

# 2019 Global Stewardship Report

Schlumberger Limited



**Schlumberger**

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# Our Sustainability Focus

The energy industry is changing, and Schlumberger's vision is to define and drive high performance, sustainably. Our core competence is to enable our customers to operate safely, efficiently, effectively, and in an environmentally responsible manner. Our Global Stewardship program addresses:

- » identifying and managing opportunities and risks associated with the energy transition and climate change
- » protecting the environment
- » investing in and engaging with the communities where we and our customers live and work
- » respecting human rights and promoting diversity

# Message from the CEO

Schlumberger's vision is to define and drive high performance, sustainably.

We are focused on our purpose: creating amazing technology that unlocks access to energy, for the benefit of all.

Schlumberger is committed to being at the forefront of our industry's shift toward more sustainable energy production—challenging not only ourselves, but also our customers, suppliers, and peers to partner on delivering measurable social and environmental progress. We are uniquely positioned to impact both our own environmental and social footprint and to help our customers reach their goals. Our corporate purpose reiterates our commitment to being a more sustainable industry partner.

The health and safety of our people, customers, contractors, and surrounding communities have always been a top priority in Schlumberger, and this has been in sharper focus during the recent pandemic. I am very proud of the example the people of Schlumberger have set by responding with resilience and generosity, and for safely continuing to deliver high performance for customers and making meaningful contributions to the health of our communities. In 2019, we achieved the lowest total recordable injury frequency and automotive accident rate Schlumberger has ever recorded.

In this context, you can see our culture of stewardship grows from one of our long-established values—people. Exceptional people join us from around the world because of who we are—and then they make

us what we are. Schlumberger seeks to continually increase diversity and promote inclusion in our workforce, supply chains, and communities where we work and live. We believe caring for people and communities is fundamental to drive better performance for all our stakeholders; this is why sustainability is at the core of everything we do. Recent events have increased the sense of urgency and reinforced our commitment to industry-wide sustainability.

Indeed, companies across all industries are being challenged to innovate and create more value while strengthening positive environmental and social performance. I personally accept this challenge and commit to added accountability, transparency, and stakeholder engagement across our ESG strategic elements.

We believe good stewardship starts with committing to change, and accountability starts with setting key corporate goals and targets with the right governance in place to ensure we make progress. Two of our stewardship ambitions for 2025 are a salaried workforce comprising 25% women and a reduction of our Scope 1 and 2 emissions by 30%. My global management teams and I share both these goals in key objectives that are tied to annual compensation.

The United Nations Sustainable Development Goals continue to serve as a primary framework for translating our corporate priorities into locally relevant social and environmental programs. Our focus on addressing climate change aligns to recommendations made by the Task Force on Climate-related Financial Disclosures (TCFD)—efforts we proudly support. Additionally, we view the Sustainability Accounting Standards Board (SASB) metrics as relevant to our management of both financial and non-financial risks related to ESG performance. Our commitment to transparency on key ESG priorities will strengthen our contributions to sustainable change beyond our own environmental footprint.

We are proud that in 2019, our company became the first in upstream exploration and production services to commit to setting a Science Based Targets initiative to reduce greenhouse gas emissions. This is significant, because it challenges us with targets verified by the Science Based Targets initiative, not only to reduce our fuel and power consumption, but to also work with our suppliers and customers to reduce their consumption. We will set our reduction target, in line with SBTi's defined criteria, by 2021.

Through strong collaboration with our business partners across our industry, we are committed to making measurable progress in addressing climate



change. These efforts will be in and beyond oil and gas, strengthening our commitment to provide customers with innovative energy technologies.

I am proud of the achievements we have made in 2019 to advance sustainability. I would like to thank our employees, customers, suppliers, and partners for their dedication and support in delivering the results in this report. Our industry has an important role to play in the future of energy, and Schlumberger is evolving for that exciting future. We continue to build the Schlumberger of tomorrow to define and drive high performance, sustainably.

