, and supply chain management. The Company continues to examine the feasibility of supplier capacity building programs in several countries.

Keeping Investors Informed

Schlumberger uses many avenues to engage investors who seek perspective on the Company.

- Speeches and conference presentations by senior managers explain strategy and the technical means by which it is carried out
- Conference calls after quarterly earnings give context and color to results while welcoming questions from institutional investors and analysts
- Face-to-face meetings at conferences and at Schlumberger and investor offices create the personal contact essential to investors' understanding of the Company
- Tours of Company facilities worldwide, including North America, the Middle East, China, Latin America, and Europe give investors direct experience of operations
- Company-hosted two-day conferences give investors a broad, multiyear company outlook while putting them in personal contact with dozens of specialized managers
- Conference calls engage investors in discussion immediately upon announcement of significant events, such as acquisitions
- Our <u>Investor Relations</u> website offers complete financial performance data, archived press releases, replays of conference calls, the annual report, and much more
- Senior Investor Relations staff responds promptly to market inquiries

Reporting on Performance

Schlumberger utilizes GRI Sustainability
Reporting Standards established by the Global
Reporting Initiative. We also participate with
several third-party firms that collect and report on
corporate environmental, social, and governance
performance:

- Bloomberg Dashboard: ESG data provided worldwide on the Bloomberg Professional Service
- RobecoSAM Corporate Sustainability
 Assessment: An evaluation of corporate ESG performance that provides the basis for the Dow Jones Sustainability Index
- FTSE Russell: A series of indices measuring the ethical performance of corporations
- Sustainalytics: ESG data provided for benchmarking sustainability performance
- CDP: a global organization that works with large institutional shareholders to identify climate risks in their investment portfolios

2017 Global Stewardship Report

Engaging with Policy Makers

We engage with policy-makers in a wide variety of capacities:

- We are sponsors and active participants in the National Academy of Sciences' Roundtable Project on Unconventional Hydrocarbon Development
- We have been an industrial sponsor and executive committee member for the International Energy Agency's Greenhouse Gas Research and Development program, and a member of the agency's technical networks addressing monitoring, risk assessment, wellbore integrity, modeling, and social research
- We are a founding member of the Global CCS Institute and have participated in numerous international meetings
- We have served as an advisory committee member of the European Technology Platform for Zero Emission Fossil Fuel Power Plants and participated in numerous working groups
- We have participated as a member of the North America Carbon Capture and Storage Association
- We are a founding member of the Board of Directors of the UK Carbon Capture and Storage Association
- We have served as project manager, technology supplier, and member of a research consortium of Australia's CO2 CRC Otway Project, a large research and geosequestration demonstration project

- Through our relationship with the Petroleum Equipment and Services Association, twice a year Schlumberger trains Foreign Service Officers from the US State Department on various aspects of the oil and gas industry
- We are a member of the National Petroleum Council, which provides advice on energy sourcing and energy security to the US Department of Energy
- We are a charter member of the OPEC Fund for International Development's Energy Access program
- We are a sustaining member and serve on the Board of Directors for the Stanford University natural gas initiative

Shareholders and Investors

Schlumberger maintains the highest standards of transparency in disclosing information about the Company to investors. We also think it important to communicate the Company's values. We believe these efforts help investors fulfill their obligations to make objective financial decisions as well as judgments about environmental and social issues. In 2017, our work to keep investor informed was once again recognized as the *Institutional Investor's* Most Honored Company and Best in Energy Sector by *IR Magazine*.

Governments

Government and regulatory officials and other stakeholders seek out Schlumberger domain experts for their knowledge and experience in many aspects of the oil and gas industry. Although the Company is politically neutral and does not lobby, we routinely help regulatory officials interested in gaining practical understanding of the technologies and processes that can reduce emissions and carbon footprint.

Industry

Schlumberger manages and coordinates active relationships with numerous industry organizations. Most notably, we are members of the Petroleum Equipment and Services Association, the American Geosciences Institute Foundation, the American Petroleum Institute, the Society of Petroleum Engineers, the American Association of Petroleum Geologists, and the International Association of Oil and Gas Producer. Schlumberger senior executives serve on the boards and/or advisory committees of these organizations. In addition, Schlumberger was the first associate member of IPIECA, the global oil and gas industry association for environmental and social issues. We hold nonpolitical positions and adhere to a do-not-lobby policy. As a result, these groups frequently call on us for technical advice and guidance.

HIS IS SCHLUMBERGER ENVIRONMENT COMMUNITY TRACK RECORD Employment and Human Capital

2017 Global Stewardship Report

Employment and Human Capital

One of our greatest strengths is the diversity of our workforce, with men and women of many nationalities and backgrounds working together and sharing common objectives.

Our long-standing commitment to national, cultural, and gender diversity fosters a corporate culture that is global in outlook yet local in practice. We attract top performers from the countries where we work, and this broad range of perspectives enables us to better understand national issues, respond to local concerns, and deliver services that meet the expectations and requirements of our stakeholders and customers.



Research and Innovation THIS IS SCHLUMBERGER ENVIRONMENT COMMUNITY TRACK RECORD

2017 Global Stewardship Report

Research and Innovation

Through a global network of Research and Engineering centers, Schlumberger is committed to advanced technology programs that enhance oilfield efficiency, reduce E&P costs, improve productivity, maximize reserve recovery, and increase asset value while also accomplishing these goals in a safe and environmentally sound manner.

Since 2008, our Early Stage Technology Corporate Venture group has supported external innovation by co-investing and codeveloping promising technologies with start-up companies in a broad range of disciplines, including technologies such as nanocrystalline cellulose, wireless power, high-pressure mass spectrometry, robotics, automation and control, and cybersecurity—all of which are being actively pursued. More recently, we have invested in technologies around waste heat recovery and decarbonization, emissions monitoring and control, and renewable energy. In 2017, we also invested in Peloton Technologies, a Silicon Valley start-up company that is developing a vehicle "platooning" system that enables commercial trucks to operate at close following distances with the goal of improving safety and fuel efficiency. The system has shown fuel savings of more than 7% when platooning using industry standard tests: 4.5% for the lead truck, and 10% for the following truck.

At the Southwest Research Institute in Texas, the Schlumberger Research and Corporate Venture Groups collaborated with the Environmental Defense Fund to test a variety of technologies for the application of detecting methane leaks from equipment in the upstream oil and gas sector. The tests highlighted two open-path detection systems that are powered by solar panels. These systems

upload data automatically to the cloud and can be commercialized at well sites without significant existing infrastructure.

Technology Watch, a component of our University Relations program, identifies opportunities for commercializing game-changing technology and connects the most promising university teams with the Schlumberger Corporate Ventures group. Technologies currently being watched include drilling and treatment fluids that reduce our industry's environmental footprint, advanced materials and chemistry for extreme environments, renewable energy, energy efficiency, nanotechnology, robotics, mechatronics, automation, autonomous vehicles and the mobility transformation, power management and energy storage, and data analytics.

We are founding members of the NorTex Alliance of Petroleum Universities, which includes leading universities in Norway and Texas that are conducting applied research on carbon storage and reuse in operations to improve hydrocarbon recovery.

As one of four founding companies that established the Global Climate and Energy Project (GCEP) at Stanford University in 2002, Schlumberger has committed nearly USD 25 million in collaboration with 40 institutions worldwide that have collectively committed more than USD 188 million. GCEP seeks ways to supply energy to meet the changing needs of the growing world population but also protects the environment. The project manages a portfolio of energy research programs to develop technologies that are efficient, cost-effective when deployed on a large scale, and environmentally benign. The broad portfolio has led to the formation of several high-profile start-up companies.



THIS IS SCHLUMBERGER ENVIRONMENT COMMUNITY TRACK RECORD University Relations

2017 Global Stewardship Report

University Relations

Our <u>University Relations</u> program helps develop technical leaders and positively influence science and energy technology worldwide. Internally, we are aligning University Relations with our new way of working by focusing on efficiency and reliability. In 2017, we continued to attract talented university graduates; advance education and research in engineering, manufacturing, science, and technology; promote academic entrepreneurship; support technology transfer; foster corporate, social, and environmental responsibility through university partnerships; and become change agents in communities by directly supporting education programs in STEM subjects.

We have many ongoing collaborations with universities that are directly relevant to the technical challenges facing the oil and gas industry. Approximately half of our collaborations are related to software development, one-third to advanced materials, and one-fifth to robotics, mechatronics, and automation. They include technologies for deepwater operations, such as the development of subsea engineering education programs, footprint reduction in operations to extract unconventional resources, materials and chemistries for extreme operating environments, technologies to improve the accuracy of surface and subsurface measurements, and high performance computing and data analytics.

Many members of the Schlumberger leadership team serve on university boards around the world. Our representatives also serve on faculty or deans' industry advisory boards, departmental industry affiliates committees, and student project committees at the undergraduate and graduate levels. We continue to sponsor academic chairs and invest in scholarships either through direct financial aid or in the form of tools and training. We also support competitions organized by professional societies, such as the American Association of Petroleum Geologists Imperial Barrel Award and the Society of Exploration Geologists Geoscientists Without Borders.

Members of the Schlumberger leadership team serve on university boards around the world.

Our Management on University Advisory Boards Schlumberger Number of executives universities **Performance Data** (research) (research) Collaborations Universities Interns (education) (education) (education)

Recruiting THIS IS SCHLUMBERGER ENVIRONMENT COMMUNITY TRACK RECORD

2017 Global Stewardship Report

Recruiting

Schlumberger believes in meritocracy, early responsibility, and promotion from within. We provide a challenging workplace and encourage fair employment practices. We also offer equal opportunities to all our employees.

Hiring for Success

Our recruiting strategy is based on a long-term vision. We hire the best talent globally. Our investment in the accelerated development of our people by exposing trainees to multiple experiences across a variety of locations and operations helps us develop an agile workforce and the next generation of business leaders. In 2017, we hired approximately 740 interns from top universities and recruited 1,600 graduates, 33% of which were women. The candidates came from all disciplines of study and worked in field operations, applied research, engineering, manufacturing, business, sales, finance, legal, and human resources.

Social Impact Challenge

Working in conjunction with the Society of Women Engineers, the Schlumberger recruiting team in North America sponsored a Serve 2 Succeed social impact challenge by encouraging section members and partners to volunteer in their communities and turn ideas into positive real-world impact. Over a five-week period in fall 2017, 754 volunteers from 12 universities participated in 154 volunteer events, contributing a combined total of 504 hours of volunteer time. Winners of the 2017 challenge were the Colorado School of Mines in the category for Most Volunteering Events; Tulane University for Best Video Content; and Texas Tech University for Best Social Impact Performance. For more information, please visit www.s2schallenge.com/

Corporate Sponsor of the Year

Schlumberger received the Penn State Corporate Sponsor of the Year Award, which recognizes a corporation that has demonstrated extraordinary generosity in promotion and support of Pennsylvania State University. Recipients are selected based on consistency of giving, level of impact across the university, and support for areas of greatest need. Schlumberger's technical and recruiting teams are working to expand and strengthen the relationship with Penn State through greater technical collaboration and improved recruiting.

Veteran Program

In January 2017, the newly formed Schlumberger Veteran Engagement Team launched a Veteran Program. The program is an evolution of the veteran initiative started by Cameron in 2014 before it was acquired by Schlumberger in 2016, and empowers veterans through recovery and transition—two fundamental issues many returning service members face today.

The Schlumberger Veteran Engagement Team made multiple visits to military bases throughout the United States to provide transitioning service members with an in-depth overview of the oil and gas industry, Schlumberger, and the types of careers that the Company offers.

In August, Schlumberger hosted its first Military Open House and Hiring Event in Midland, Texas. Several veterans drove more than 12 hours from other states to attend the event. Among the 17 veteran candidates who attended, 14 were presented with job offers.

Recruiting by the Numbers



Veterans to OTC

Schlumberger provided a rare opportunity for more than two dozen military veterans to attend the Offshore Technology Conference (OTC) in Houston in May to learn about the oil and gas industry. A small group among the contingent was invited to the Company's Houston headquarters for breakfast and a high-level presentation on several unconventional drilling techniques. Several Schlumberger employees volunteered to chaperone the veterans during their visit to OTC to explain some of the technologies and services we provide for our customers.

ANZAC Day

ANZAC Day, a national day of remembrance in Australia, New Zealand, and other countries in the region is observed annually in April to honor members of the Australian and New Zealand Army Corps. In 2017, our Veteran Engagement Team was invited by the Australian Consulate to attend this event along with local community leaders and government officials.

THIS IS SCHLUMBERGER ENVIRONMENT COMMUNITY TRACK RECORD Training and Development

2017 Global Stewardship Report

Training and Development

Our investment in employee <u>training and development</u> is one of the largest among oilfield services companies. High-quality training is fundamental to the success of our employees, as well as to the success of our husiness

Training and development are continuous processes at Schlumberger. Training is delivered through classroom-based instruction, live simulations at learning centers, self-paced learning using the latest interactive technologies, and on-the-job education. Development opportunities include coaching, mentoring, and crosstraining through career mobility to expose employees to new roles, geographies, business segments, and functions.

Depending on job position, all our employees participate in a variety of training modules. All employees prepare annual training and development plans with their managers and agree on specific actions for the year. Employees are also evaluated on "self-development" during their annual appraisal, which is part of our Commitment Mindset in the Schlumberger Blue Print in Action—Our Code of Conduct. Our goals are to foster partnerships between employees and the Company, and create value for employees by enabling them to keep their skills current and develop their talents to their full potential.

We also offer a number of internships for students, and many of our people started with Schlumberger this way. Interns generally progress through a period of intensive off-the-job technical training or receive on-the-job training interspersed with formal seminars.

HSE Training

In 2017, we deployed initiatives to improve HSE training delivery methods by using a learner-centered training approach to provide more participatory teaching methods. This new approach to training includes a combination of micro-learning videos, group discussions, virtual reality, activities, role-play, practice, and brainstorming. For computer-based training, personnel have access to an online application that provides a platform for interactive training and includes self-study and assessments to complete the required certifications. Throughout their careers, personnel are assigned training, re-certifications or refresher training based on their specific roles and responsibilities, work environment, geographic location, and activity risks.

Employee Development

Opportunities are provided for employees to develop their full potential through a combination of training and experience during a progression of roles. For certain positions, our goal is to transfer employees to new roles every two to three years. Our borderless career philosophy means we support multiple flexible career paths; we take risks on people by developing them across functions, businesses, and geographies. We provide employees with the necessary training to enable them to fulfill the requirements of their current role or position.

Learning Centers

Our global network of learning centers is busy year-round. Training programs include technical, safety, personal development,

business, and managerial courses as well as on-the-job training. New oilfield trainees follow a fixed-step training program that lasts three years, and all employees are offered courses that last from several days to 12 weeks, or are multiyear.

NExT

NExT, a Schlumberger company, provides capability, competency, and professional development services for the oil and gas industry. With a portfolio of over 700 courses, training programs, and competency services covering technical and software skills, NExT assists in developing the petrotechnical expertise needed to meet today's increasingly complex industry challenges. NExT has access to more than 3,000 instructors teaching across every E&P discipline. On average, NExT teaches over 15,000 oil and gas industry professionals each year at Schlumberger locations in 85 countries around the globe.

Employee Engagement

Engage to Excel is company-wide program to measure and improve employee engagement and performance. The survey provides employees around the world with an opportunity to suggest ways to improve teamwork and create a work environment where Schlumberger people are inspired to give their best. During 2017, teams throughout the Company implemented more than 20,000 action plans to help improve the 12 conditions that, proven by Gallup, drive high engagement and performance. This was our second year conducting the survey and we achieved a 91% participation rate, a slight improvement from the 2016 participation rate.