Sincerely,

**Olivier Le Peuch**  
Chief Executive Officer


# 82,000

Approximate Number of Employees Worldwide  
(as of Sept 30, 2020)

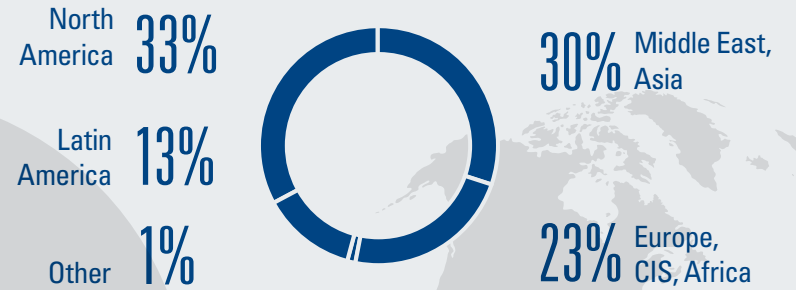
**170+** Nationalities | **120+** Countries

Founded in 1926, Schlumberger is the world's leading provider of technology and digital solutions for reservoir characterization, drilling, production, and processing to the energy industry. Schlumberger supplies the industry's most comprehensive range of products and services, from exploration through production, and integrated pore-to-pipeline solutions that optimize hydrocarbon recovery to deliver reservoir performance sustainably.

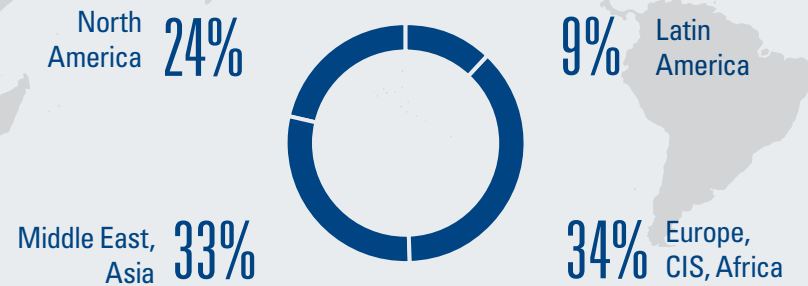
Schlumberger has executive offices in Paris, Houston, London, and The Hague. With product sales and services in more than 120 countries and employing approximately 82,000 people as of the end of third quarter of 2020 who represent over 170 nationalities, Schlumberger attracts talented people from around the world. As of December 2019, Schlumberger employed approximately 105,000 people who represented over 170 nationalities. 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 and products that meet the unique expectations and requirements of our stakeholders, including our customers, suppliers, and stockholders.

 Learn more about the Schlumberger commitment to Global Stewardship: [www.slb.com/globalstewardship](http://www.slb.com/globalstewardship)

### 2019 Revenue Contribution



### 2019 Nationality Mix



# Governance and Ethics

**Schlumberger is committed to excellence in everything we do, and we strive to maintain the trust and confidence of our customers and stockholders as well as other stakeholders affected by our operations. Our commitment to sound principles of corporate governance and ethics sets the foundation of our Global Stewardship program.**

We aim to operate in a consistent and transparent way. Our reputation for integrity and fair dealing is vitally important in winning and retaining the trust of our stakeholders. 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 Board of Directors (Board) consists of nine members, including an independent Chairman of the Board, six additional independent directors, and one executive director. Our director independence standards meet or exceed the independence requirements of the New York Stock Exchange (NYSE).

The Nominating and Governance Committee (N&G Committee) of the Board oversees our Global Stewardship programs and activities. As Schlumberger's primary governing body with oversight over climate-related risks and opportunities, the N&G Committee receives quarterly updates on the progress Schlumberger is making toward a low-carbon future. In addition, the full Board is actively involved in overseeing risk management for the Company, including material risks relating to climate change.

The N&G Committee of the Board also evaluates the suitability of potential nominees for Board membership and makes recommendations to the full Board. The N&G Committee takes into consideration the Board's current composition and mix of appropriate expertise, and promotes Schlumberger's diversity policy that the Board should ensure that qualified candidates reflecting the gender, cultural, and geographical diversity of the Company are considered as potential nominees. The N&G Committee's

evaluation of director nominees takes into account their ability to contribute to the Board's diversity, and the N&G Committee annually reviews its effectiveness in balancing these considerations when considering director nominees.