Knowledge Management

The approach to knowledge management at Schlumberger encourages employees around the globe to share their expertise across the full spectrum of the Company's day-to-day activities, including topics such as health, safety, and environmental concerns during our operations and best practices across all domains. Using established knowledge management systems and processes, Schlumberger employees address the technical challenges of the oil and gas industry. Within this strong culture of knowledge sharing, the Schlumberger approach to knowledge management enables people to connect, collaborate, and learn from one another daily.

In 2017, our employees viewed two million pieces of vetted information in the corporate knowledge base, and accessed more than 29,000 entries in our internal encyclopedia over

43 million times since its inception. To facilitate networking within the Company and encourage knowledge sharing, every employee maintains a curriculum vitae on our intranet, and these are accessed more than 8.5 million times annually.

For the 12th year in a row, Schlumberger was a winner of the Global Most Admired Knowledge Enterprises (MAKE) study—the international benchmark for world-class knowledge organizations. Overall rankings are based on a company's performance in eight individual categories. In 2017, Schlumberger was voted No. 1 for creating an enterprise knowledge-driven culture. The global award recognizes organizations that outperform their peers in creating shareholder wealth by transforming tacit and explicit enterprise knowledge and intellectual capital into superior products, services, or solutions.



Knowledge Sharing

Number of Times Employee CVs Are Viewed	8,543,975
Number of Times Employees Have Viewed Database Info	14,984,698
Total Number of Objects in Knowledge Base	2,176,832
Number of Entries in Corporate Encyclopedia	29,000
Total Number of Times Encyclopedia Has Been Accessed	16,000,000
Total Downloads of Technical Articles	182,000
Employees Involved in Forums, Newsletters and Workshops	31,000
Number of Live Webinar Viewers	39,000
Number of Webinars Downloaded	65,000
Number of Webinars	700
Number of Bulletin Board Posts	108,000
Number of Bulletin Board Replies	219,000

THIS IS SCHLUMBERGER ENVIRONMENT COMMUNITY TRACK RECORD Diversity

2017 Global Stewardship Report

Diversity

Our people are our main asset. Making diversity a business priority has given us access to the best people, no matter where they were born. Schlumberger sees diversity of its workforce as an important part of its cultural philosophy and a business imperative because it enables the Company to serve clients anywhere in the world. We attract top performers from the countries where we work, and this broad range of perspectives enables us to better understand national issues, respond to local concerns, and deliver services that meet the unique expectations and requirements of our stakeholders and customers.

National and Cultural Diversity

One of our greatest strengths is the diversity of our workforce, with men and women of many nationalities and backgrounds working together and sharing common objectives. Schlumberger recruits and develops people in alignment with our business objectives and proportional to the revenue derived from the countries in which we work. Our long-standing commitment to national and cultural diversity fosters a culture that is global in outlook yet local in practice, and this permeates every layer of the Company, including every level of management.

Management Diversity

Employees from non-Western nationalities and emerging countries are now integrated into every level of the workforce, including senior management. The composition of our Board of Directors also reflects the diversity of the Company—among our 10 directors, three of which are women, four are citizens of the United States.

and the others are citizens of Norway, Argentina and the United Kingdom, Canada, France, Russia and Saudi Arabia.

Age Diversity

Ongoing changes in the composition of our workforce require an adaptive approach toward recruitment, retention, and the mobility of our employees. Schlumberger is dedicated to hiring, training, and retaining younger professionals to take on the leadership roles being vacated, and we benefit from the perspectives younger employees bring to the Company.

Gender Diversity

We strive to meet the evolving needs of our workforce in terms of gender equality, work-life balance, and dual-career expectations We believe this focus helps us maintain our competitive edge. Schlumberger continually monitors equality in compensation for men and women globally across all grades with the goal of maintaining equity.

Our gender diversity focus began in 1994, when the Company set an overall target of having women comprise 15% of our workforce by 2015. After achieving this milestone ahead of schedule in 2011, we set a new target of having women comprise 25% of our workforce at all levels of the organization by 2020.

In 2017, women made up 16% of the Schlumberger workforce. Within our salaried population, 19.6% are women. As of December 31, 2017, the following roles were filled by women: three executives

reporting to the CEO, one Product Line president, one GeoMarket region manager, and eight vice presidents.

Connecting Women

Connect Women's mission is to empower women to achieve their full potential through networking, mentoring, development, and community outreach. Connect Women has more than 75 local chapters around the world where members and managers meet regularly to exchange ideas and propose concrete actions to facilitate integration and career progression within Schlumberger.

In 2017, Connect Women celebrated its 10th anniversary by holding 117 local celebrations across the globe with more than 8,500 attendees. Global activities included 30 webinars, including two webinar series (OWN IT—Be the Best You and Field Series), newsletters, challenges, discussions, and the compilation of videos from around the world into three 10th anniversary videos representing the past, present and future of Connect Women.

Advancing Careers

In partnership with Heriot-Watt University in the United Kingdom, Schlumberger offers scholarships for women working on their bachelor's or master's degrees in engineering and science. Students must be in their third year or higher and recipients are awarded financial assistance each year for up to three years of study.

"Gender Balance is not a nice to have, nor is it about being nice to any particular group in the company. What we ultimately want is to build the best performing company in the world, and to achieve this we have to have a more balanced organization."

- Patrick Schorn, Executive Vice President Wells

Revenue Contribution

Latin America

Asia

Middle East.

Europe, CIS, Africa

North America

National and Cultural

Countries We

Work In

Nationalities

Represented in Our Workforce

Nationality Mix

(percentage)

America

Middle East

Asia

Europe, CIS, Africa

North America

Gender Diversity

(percentage)

Women in the Company

Management **Positions**

Management **Positions**

Women in Top Management Positions

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2017 Global Stewardship Report

Inspiring Gender Diversity

Women's Leadership Day in Saudi Arabia

In conjunction with the Company's 75th year of doing business in Saudi Arabia, Schlumberger held the first Women's Leadership Day in the country with more than 100 employees, engineers, professors, young professionals, and students in attendance. Participants engaged in workshops and listened to speakers and panelists discuss topics such as the challenges faced by women in the oil and gas industry, the importance of gender balance, and how to bridge the gap between academia and the oil and gas industry.

International Women's Day in Canada

More than 100 Schlumberger employees came together in March to celebrate International Women's Day in Calgary, Canada. The event featured senior female employees as keynote speakers and panelists and focused on the achievements of female employees, the challenges women continue to face in the workplace, and the benefits of gender parity. During the event, the Company presented the progress Schlumberger has made toward its commitment to have women comprise 25% of its workforce by 2020.

International Women's Day Celebration in Kuwait

Employees in the Connect Women Kuwait Chapter celebrated International Women's Day by participating in outdoor activities and holding competitions to challenge gender stereotypes. More than 60 participants heard inspirational advice from two keynote speakers and spent time networking and sharing stories about their successes and the challenges they face.

Mexico Event Inspires Women in Engineering

More than 150 future female engineers from four universities joined Schlumberger for a Women in Technology event in Villahermosa, Mexico. Hosted by a panel of female Schlumberger experts with experience in HR and engineering, the event included workshops on women leaders, the importance of a personal and professional life, the role of women in Mexico, appropriate personal protective equipment for women, and life in the field.

International Women's Day in Mexico

In Villahermosa, Mexico, Schlumberger organized a meeting of employees to celebrate International Women's Day. The guest speaker was Blanca Estela González Valtierra, the first female asset manager in PEMEX, a Mexican oil company and one of our customers. Valtierra, who has broken barriers and paradigms throughout her career, spoke about empowerment, setting and accomplishing career goals, and tearing down barriers to success.

Society of Women Engineers Conference in India

Schlumberger sponsored a Society of Women Engineers (SWE) conference in Pune, India. SWE works to inspire women to achieve their full potential as engineers and leaders, and to transform the image of the engineering profession. Three female Schlumberger employees spoke at the event and provided engaging presentations on management, the oil and gas industry, and maintaining a proper work-life balance. Schlumberger also set up a booth to provide the more than 600 participants with an opportunity to network with employees and learn more about the Company.