### Structure

The Board recognizes that one of its key responsibilities is to evaluate and determine an appropriate board leadership structure to provide for independent oversight of management. The Board believes that there is no single, generally accepted board leadership structure that is appropriate for all companies, and that the right structure may vary for a single company as circumstances change. As such, our independent directors consider the Board's leadership structure at least annually.

Most recently, the independent members of the Board determined that appointing an independent, non-executive Chairman of the Board was an appropriate Board leadership structure at this time because it allows our CEO to focus on leading the Company's complex international business operations, while providing the Board experienced and independent leadership. Mr. Mark G. Papa currently serves as our independent Chairman of the Board.

The independent directors of the Board may, at their discretion, determine to combine the CEO and Chairman roles in the future if they deem such action appropriate.

### Diversity

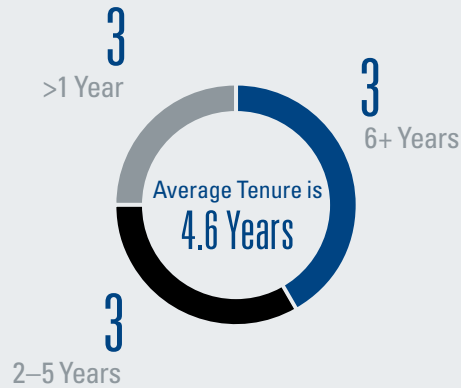
With approximately 82,000 employees who represent over 170 nationalities, Schlumberger and our Board of Directors value gender, cultural, and geographic diversity. Two of our nine directors are women. Among our directors, three are citizens of the United States, three are citizens of France, one is a citizen of Saudi Arabia, one is a dual citizen of both Russia and Israel, and one is a dual citizen of both Argentina and the United Kingdom. Our geographically diverse Board also evidences the Board's commitment to have directors who represent countries where Schlumberger operates. In addition, the exceptionally broad and diverse experience of our Board is in keeping with the goal of having directors whose background and experience complement those of other directors.

### Board Committees

The Schlumberger Board of Directors maintains [five committees](#). The Audit Committee assists the Board in its oversight of the accounting and financial reporting processes of the Company, including the audit of the Company's financial statements and the integrity of the Company's financial statements, legal and regulatory compliance, the independent auditor's qualifications, independence and performance, and the performance of the Company's internal audit function. The Compensation Committee assists the Board in discharging its responsibilities regarding executive compensation. The Nominating and Governance Committee assists the Board in identifying qualified individuals to become directors, reviews corporate governance



**Diversified Director Tenure**



**Board of Directors<sup>†</sup>**

- » Patrick de La Chevardière
- » Miguel M. Galuccio
- » Olivier Le Peuch
- » Tatiana A. Mitrova
- » Lubna S. Olayan
- » Mark G. Papa
- » Leo Rafael Reif
- » Henri Seydoux
- » Jeff W. Sheets

trends, monitors and reviews the effectiveness of the Company’s Ethics and Compliance Program, oversees the Company’s corporate reputation, ESG and social responsibility strategies, and oversees an annual review of the Board’s performance. The Finance Committee advises the Board and management of the Company on various capital allocation and capital structure matters. The Science and Technology Committee advises the Board and management on matters involving the Company’s research and development programs. Only independent directors serve on our Audit, Compensation, and Nominating and Governance Committees.

**Managing Corporate Risk**

The Board also manages risk in part through its oversight of the Company’s Executive Risk Committee (the ERC). The ERC is not a committee of the Board; rather, it comprises top Company executives from various functions, including the Vice President of Global Stewardship, each of whom supervises day-to-day risk management throughout the Company. The ERC’s purpose is to identify those risks that have the potential to significantly affect our business over the short-, medium- and longer terms—and therefore to impact our strategic objective—and to implement appropriate mitigation measures. In 2019, more than half of the key corporate risks identified in our risk mapping process related to environmental, social or governance matters.

The Company’s risk identification is performed annually at two levels. The ERC performs a corporate-level risk mapping exercise, which involves the CEO and several other members of senior management, and while maintaining oversight, delegates operational (field-level) risk assessment and management to the Company’s various geographies, businesses and functions. To the extent that the ERC identifies recurring themes from the operational risk mapping exercises, they are acted on at the corporate level. Members of the ERC meet formally at least once a year, and more frequently on an ad hoc basis, to define and improve the risk mapping process, and to review and monitor the results of those exercises and those that have been delegated. The ERC reports directly to our CEO and to the Board, and annually presents to the Board a comprehensive report as to its risk mapping efforts for that year.