Women's Global Leadership Conference in Energy

Schlumberger was a platinum sponsor of the 15th Women's Global Leadership Conference in Energy. More than 700 women attended the conference, which is designed to inspire the next generation of women in the oil and gas industry. Participants had the opportunity to network with other industry professionals, discuss industry trends, and learn new ways to fine-tune their professional and technical skills. Many senior Schlumberger employees offered their technical and professional expertise as keynote speakers and panelists during the event.

Diversity THIS IS SCHLUMBERGER ENVIRONMENT COMMUNITY TRACK RECORD

2017 Global Stewardship Report



Diversity Day in France

Employees at the Schlumberger-Riboud Product Center in Clamart, France, held the first Diversity Day to celebrate the center's diversity of thought with respect to nationality, culture, generations, and handicapped people. The event, held in conjunction with the Connect Women 10th Anniversary Celebration, included a series of conferences aimed at increasing awareness of the importance of diversity in the workplace along with a roundtable discussion, photo exhibit, webinar, and diversity wall.

Working Toward Gender Parity in Russia

The Drilling Engineering Center (DEC) in the Russia and Central Asia GeoMarket region has dramatically increased gender diversity among engineers during the past five years. In 2013, women made up merely 10% of engineers at the center, but in 2017, that number reached 40%. The DEC also sought to increase efficiency by updating its hiring and recruiting strategies to create more diverse and efficient teams.

THIS IS SCHLUMBERGER ENVIRONMENT COMMUNITY TRACK RECORD Local Initiatives and Global Impact

2017 Global Stewardship Report

Local Initiatives and Global Impact

Our approach to Global Stewardship is to focus on local concerns where we can make a positive difference and have the greatest impact.

Schlumberger people live and work in 85 countries. Guided by ongoing engagement with a wide range of stakeholders, in each location we strive to align our global business model with national and local priorities. Because we believe that all sustainability is local, wherever we live and work we engage with local institutions, coordinate our activities with community initiatives and objectives, and invest in local capacity building.



Local Initiatives and Global Impact THIS IS SCHLUMBERGER ENVIRONMENT COMMUNITY TRACK RECORD

2017 Global Stewardship Report

Spotlight on Indonesia

Geothermal Development

Located in an area known as the Ring of Fire, Indonesia has an estimated 29 gigawatts of geothermal resources — but only about 1.8 gigawatts, or approximately 7%, has been developed. Developing this geothermal energy requires exceptional technologies and Geothermex, a Schlumberger company, is collaborating with the Indonesia Geothermal Association and the national government to achieve the country's goal of producing 7.2 gigawatts of geothermal energy by 2030. In 2017, Schlumberger contributed to the development of several geothermal projects in Indonesia by providing integrated drilling services in the KS-Orka Sorik-Marapi field along with drilling services for Star Energy, Supreme Energy, and Pertamina Geothermal Energy.

Faculty for the Future Research

The diverse research focus of Indonesian Faculty for the Future fellows and alumnae reflects regional challenges and the determination of the women scholars to improve conditions in their home country through science. For example, one fellow is measuring local changes in the Earth's surface in Indonesia resulting from natural disasters such as landslides and deformation due to subsidence. The resulting measurements can help disaster management planners predict and mitigate the effects of future disaster events. Another fellow evaluated deformation in the upper plate in Java and estimated the strain regime in the area. Outcomes of her research included mapping newly identified active faults capable of producing large earthquakes in Java, resulting in revisions to the national Earthquake Hazard Map of Indonesia.

Faculty for the Future Forum

In August, the Schlumberger Foundation organized a Faculty for the Future forum in Bandung, Indonesia. During the three-day event, 44 fellows from 32 universities around the world heard from a panel of distinguished keynote speakers — including the first female Indonesian astronaut. Faculty for the Future forums offer an opportunity for the fellows to collaborate, learn from each other, and network with distinguished scientists and other invited speakers.

Taking Career Aspirations to the Next Level

Female engineering students in Indonesia were encouraged to prepare for a career in the oil and gas industry by participating in an essay competition Schlumberger sponsored. Participants used fewer than 350 words to explain what attracted them to a career in the oil and gas industry and how they planned to prepare themselves. The competition received more than 600 entries, and 48 students among them were selected to participate in a conference on women and engineering.

Cross-Company Mentoring Circle

Schlumberger participated along with a small group of companies in a workshop conducted by the women's network of a customer in Indonesia. Called Cross-Company Mentoring Circle, the topic of discussion was "Be the Voice in the Room." Held in Jakarta, the event aimed to inspire working women to continue reaching their full potential and to make a contribution in the working environment. The customer's women's network and its Cross-Company Mentoring Circle are a manifestation of the company's

Our stewardship activities in Indonesia are concentrated around four socioeconomic pillars: human capital development, national capacity building, natural disaster research, and land transport safety.

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2017 Global Stewardship Report

commitment to create an organizational environment in which women are involved, empowered, respected, and seen as important contributors. According to research from Grant Thornton, in 2017 Indonesia experienced an increase in the number of women in senior management roles, up from 24% in 2016 to 28% in 2017.

HSE for Youth Events

In July, 35 children of our employees and contractors attended an HSE for Youth event in the Cikarang Integrated Base where participants learned about road safety and other topics. In November, another HSE for Youth event was held for 60 teens and pre-teens at Balikpapan Timur. The pre-teens learned about road safety, and the teenagers were taught first aid skills.

Local Empowerment

Wherever we live and work we contribute to social and economic development. Understanding local need is key to developing good relations with local communities. In Sumatra, where a local school lacked an adequate number of trash bins, Schlumberger employees modified an empty plastic drum and turned it into a trash bin for use in the school. We provided a roof for a waste shelter in Kalimantan, and we transported people to the waste shelter three times a week. We collaborated with a local telecommunications provider to erect an antenna that gives Internet access to people living in the Tamapole area in Kalimantan. We also hired 30 local people around our Tamapole base to work on Schlumberger barges as catering staff, security guards, and helpers.

Natural Disaster Research

Indonesia has to cope with the constant risk of volcanic eruptions, earthquakes, floods and tsunamis. The World Bank has estimated that 40% of Indonesia's population – about 90 million people – are vulnerable to disaster.

Schlumberger is assisting Indonesia in its quest to become safer by supporting research at Universitas Gadjah Mada (UGM) in Yogyakarta into natural disaster mitigation. Following the Mount Merapi eruption in 2010, which killed more than 350 people, Schlumberger provided initial funding for a UGM project to create a community-wide early warning system for natural events such as landslides, floods, and volcanic eruptions. We provide ongoing support (USD 3.6 million since 2004) for advanced research by Faculty for the Future fellows — much of which is for natural disaster mitigation and preparedness — and we have partnered with a national metrological agency to enhance early warning systems by maximizing our subsurface data expertise.

Driving Safety

Reducing driving risks is a top priority in Indonesia, as most fatalities in the oil and gas industry there are related to road accidents. In 2017, Schlumberger employees drove more than 5.1 million miles in the country, equivalent to driving 17 times around the world every month. To increase safety awareness, Schlumberger Duri set up a "seatbelt convincer" at the local police station in the Rokan Hilir area of Riau province and invited people who were applying for a driving license to give it a try. A Schlumberger volunteer explained how the convincer works and discussed the importance of wearing seatbelts while driving. Positive feedback was received from participants and the local police.

2017 Fast Facts

Number of Indonesians in Schlumberger on overseas assignments to gain work experience	1,050 e
Percentage of in-country workforce who are Indonesians	98
Number of miles driven by Schlumberger drivers in Indonesia	5.1 million
Number of times Schlumberger drivers in Indonesia could have circled the globe	17 times every month
Overall number of traffic deaths in Indonesia	2,500
Number of Indonesian women who are Faculty for the Future fellow	38 vs
Amount of grants provided by USchlumberger to Indonesian fellows since 2004	SD 3.6 million
United Nations human development index for men in Indonesia	0.71
United Nations human development index for women in Indonesia	0.66

Local Initiatives and Global Impact

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2017 Awards and Recognition

Schlumberger is widely respected for developing technologies that help customers produce oil and gas more efficiently while helping them conserve natural resources and minimize their environmental footprint. In 2017 we again received numerous awards from industry peers honoring our technology advantage.