The Board and management recognize that climate risk is a key area of focus among our stakeholders, and the Company has, in line with this risk, committed to reducing our carbon emissions, as discussed in detail

in this report. We are also in the process of implementing efficiency measures focused on fuel consumption and energy consumption across our global operations and facilities. Among the key environmental- and climate-change risks monitored as part of our risk mapping process were:

- » environmental impacts resulting from process safety incidents,
- » country-specific legislation and regulations,
- » environmental compliance,
- » financial risk associated with climate change,
- » perception of industry due to climate change dialogue, and
- » extreme weather.

In 2019, we complemented our well-established risk assessment program with a comprehensive climate risk assessment in Norway—a country that is representative of our operational activities. This project adopted the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations related to the identification of opportunities and risks—both financial and physical—associated with climate change, including conducting scenario-based analyses in accordance with the U.N. Paris Agreement. After a detailed evaluation of our operations in Norway, we identified both acute and chronic physical climate risks, as well as potential risks and opportunities associated with the energy transition. Findings from this project were communicated to Schlumberger management and our Board and are further shaping our internal climate strategy. For example, after identifying some mid-term flooding risks identified in Norway, we launched a global sea-level rise assessment, which we expect to complete in 2020. We have expanded our climate assessment project and, as of September 2020, our operations in countries representing over 50% of our total 2019 revenue are participating in the program. For additional details, please see the Environmental and Climate section of this report titled “Managing Environmental Risk” on page 12.

**Communication with the Board**

The Schlumberger Board of Directors and individual members can be contacted by writing to our Corporate Secretary at the following address:

Schlumberger Limited  
 Attention: Corporate Secretary  
 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 greater the percentage of compensation that is contingent on our financial performance, long-term stock price performance and individual performance—described as “at-risk” compensation. The Company believes that having a significant portion of our executives’ compensation at risk more closely aligns their interests with our long-term interests and those of our stockholders. Accordingly, our executive officers receive a greater percentage of their compensation through at-risk pay tied to Company performance than other members of our senior management.

Some of the Company’s sustainability goals, as discussed in the “Key ESG Priorities and Accountability” section of this report, are reflected in the 2020 short-term cash incentive compensation opportunity for our CEO and other members of our senior management. Specifically, a portion of that compensation opportunity will be based on achieving our annual internal objectives relating to emissions reductions and gender balance.

A more detailed discussion of our executive compensation program is available in our [2020 proxy statement](#) beginning on page 25 under the caption “Compensation Discussion and Analysis.”

In setting our executives’ compensation, we believe the following:

- » The pay of our senior executives should be strongly linked to performance that is evaluated against financial, strategic, operational, and personal objectives.
- » Our compensation program should enable us to recruit, develop, motivate, and retain top global talent, both in the short-term and long-term, by providing compensation that is competitive and by 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 our stockholder returns, and incentivize our executives to achieve difficult but attainable strategic and financial goals that support our long-term performance and leadership position in our industry.
- » Through our executive stock ownership guidelines, our executives should be required to hold stock acquired through equity-based awards, thereby aligning their interests with those of our other stockholders.
- » Diversity of our workforce is both a very important part of our cultural philosophy and a business imperative, as it better enables us to serve clients anywhere in the world.

**Key ESG Priorities and Accountability**

Schlumberger is committed to driving positive Environmental, Social and Governance (ESG) change, both within the Company and across the energy industry. In 2019, the Schlumberger Board of Directors approved the Company’s key corporate ESG goals, which include the achievement of the following by 2025:

- » Reduction in carbon emissions by 30%.
- » Gender balance of 25% women in salaried workforce.
- » Zero company-involved fatalities.

We also further defined our Global Stewardship priorities this year by grouping them into nine key categories of programs and initiatives.

**ENVIRONMENTAL**

- » Reducing our footprint
- » Addressing climate change
- » Helping our customers reduce their footprint

**SOCIAL**

- » Human rights, diversity and inclusion
- » Keeping people safe
- » Community and in-country value

**GOVERNANCE**

- » Risk, monitoring and accountability
- » External ESG engagement
- » ESG reporting and communication

Schlumberger’s key ESG priorities were identified in consultation with our stakeholders and are based on an internal assessment of risk, applicability, and potential degree of impact.

In 2019, Schlumberger became the first company in upstream E&P services to commit to setting a science-based target in emissions reduction—aligning with and in support of the Paris Agreement. We also continued our five-year initiative to map Schlumberger’s impact activities and opportunities to the United Nations Sustainable Development Goals (SDGs) framework. In 2019, we held workshops in key geographic locations, in order to identify the SDGs where we could have the greatest impact based on country-specific operations and local needs. These regional workshops built upon the corporate-level SDG analysis that we completed in 2018, in

which we evaluated all 169 underlying targets of the 17 SDGs and selected the 11 SDGs through which Schlumberger can achieve the greatest positive impact while creating commercial value. Local prioritization of the SDGs in 2019 has allowed our in-country teams to concentrate on environmental and social initiatives in the communities where we live and work, facilitating those communities in achieving targets associated with the SDGs.



Schlumberger also monitors government regulatory and policy changes that address environmental and social factors affecting the industry, both internally and through trade associations, regulatory subscription services, and additional third-party policy expertise. We evaluate regulatory and policy changes to determine their potential impacts to our business operations and to identify opportunities to further enhance our approach to sustainability.

**Independent Audit**

PricewaterhouseCoopers (PwC) auditors reviewed our processes and procedures for 2019 and verified a selected subset of our 2019 data. PwC has expressed a limited assurance that our data are, in all material respects, fairly presented and in accordance with Schlumberger procedural guidelines. Environmental data audited for 2019 includes Scope 1 and Scope 2 greenhouse gas (GHG) emissions, waste production, water consumption, spill, and energy consumption. Health and safety data audited for 2019 includes the number of fatalities, employee and contractor lost-time injuries and illnesses, and the associated work hours to determine frequencies and rates. 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).



# Our Mindset

**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

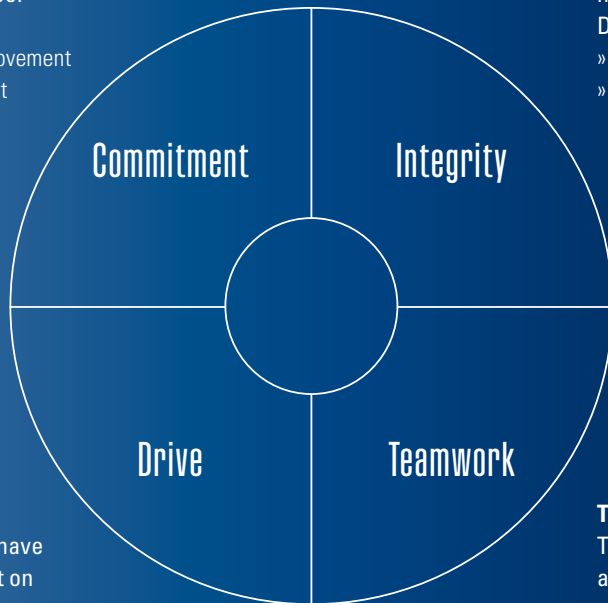
Understand and support the direction ahead.  
Make a difference.

- » Service focus
- » Continuous improvement
- » Self-development

## Integrity

Recognize the boundaries and have the courage to act honestly and responsibly.

- Do the right thing.
- » Decision-making
- » Responsibility



## Drive

Take action and have a positive impact on performance.  
Achieve excellence.

- » Creativity
- » Initiative
- » Adaptability
- » Results focus

## Teamwork

Trust others to do their part and work together toward common goals.

- Help the team succeed.
- » Collaboration
- » Communication
- » Coaching and mentoring
- » Diversity

## Ethics and Compliance

Schlumberger strives to maintain and grow the trust and confidence of our customers and stockholders, as well as all others affected by our operations. When we are clearly seen to behave in an ethical manner, we enhance our reputation as a partner, an employer and a community member.

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 our workforce accomplish this.