Our size and geographic reach enables us to make valuable contributions to local economies by hiring locally, building domestic capacity in our supply chains, and offering other forms of support for the communities where we live and work. Many groups have recognized our work in this area.

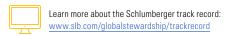
Sustainability Awards

Newsweek

Newsweek Green Rankings

Schlumberger placed 69th in the United States and 122nd worldwide in the 2017 *Newsweek* Green Rankings. This is an improvement compared with ranking 124th in the United States and 220th worldwide in 2016. Schlumberger placed 1st in the energy sector in the US rankings and 7th in the world energy sector rankings. The rankings feature eight key performance indicators used to assess and measure corporate environmental performance. The *Newsweek* Green Rankings measure corporate sustainability and environmental impact among 500 of the world's largest publicly traded companies.

Based on research from Corporate Knights and Human Impact + Profit Investor Inc., the Newsweek Green Rankings are one of the world's most recognized assessments of corporate environmental performance.



Most Admired Knowledge Enterprises (MAKE)

2017 Global MAKE Award

For the 12th consecutive year, Schlumberger was winner of the Global Most Admired Knowledge Enterprises (MAKE) study—the international benchmark for world-class knowledge organizations. Schlumberger placed first in the category of "creating an environment for collaborative enterprise knowledge sharing."

These awards recognize organizations that outperform their peers in creating shareholder wealth by transforming tacit and explicit enterprise knowledge and intellectual capital into superior products, services, or solutions. Teleos, an independent research company in knowledge management and intellectual capital areas, established the MAKE Awards in 1998.

Most Admired Knowledge Enterprises (MAKE)

2017 Overall European MAKE Award

Schlumberger was awarded the Overall European Make Award for a third time in the past five years. The Company placed first in the category of "creating a knowledge-driven enterprise culture." This was the 12th consecutive year Schlumberger was voted a winner in the European Most Admired Knowledge Enterprises study.

These awards recognize organizations that outperform their peers in creating shareholder wealth by transforming tacit and explicit enterprise knowledge and intellectual capital into superior products, services, or solutions. Teleos, an independent research company in knowledge management and intellectual capital areas, established the MAKE Awards in 1998.

THIS IS SCHLUMBERGER ENVIRONMENT COMMUNITY TRACK RECORD Sustainability Award

2017 Global Stewardship Report

Forbes

America's Best Employers

Forbes ranked Schlumberger 392nd on its 2017 list of America's Best Employers. The Company was ranked 22nd within the Construction, Oil & Gas Operations, Mining, and Chemicals industries. The complete list of America's Best Employers includes 500 companies from 25 different industries.

Forbes ranks companies in partnership with Statista, and studies involved survey response collection and analysis applied to a sample of 30,000 employees working for firms or institutions that employ 1,000 or more.

National Society of Black Engineers

New Corporate Sponsor of the Year

The National Society of Black Engineers (NSBE) Houston Professionals chapter unanimously selected Schlumberger as their New Corporate Sponsor of the Year. Our support is helping NSBE award more than USD 20,000 in scholarships to at least 10 scholars.

The mission of the National Society of Black Engineers is to increase the number of culturally responsible black engineers who excel academically, succeed professionally, and positively impact the community.

The Wall Street Journal

Management Top 250 Rankings 2017

Schlumberger ranked 164th in the *Wall Street Journal's* Management Top 250 rankings. Rankings were determined by measuring performance on Customer Service, Employee Engagement and Development, Innovation, Social Responsibility and Financial Strength. Schlumberger scored 5 out of 5 stars for the Innovation category and 4 out of 5 stars in the Social Responsibility category.

The Wall Street Journal's Management Top 250 rankings are based on the Drucker Institute Company rankings, which ranked 693 companies in 2017 based on Customer Service, Employee Engagement and Development, Innovation, Social Responsibility and Financial Strength.

Thomson Reuters

Top 100 Global Energy Leaders

Thomson Reuters ranked Schlumberger as one of the Top 100 Global Energy Leaders in 2017. Companies are selected for this list based on a combination of business metrics and a comprehensive group of risk metrics, as well as technological innovation, news sentiment, and environmental and social factors.

Thomson Reuters is a Canadian media and information provider for financial and risk, legal, tax and accounting, and media markets.

Strategy & Global Innovation 1000 Study

Schlumberger ranked 140 worldwide in the Strategy & Global Innovation Study, which analyzes spending at the world's 1,000 largest publicly listed corporate R&D spenders. The Company was ranked fifth within the energy sector.

Barron's

World's Most Admired Companies 2017

Schlumberger ranked 47th on *Barron's* Top 100 World's Most Respected Companies list in 2017. Every year *Barron's* surveys professional money managers about their views of the world's 100 largest companies by market value.

SyncForce Ranking the Brands Top 100 is a consolidated ranking based on all globally published brand rankings.

IR Magazine

Global Top 50 Gold Ranking: 2017

Schlumberger ranked among *IR Magazine's* 2017 list of Global Top 50 companies. The magazine assesses how well companies meet international standards of disclosure, transparency, and communication in investor relations. The list includes companies that demonstrate excellence in communicating with their shareholders and get their investor relations (IR) programs right all the time.

IR Magazine's Global Top 50 ranking celebrates companies that demonstrate excellence in communicating with their shareholders and that get their investor relations (IR) programs right all the time.

2017 Best in Sector: Energy

In 2017, *IR Magazine* recognized Schlumberger as the Best in Energy Sector in its Investor Perception Study—United States.

IR Magazine is a publication of IR Media Group, a business media company. Originally launched in 1988 by the Economist Group, IR Magazine is known for providing quality insight and a global perspective.

Custainability Awards THIS IS SCHLUMBERGER ENVIRONMENT COMMUNITY TRACK RECO

2017 Global Stewardship Report

Institutional Investor

Schlumberger achieved a first-place ranking from *Institutional Investor* for Best CEO, Best CFO, Best IRO, Best IR Program and Best Analyst Day under the Oil Services & Equipment sector in the 2017 All America Executive Team Ranking. Schlumberger was also recognized as one of America's Most Honored Companies. To determine the winners, *Institutional Investor* portfolio managers and sell-side analysts nominated 2,213 US companies for their corporate leadership and investor relations expertise.

Institutional Investor is a leading international business-to-business publisher, focused primarily on international finance.

Penn State Corporate Sponsor of the Year Award

Schlumberger received the Penn State Corporate Sponsor of the Year Award in 2017, which recognizes a corporation that has demonstrated extraordinary generosity in promotion and support of Penn State University. Recipients are selected based on consistency of giving, level of impact across the university, and support for areas of greatest need. Schlumberger's technical and recruiting teams are working to expand and strengthen the relationship with Penn State through greater technical collaboration and improved recruiting.

Petroleum Economist Awards

Service Company of the Year

Petroleum Economist presented Schlumberger with the Service Company of the Year award in 2017. The award is presented

to companies that display the most effective management and development during the judging period and is open to companies providing services to the energy industry, including construction, engineering, and operating services.

Petroleum Economist is a monthly magazine that publishes macro-economic and geopolitical analyses of the energy industry.

Employee Recognition

Forbes Middle East Magazine

Top 100 Executives

The Schlumberger Advisor to the CEO, Latin America and Africa, was recognized by the business publication *Forbes Middle East*, ranking 19th in the publication's list of Top 100 Executives in the Middle East and North Africa region.

Forbes Middle East Magazine features articles and reports about the world of finance and business.

Society of Petroleum Engineers

International Awards

During the 2017 Society of Petroleum Engineers reception and banquet, two Schlumberger employees received the SPE Distinguished Member award, and another employee received the Young Member Outstanding Service award. These awards "recognize those who have made significant technical and professional contributions to the industry, and those who have contributed exceptional service and leadership to the society."