The Blue Print—Our Identity summarizes our Purpose, Ambitions and Values, expressing the mindset we need to succeed. The Blue Print in Action—Our Code of Conduct applies to all Schlumberger directors, officers, employees, security providers, and contractors. It is designed to help every employee and contractor handle business situations professionally and fairly. Our Code of Conduct also explains how individual actions reflect on the Company and how the Company is, therefore, the sum of our actions.

In addition, Ethics and Compliance (E&C) training throughout an employee’s career at Schlumberger focuses on the E&C risks they might encounter during their various roles. Members of our workforce, including employees and full-time, part-time and contract workers, are required to complete E&C training on at least an annual basis, or more frequently as their careers progress. Schlumberger E&C training includes annually reviewing our Code of Conduct and anticorruption materials and providing related certifications. We periodically review and adjust the E&C training program so that our team members continue to receive appropriate and up-to-date E&C guidance.

We seek to verify adherence to our Code of Conduct through, among other things, annual E&C risk assessments, compliance-focused audits led by our global internal audit department, and local legal resources and financial controllers in the regions where we operate.

### Business Ethics

Acting ethically involves more than simply complying with laws and regulations. It involves recognition that our decisions affect others. By keeping this in mind, we earn the respect, trust, and confidence of our stakeholders. By doing things right the first time, every time, we enhance our reputation for integrity with these stakeholders (Code of Conduct, p. 11).

### Anticorruption

Schlumberger's anticorruption policy, as outlined in our Code of Conduct, applies to all of our operating locations and geographies and extends to our employees, contractors, suppliers and agents. Our Ethics & Compliance function manages enforcement of the policy, with oversight from the Schlumberger Board of Directors. We review our anticorruption policy at least annually.

Our Ethics & Compliance function comprises a headquarter VP and dedicated E&C staff in all geographies where we operate, for a cohesive approach to mitigating corruption risk. Our E&C team utilizes training, communications, audits, and risk management tools, in order to effectively implement our anticorruption program in the countries where we operate. The E&C team shares best practices and real-time anticorruption information by leveraging our ERP system, which automatically generates red flags specific to anticorruption risks. Schlumberger seeks to identify and timely remediate any anticorruption policy deviations.

Schlumberger also has a grievance reporting process as outlined in our Code of Conduct and in our Human Rights position statement. Grievance reporting mechanisms include our online QUEST Event Report system and an EthicsLine phone reporting system. Our Ethics & Compliance function investigates any corruption allegations, and following any such investigation, corrective measures and/or disciplinary actions are taken, as appropriate. Additionally, lessons learned are identified from each investigation and are communicated within the Company.

Revenue generated from the 20 countries identified by Transparency International as having the lowest rankings in its 2019 Corruption Perception Index represented (on a combined basis) less than 5% of Schlumberger's consolidated worldwide 2019 revenue.

### Supply Chain Management

Schlumberger maintains zero tolerance for corruption of any kind, and we expect the same from our contractors, suppliers and agents. We require that they comply with the laws of the countries in which they operate, and that they act in a socially responsible and ethical manner consistent with our Code of Conduct. All suppliers, contractors, and agents must be approved and managed in accordance with internal requirements. We also conduct audits to promote compliance with these requirements. Finally, we support responsible sourcing of materials from suppliers that share our values, and we commit to avoid using conflict minerals in our sourcing activities (Code of Conduct, p. 12).

### Employee Whistleblower Protection

Employees who believe that a violation of our Code of Conduct has occurred are required to report their concerns internally, using any available channel of communication (including reporting to their manager, to another manager in the personnel, legal, finance, E&C or other appropriate function, or via our online QUEST Event Report system, or by calling the EthicsLine). Schlumberger prohibits retaliation for good faith reporting of known and suspected violations of our Code of Conduct, our internal requirements, and applicable laws. However, any employee who intentionally reports false information will be 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 if an employee has personal, social, financial, political, or other interests that could interfere with his or her responsibilities as a Schlumberger employee. To avoid such conflicts of interest, employees are prohibited from holding financial stakes in companies that do business with Schlumberger. We require that they put Schlumberger business interests first, disclose all potential conflicts of interest, and avoid situations that create the appearance of a conflict of interest. If such a conflict exists, the affected employee is required to 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, nonpublic information about Schlumberger such as unannounced marketing

plans, new product releases, financial results, changes in dividends or earnings, planned mergers or acquisitions, and business strategies. Employees are required to keep such information confidential and may not buy or sell Schlumberger stock or publicly traded options of Schlumberger stock until the information becomes public. Nor may they buy or sell stocks and options of other companies with which Schlumberger does business if in possession of material, nonpublic information about such other companies (Code of Conduct, p. 17).

### Gifts and Entertainment

Our Code of Conduct prohibits offering or accepting items or benefits worth more than a nominal value for which the recipient does not pay fair market value, including meals, entertainment, or tickets to sporting events, to or from any individual or organization that does or seeks to do business with Schlumberger. This is because accepting or giving business gifts or hospitality must never suggest an ability to influence Schlumberger business decisions (Code of Conduct, p. 19).

### Antibribery

Schlumberger does not obtain a business advantage through bribery, improper payments or any other illegal means. Our Code of Conduct prohibits all employees and contractors from offering, paying, soliciting, or accepting bribes in any form or under any circumstance, including facilitation payments. In addition, payments to government officials are forbidden (Code of Conduct, p. 23).

### Fair and Ethical Business Practices

Schlumberger competes aggressively, but fairly. We do 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. Nor do we share pricing or bidding information with competitors or anyone outside the Company.

### No Lobbying or Political Contributions

Schlumberger is politically neutral and has a long-standing policy (set forth in our Code of Conduct) against lobbying or making financial or in-kind contributions to political parties or candidates, even when permitted by law. Our policy prohibits the use of Company funds or assets for political purposes, including for contributions to any political party, candidate or committee, whether Federal, state or local. In addition, the

Company does not lobby. As a result of the Company's policy of political neutrality, Schlumberger does not maintain a political action committee (PAC), nor does it contribute to any third-party PACs or other political entities organized under Section 527 of the Internal Revenue Code (Code of Conduct, p. 23 and p. 26, and [Political Contributions](#)).

In 2019, the Center for Political Accountability, a non-profit, non-partisan organization, assessed our disclosure for its annual CPA-Zicklin Index of Corporate Political Disclosure and Accountability. The CPA-Zicklin Index measures the transparency, policies and practices of the Standard & Poor's 500. As a result of our enhanced disclosure regarding our prohibition on political lobbying and contributions, we achieved a perfect score of 100% in the 2019 CPA-Zicklin Index.

Like other major companies, Schlumberger belongs to trade and industry associations in the United States to which Schlumberger pays annual dues. Schlumberger joins such associations when they add value to the Company, its stockholders and its employees. The Company's policy restricts such trade and industry associations from using Schlumberger funds to directly or indirectly engage in lobbying or political expenditures. To help ensure that these associations do not use any portion of the dues or other funds paid by Schlumberger for lobbying or political contributions, Schlumberger periodically informs them of our policy prohibiting any such use of Company funds ([Political Contributions](#)).

#### **Trade Compliance**

Schlumberger provides products and services in many countries worldwide. Virtually 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 and software. 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 maintains honest and accurate business records. Our Code of Conduct prohibits hiding, altering, falsifying and disguising the true nature of any business transaction. Schlumberger complies with accounting and financial reporting standards and requires employees to comply with internal financial approval guidelines. We retain and destroy business records in accordance with local laws and Schlumberger requirements (Code of Conduct, p. 37).

#### **Conflict Minerals**

Schlumberger recognizes that there are serious human rights abuses associated with the extraction, transportation, and trade of minerals in some countries, including the Democratic Republic of the Congo and its adjoining countries. We support responsible sourcing of materials from suppliers that share our values and we commit to avoid contributing to the conflict through our sourcing activity. Schlumberger does not tolerate corruption of any kind in dealings with its suppliers, and we expect our suppliers to adhere to the same standard. We have also adopted a [conflict minerals policy](#).

#### **Information Protection**

##### **Information Security**

Schlumberger is committed to protecting and respecting the privacy of any employee or third-party personal information 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 in conversation, on paper and electronically. We treat all electronic records that are created or transmitted using Company tools as Company property, and we take every available measure to preserve the confidentiality of Schlumberger data and our customers' data (Code of Conduct, p. 34).