THIS IS SCHLUMBERGER ENVIRONMENT COMMUNITY TRACK RECORD Sustainability Award

2017 Global Stewardship Report

Technology Awards

Brazil National Agency of Petroleum, Natural Gas, and Biofuels

Technology Innovation Award Optimization of the Pre-Salt Drilling Process

The Schlumberger Brazil Research and Geoengineering Center and Petrobras were jointly honored with the 2017 Technology Innovation Award for Schlumberger's Optimization of the Pre-Salt Drilling Process. Awarded by the Brazilian National Agency of Petroleum, Natural Gas, and Biofuels, the Technology Innovation Award encourages and recognizes technologies with applicability in the oil and gas industry.

The Brazil National Agency of Petroleum, Natural Gas, and Biofuels presents the Technology Innovation Award for technologies developed in Brazil by large enterprises in collaboration with Petrobras, the Brazilian national oil company.

2017 World Oil Awards

The annual World Oil Awards program recognizes the upstream oil and gas industry's leading innovations. In 2017, six Schlumberger technologies were honored with industry awards.

Best Completion Technology Award: MZ-Xpress Single-Trip Multizone Frac- and Gravel-Pack System

Best Deepwater Technology Award: Managed Pressure Drilling Integrated Solution.

Best Drilling and Completion Fluids Award: PrimoPAC: The Stable, Reusable Solution for Optimal Openhole Gravel Pack Integrity (M-I SWACO)

Best Drilling Technology Award: SpectraSphere Fluid Mapping-While-Drilling Service

Best Health, Safety, Environment/Sustainable Development

- **Offshore Award:** ATC VAC Automatic Tank Cleaning with Vacuum Truck (M-I SWACO)

Best Visualization & Collaboration Award: OptiWell Well Construction Performance Service

The World Oil Awards recognize and honor the upstream industry's top innovations and innovators.

E&P Magazine

2017 Meritorious Awards for Engineering Innovation

The following awards were presented to technologies spanning a broad range of disciplines and addressed several problems that pose roadblocks to efficient operations. The resulting technological advances opened new and better avenues to the challenging process of finding and producing hydrocarbons worldwide. In 2017, Schlumberger received awards in the following categories:

Artificial Lift

• Shuttle Rigless ESP Replacement System (ZEiTECS)

Drill Bits

• Axeblade Ridged Diamond Element Bit (Smith Bits)

Drilling Fluids/Stimulation

• OpenPath Sequence Diversion Stimulation Service

Drilling Systems

• Powerdrive Orbit Rotary Steerable System

Formation Evaluation

 Saudi Aramco/Schlumberger Partnership — 3D Mapping of reservoir saturation from crosswell EM in horizontal wells

Hydraulic Fracturing/Pressure Pumping System

Avantguard Advanced Flowback Services

Intelligent Systems and Components

Maze Microfluidic SARA Analysis

Technology Awards This is schlumberger environment community track record

2017 Global Stewardship Report

Offshore Technology Conference

Spotlight on New Technology Awards

The Offshore Technology Conference recognizes innovative technologies with the Spotlight on New Technology Awards. Winning technologies are selected based on four criteria:

- New and Innovative: less than two years old; original and groundbreaking
- Proven: through full-scale application or successful prototype testing
- Broad Interest: broad appeal for the industry
- Significant Impact: provides significant benefits beyond existing technologies

In 2017, Schlumberger received meritorious awards for the following technologies:

- Managed Pressure Drilling Integrated Solution
- OptiDrill Real-Time Drilling Intelligence Service



Global Reporting Initiative Standards

The Schlumberger 2017 Global Stewardship Report uses Global Reporting Initiative (GRI) Standards as our main reference. The GRI Standards are the first global standards for sustainability reporting; they help businesses, governments, and other organizations measure and report their sustainability performance in the areas of economic, environmental, and social impacts. In addition to the GRI Standards, we have been influenced by guidelines issued by IPIECA, the global oil and gas industry association for environmental and social issues, and by the American Petroleum Institute: International Association of Oil & Gas Producers.

Priority issues for the oil and gas services industry include a range of environmental, social, and governance topics. Based primarily on information obtained through regular and ongoing interaction with our customers, Schlumberger reports on data that is relevant to our Company performance and to our external audiences and stakeholders. The content in this report was chosen based on a materiality review using the criteria of applicability, degree of impact, and risk. When an indicator is useful, we provide reliable and verifiable data to the greatest extent possible utilizing internal data collection systems. In addition, we have engaged PwC to review our processes and procedures and to verify a sample of the data listed below. PwC has expressed a limited assurance that our data are in all material respects fairly presented and in accord with guidelines used by Schlumberger. The table that follows identifies information specific to Schlumberger and the corresponding GRI Standards and IPIECA reporting indicators that have been used as a reference to report on environmental, social, and governance topics.

GR Disclosure Number	GR Disclosure Title	IPIECA Indicator	Information Location*
102-1	Name of the organization		1
102-2	Activities, brands, products, and services		10-K 3-6
102-3	Location of headquarters		Back Cover
102-4	Location of operations		3
102-5	Ownership and legal form		Background
102-6	Markets served		10-K 3-6
102-7	Scale of the organization		3
102-8	Information on employees and other workers		3, 68-71
102-9	Supply chain		56, 57
102-10	Significant changes to the organization and its supply chain		56, 57
102-13	Membership of associations		61
102-14	Statement from senior decision-maker		2
102-16	Values, principles, standards, and norms of behavior		8–11
102-18	Governance structure		5, 6
102-22	Composition of the highest governance body and its committees		6; Proxy 18
102-23	Chair of the highest governance body		5
102-24	Nominating and selecting the highest governance body		6
102-25	Conflicts of interest		6
102-29	Identifying and managing economic, environmental, and social impacts		5, 6
102-30	Effectiveness of risk management processes		6; Proxy 14, 18
102-35	Remuneration policies		6; Proxy 24
102-40	List of stakeholder groups		58-61
102-42	Identifying and selecting stakeholders		58-61
102-43	Approach to stakeholder engagement		58-61
102-44	Key topics and concerns raised		58-61
102-45	Entities included in the consolidated financial statements		10-K 38-43

GR Disclosure Number	GR Disclosure Title	IPIECA Indicator	Information Location*
102-51	Date of most recent report		Reports
102-52	Reporting cycle		Reports
102-53	Contact point for questions regarding the report		Back Cover
201-1	Direct economic value generated and distributed	SE4, SE13	6, 53; 10-K 38-43
201-2	Financial implications and other risks and opportunities due to climate change		15
202-2	Proportion of senior management hired from the local community	SE6	68
203-1	Infrastructure investments and services supported	SE4 7	2-74; 10-K 38-43
203-2	Significant indirect economic impacts	SE4, SE6	53, 72-74
204-1	Proportion of spending on local suppliers	SE5, SE7	56, 57
205-1	Operations assessed for risks related to corruption	SE11, SE12	9-11; 10-K 10
205-2	Communication and training about anti-corruption policies and procedures	SE11	9-11
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices		9-11
301-2	Recycled input materials used	E10	17, 31
302-1	Energy consumption within the organization	E2	16, 17
302-2	Energy consumption outside of the organization		25-29
302-4	Reduction of energy consumption	E2	15-19
302-5	Reductions in energy requirements of products and services	E3	25-29
303-1	Water withdrawal by source	E6	16, 17
303-3	Water recycled and reused	E6	16, 17
304-2	Significant impacts of activities, products, and services on biodiversity	E5	15
304-3	Habitats protected or restored	E5	15, 18
305-1	Direct (Scope 1) GHG emissions	E1	16–18
305-2	Energy indirect (Scope 2) GHG emissions	E1	16–18
305-5	Reduction of GHG emissions	E1	16–18

GR Disclosure Number	GR Disclosure Title	IPIECA Indicator	Information Location*
306-2	Waste by type and disposal method	E10	16, 17
306-3	Significant spills	E9	16, 17
306-4	Transport of hazardous waste	E10	16, 18
307-1	Non-compliance with environmental laws and regulations		16; 10-K 11
308-1	New suppliers that were screened using environmental criteria		9, 56, 57
308-2	Negative environmental impacts in the supply chain and actions taken		56, 57
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	HS3	47-51
403-3	Workers with high incidence or high risk of diseases related to their occupation	HS2	46
404-1	Average hours of training per year per employee	SE17	66
404-2	Programs for upgrading employee skills and transition assistance programs days, and absenteeism, and total number of work-related fatalities	SE17	66, 67
404-3	Percentage of employees receiving regular performance and career development reviews	SE17	66
405-1	Diversity of governance bodies and employees	SE15	5, 68, 69
408-1	Operations and suppliers at significant risk for incidents of child labor	SE8, SE9	11, 54, 55
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	SE8	54, 55
413-1	Operations with local community engagement, impact assessments, and development programs	SE1	54, 72-74
413-2	Operations with significant actual and potential negative impacts on local communities	SE1	54, 55
414-1	New suppliers that were screened using social criteria		9, 56, 57
414-2	Negative social impacts in the supply chain and actions taken		9, 56, 57
415-1	Political contributions	SE13, SE14	9
416-1	Assessment of the health and safety impacts of product and service categories	HS4	47-51

^{*} All page numbers refer to 2017 Global Stewardship Report unless otherwise noted.

Performance Data Table

Metric		Units		Year		Reference
Corporate Governance			2015	2016	2017	Page Number
Number of Employees Worldwide, approximately		_	95,000	100,000	100,000	3
Countries We Work In		_	85+	85+	85+	3
Nationalities Represented in Our Workforce		_	140+	140+	140+	3
	Latin America	percentage	18	13	12	3
National Mix	North America	percentage	21	20	21	3
National Wilx	Middle East, Asia	percentage	30	29	29	3
	Europe, CIS, Africa	percentage	31	38	37	3
	Other	percentage	2	2	2	3
	Latin America	percentage	17	15	13	3
Decrease Contributions	North America	percentage	28	24	31	3
Revenue Contributions*	Middle East, Asia	percentage	28	34	31	3
	Europe, CIS, Africa	percentage	26	26	23	3
	Other	percentage	2	2	2	3
Revenue		in millions of dollars	35,475	27,810	30,440	6
Income from Continuing Operations		in millions of dollars	2,072	(1,687)	(1,505)	6
Diluted Earning per share from continuing operation excluding charges and credits	ns,	(loss)	1.63	(1.24)	(1.08)	6
Cash Dividends per Share		in dollars	2.00	2.00	2.00	6
Cash flow from Operations		in millions of dollars	8,805	6,261	5,663	6
Environmental Performance			2015	2016	2017	Page Number
CO₂e Emitted (Scope 1)¹		thousands of metric tonnes	1,400	1,136	1,358	17
CO₂e Emitted (Scope 2) ¹		thousands of metric tonnes	577	704	561	17
CO₂e Emitted (Scope 1 + 2)		thousands of metric tonnes	1,987	1,840	1,919	17
CO₂e Emitted (Scope 3)		thousands of metric tonnes	1,057	876	911	_
Total Energy Consumption		thousands of MWh	6,275	5,506	6,644	_
Electricity Use ²		thousands of MWh	930	1,220	1,154	17
Fuel Used – Natural Gas		MWh	320,000	314,000	435,000	_

Environmental Performance			2015	2016	2017	Page Number
Fuel Used - Oil/Diesel		thousands of MWh	5,000	3,972	5,055	_
Fuel Consumption by Tune	Distillate Fuel Oil No. 1	percentage	26	33	18	17
Fuel Consumption by Type	Diesel/Gas Oil	percentage	74	67	82	17
Water Use ²		thousands of cubic meters	3,000	3,433	3,816	17
Total Water Recycled		thousands of cubic meters	185	162	140	_
% Water Recycled		percentage	6	5	4	_
Waste Generated by Year		thousands of metric tonnes	450	488	539	17
Waste Recycled		thousands of metric tonnes	25	193	184	17
Raw Materials Used		thousands of metric tonnes	7,000	10,163	8,383	17
Number of Incidents >1 bbl of Oil		_	22	32	45	16
Hydrocarbon Bulk Fluids Spilled ⁵		barrels	217	547	436	17
ISO 14001 Certified Sites		number of sites	70	112	74	19
Sites Subject to Environmental Audit Requirement		number of sites	790	742	713	19
Sites Subject to Environmental Audit Requirement		percentage	8.80	13.13	14	_
Environmental Accounting Cost		in millions of dollars	_	394	353	_
Investments in Operational Sustainability		in millions of dollars	_	407	387	_
CO₂e Per \$B Revenue Per Year		tonnes	56,011	66,160	63,075	17
CO₂e Per Employee Per Year		tonnes	20.8	18.4	19.2	17
Nonproductive Time Rate Improvement from Baseline	e Year (2011)	percentage	51	55	59.8	18
Community and Education			2015	2016	2017	Page Number
	Workshops	_	190	132	143	38
OFFR OTFIANALL	Teachers	_	1,151	1,572	1316	38
SEED: STEM Workshops	Students	_	61,519	27,281	17,689	38
	Volunteers	_	3,130	730	1,008	38
	Workshops	_	161	122	199	40
	HSE Topics	_	9	9	9	40
HSE for Youth	Attendees	_	4,000+	3,000+	4000+	40
	Countries	_	52	34	41	40
	New Scholarships Awarded	_	155	49	38	39
	Scholarships Renewed	_	129	169	140	39
	Developing Countries	_	80	78	81	39
Faculty for the Future	Fellow and Alumnae	_	_	600	634	39
	High Level Fields of Study	_	_	24	27	39
	Host Universities of Study	_	_	243	251	39

Community and Education			2015	2016	2017	Page Number
In-Kind Giving	Commercial Initiatives	in millions of dollars	2,650.0	2,300.0	2,400.0	53
III-Kiliu Giviliy	Community Initiatives	in millions of dollars	16.9	10.0	9.27	53
	Assessments	_	28	35	40	54
Social Risk Assessments (2010-2017)	Assessments in 2017	_	_	4	5	54
Social hisk Assessments (2010-2017)	Continents	_	5	5	6	54
	Countries	_	15	16	22	54
Number of Social and Environmental Baseline Studies		_	_	8	11	54
Amount Committed to the GCEP		in millions of dollars	25	25	25	63
Health and Safety			2015	2016	2017	Page Number
Company's health & safety system certified to OHSAS	18001	percentage	5	7	1	_
	Employee	_	1	5	1	50
	Contractor	_	1	1	2	50
Fatalities	Company Total	_	2	6	3	50
	Third Party	_	1	0	2	_
	Fatal Accident Rate	per 100 million workhours	0.53	1.87	0.86	50
Combined Lost Time Injury and Illness Frequency (CLTIF)		per million workhours	0.96	0.92	0.91	51
Automotive Accident Rate		per million miles	0.21	0.25	0.33	50
% data coverage as % of employee workhours for injury	y and illness	percentage	100	100	100	_
% data coverage as % of contractor workhours for injur	ry and illness	percentage	100	100	100	_
Third party (PwC) verification for injury and illness data		_	Yes	Yes	Yes	50
Total hours worked	Employees (Direct Workforce)		291,397,600	248,226,800	244,524,020	_
		Total Recordable Incidents (Injuries (Fatality + LWDC + RDWC +				
Total Recordable Incidents	Employees (Direct Workforce)	_	461	346	467	_
Total Recordable Incident Rate (Frequency) ⁴	Workforce (Employees + Contractors)	per million workhours	1.46³	1.30	1.34	_
		Lost Time Incidents (Injuries an (Fatality + LWDC)	d Illnesses)			
Total Lost Work Time	Employees (Direct Workforce)	hours	30,752	20,9283	31,256	_
Lost Time Incident Rate (Frequency) ⁴	Workforce (Employees + Contractor)	per million workhours	0.55	0.52	0.47	50
		Total Recordable Injurie (Fatality + LWDC + RDWC +				
Total Recordable Injury Rate (Frequency) ⁴	Workforce (Employees + Contractor)	per million workhours	1.43	1.26	1.29	50

		Lost Time Injuries (Fatality + LWDC)				
Lost Time Injury Rate (Frequency) (LTIFR)	Employees (Direct Workforce)	per million workhours	0.57	0.49	0.49	51
Lost Time Injury Rate (Frequency) (LTIFR)	Contractors	per million workhours	0.46	0.56	0.42	51
Lost Time Injury Events (Lost Work Day Cases + Fatalities)	Employees (Direct Workforce)		165	122	121	_
Total Lost Work Time (Injury)	Employees (Direct Workforce)	days	3,843	2,601	3,904	_
Lost Time from Accidents (Injury)	Employees (Direct Workforce)	hours	30,744	20,808	31,232	_
Lost Time Severity Rate	Employees (Direct Workforce)	lost days per million workhours	13	10	16	_
		Lost Time Illnesses (Fatality + LWDC)				
Lost Time Illness Rate (Frequency) (OIFR)	Employees	per million workhours	0.007	0.020	0.008	_
Supply Chain			2015	2016	2017	Page Number
Critical Suppliers		absolute number	1,914	1,960	2,230	57
Audits of Tier 1 Suppliers	Critical Suppliers	percentage	52	27	44	57
Addits of their Suppliers	Total Suppliers	absolute number	48,902	52,109	41,232	57
Critical Suppliers for which more than 40% of their revenue c	amon from CLD	percentage	13	11	6	56
Critical Suppliers for which more than 40% of their revenue c	THIES HOLL SED	absolute number	249	209	79	56
0 1 1 4000/ (1'		percentage	100	100	100	56
Spend analysis covers 100% of suppliers		absolute number	48,902	52,109	41,232	56
Of spend is covered in risk analysis		percentage	32	84	45	56
Suppliers that are at high risk		percentage	<1	<1	<1	56
Supplier Audits were conducted		absolute number	205	332	453	56
Of audited suppliers have a documented development plan		percentage	37	32	51	56
University Relations and Recruiting			2015	2016	2017	Page Number
University Interns		_	180	700+	700+	65
Recruiting Job Applications		_	327,000	275,000	310,000	65
Number of Countries Recruited In		_	85	40+	60+	65
Number of Universities Recruited At		_	444	443	471	65
Disciplines Recruited		_	55+	55+	55+	65
Management on University Advisory Boards		Schlumberger executives	20	24	24	64
ivianagement on University Advisory Boards		number of universities	17	19	19	64
Training			2015	2016	2017	Page Number
	Average time per Position	hours	162	162	163	_
Investment for Operations Engineers,	Average Spend per Position	in millions of dollars	16,400	15,285	15,100	_
Petrotechnical Experts, and Specialists	Training Days	days	280,000	125,101	196,100	_
	Training Centers	centers	10	10	9	_

Training			2015	2016	2017	Page Number
	Professionals Trained	_	32,000	15,000	15,000	66
	Instructors Across 11 Disciplines	_	_	3,000	3,000	66
NExT Training	Classes Held Worldwide	_	_	1,500	1,500	66
NEXI ITAIIIIII	Countries Covered	_	_	119	85	66
	Practical Courses & Programs	_	655	600	700	66
	Dedicated Subject Matter Experts	_	_	24	22	66
	New Job Experiences	percentage	70	70	70	_
Employee Development	Internal and Professional Coaching	percentage	10	10	10	_
	Training Courses	percentage	20	20	20	_
Knowledge Management			2015	2016	2017	Page Number
Number of Times Employee CVs are Viewed		_	13,000,000	9,817,908	8,543,975	67
Number of Times Employees Have Viewed Database Info		_	12,600,000	10,798, 060	14,984,698	67
Total Number of Objects in Knowledge Base		_	582,000	614,159	2,176,832	67
Number of Entries in Corporate Encyclopedia		_	28,000	29,000	29,000	67
Total Number of Times Encyclopedia Has Been Acc	essed	_	25,000,000	28,000,000	16,000,000	67
Total Downloads of Technical Articles		_	234,000	234,000	182,000	67
Employees Involved in Forums, Newsletters and W	orkshops	_	29,000	31,000	31,000	67
Number of Live Webinar Viewers		_	42,000	42,000	39,000	67
Number of Webinars Downloaded		_	130,000	130,000	65,000	67
Number of Webinars		_	750	750	700	67
Number of Bulletin Board Posts		_	_	120,000	108,000	67
Number of Bulletin Board Replies		_	_	225,000	219,000	67
Diversity			2015	2016	2017	Page Number
Women in the Company		percentage	16.2	16.4	16	68
Women in Management Positions		percentage	18.2	18.9	18.3	69
Women in Junior Management Positions		percentage	19.9	20.5	19.7	69
Women in Senior Management Positions		percentage	10.3	9.2	12	69

^{*}Certain prior period amounts have been reclassified to conform with current period presentation.

¹ We use the procedures established in the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition) to calculate our annual CO₂-e emissions in Schlumberger. As part of that process, we need to apply conversion factors to energy consumption data to derive CO₂-e values. Those conversion factors are taken from the IPCC Third Assessment Report (TAR 100 year); and IPCC Fourth Assessment Report (AR4 – 100 year).

² We have established norms for consumption per person in North America and we use those norms to calculate estimated consumptions of natural gas, electricity and water at facilities that do not report this data, using applicable employee headcount. For Cameron and for Engineering and Manufacturing facilities in North America, consumption values are directly reported. The headcount-based estimates are used for other office and operational facilities in North America. The norms referred to above were established in 2009 and are reviewed annually and updated when necessary.

³ Indicates a figure which has been adjusted from historical values published e.g. due to changes in company structure and scope of data reporting

⁴ To convert from per million work hours to per 200,000 work hours, divide by 5
⁵ Hydrocarbon Bulk Fluids Spilled has been restated from liters to barrels. Where available, volumes of hydrocarbon spills are reported using information provided by customers or by third-party spill response contractors. Additionally, when applicable, known volumes of stored liquids may be used to determine spill quantities. Finally, in situations where none of the above procedures are applicable, estimates of spilled volume may be made from measurements in impacted areas.

This report contains "forward-looking statements" within the meaning of the U.S. federal securities laws—that is, statements about the future, not about past events. Such statements often contain words such as "expect," "may," "believe," "plan," "estimate," "intend," "predict," "anticipate," "should," "could," "will," "see," "likely," and other similar words. Forward-looking statements address matters that are, to varying degrees, uncertain, such as statements about our improvements in operating procedures and technology; performance and operational targets and other goals, forecasts or expectations; growth for Schlumberger as a whole and for each of its Groups and product lines (and for specified products or geographic areas within a product lines); oil and natural gas demand and production growth; the business strategies of Schlumberger's customers; the anticipated benefits of our transformation efforts; future global economic conditions; and future results of operations. These statements are subject to risks and uncertainties, including, but not limited to, the inability to reduce environmental impact; the inability to reduce the cost-per-barrel of hydrocarbon developments; global economic conditions; changes in exploration and production spending by Schlumberger's customers and changes in the level of oil and natural gas exploration and development; demand for our integrated services and new technologies; the success of Schlumberger's transformation efforts; general economic, political, security and business conditions in key regions of the world; country risk; weather and seasonal factors; changes in government regulations and regulatory requirements, including those related to offshore oil and gas exploration, radioactive sources, explosives, chemicals, hydraulic fracturing services and climate-related initiatives; the inability of technology to meet challenges in sustainability, and challenges in exploration and production; and other risks and uncertainties detailed in our most recent Forms 10-K, 10-Q, and 8-K filed with or furnished to the U.S. Securities and Exchange Commission. If one or more of these or other risks or uncertainties materialize (or the consequences of such a development changes), or should underlying assumptions prove incorrect, actual outcomes may vary materially from those reflected in our forwardlooking statements. The forward-looking statements speak only as of the date of this report, and Schlumberger disclaims any intention or obligation to update publicly or revise such statements, whether as a result of new information, future events or otherwise.



Many of the terms found in this report are defined in the award-winning <u>Schlumberger Oilfield Glossary</u>. Launched in 1998, this collection of industry terms includes more than 46,000 entries for oilfield-related activities and technologies. The Oilfield Glossary mobile app can be downloaded from iTunes and contains definitions for more than 5,000 industry terms defined by technical experts.

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