##### **Intellectual Property Rights Protection**

Intellectual property that is created when a Schlumberger employee makes a new discovery or conceives of an idea, device, technique or process related to our business becomes the exclusive property of Schlumberger. Upon joining the Company, all employees agree to this concept as a condition of employment. The Company also 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 require compliance with restrictions on the installation and use of third-party software on Company computers (Code of Conduct, p. 35–36).

#### **Environmental Sustainability in Brief**

##### **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 high-quality technology and services to our customers. To help make continuous quality improvements, we participate in all required audits and periodic assessments (Code of Conduct, p. 11, 14).

Schlumberger's 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 2019, we improved our NPT rate by 60.1% compared to 2011, which is a significant achievement given industry conditions. By working more efficiently, decreasing NPT, and doing things right the first time, every time, we also help our customers reduce their emissions.

##### **Protecting the Environment**

Our advanced technologies enable our customers to lower their environmental impacts while optimizing the recovery of nonrenewable resources. By combining our technologies 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 climate strategy includes identifying climate-related risks and opportunities, reducing our footprint, and helping our customers meet their environmental goals through the development of advanced technologies that contribute to lowering resource requirements and creating fewer emissions.



### *Environmental Management*

Our HSE management system has included environmental quality management processes and requirements for more than 20 years. This system has been independently reviewed for conformance to the current version of the ISO 14001 Environmental Management System standard, and for conformance to environmental standards of the International Finance Corporation.

### **Social Sustainability in Brief**

#### *Human Rights*

Schlumberger is committed to conducting business in a manner that preserves and respects human dignity. Schlumberger recognizes the U.N. Guiding Principles, which are reflected in our [Code of Conduct](#), our [Human Rights Position Statement](#), and our other policies and procedures. Our due diligence processes to identify, assess and manage the human rights risks arising from our business activities center on five areas: in the workplace; in local communities; with indigenous peoples; around security arrangements; and in our supply chain (Code of Conduct, p. 27, and Human Rights Position Statement).

#### *Contributing to Development*

We continue to contribute to the social development and well-being of our communities by actively advancing education and health awareness, and 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 international labor standards and local content requirements. Schlumberger has developed a set of local content guiding principles that provide direction to management teams when they are formulating and implementing country-specific local content strategies (Code of Conduct, p. 27).

### *Equal Opportunity—No Discrimination*

With product sales and services in more than 120 countries and employees who represent over 170 nationalities, one of Schlumberger's 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 and contractors. Schlumberger 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, gender identity, ethnicity, disability, religion, union membership, or marital status in hiring and employment practices such as promotions, rewards, and access to training (Code of Conduct, p. 27).

#### *Labor Practices*

Schlumberger is committed to respecting the rights of workers as outlined in the International Labour Organization Declaration on Fundamental Principles and Rights at Work. Our starting point is conducting business in a manner that preserves and respects human dignity as outlined in our Code of Conduct, Human Rights Position Statement, and Working Conditions Requirements.

In line with the labor principles of the U.N. Global Compact, the Schlumberger Working Conditions Requirements provide a common baseline for the expected treatment of all employees, contractors, temporary workers, trainee workers and migrant workers. A summary of our Working Conditions Requirement is available on our website [here](#).

The requirements, first published in 2005, promote respect for the rights and welfare of our employees and those working within our supply chain by requiring safe and hygienic working conditions, respect for freedom of association, and that employment be freely chosen, and fair wages be paid. We also prohibit discriminative practices and harsh and inhumane treatment. Schlumberger respects freedom of speech and civil liberties.

Our Working Conditions Requirements also prohibit charging any potential worker any fees, administrative costs or otherwise for participating in a recruitment process and/or securing a job, regardless of whether recruitment fees or similar are permitted or not prohibited by relevant local law. We have in place an online portal and a 24-hour EthicsLine system for receiving grievances, as outlined in our Code of Conduct, enabling anonymous reporting by anyone inside or outside the organization—available in 150+ languages.

#### *Modern Slavery and Human Trafficking*

We prohibit any use or contracting, directly or indirectly, of child labor, forced labor, human trafficking, or any other form of modern slavery. In 2019, Schlumberger completed a high-level risk assessment, performed by an independent risk analytics firm, across our global operations to identify the primary human rights risks in our supply chain to prevent any indirect use of modern slavery (Code of Conduct, p. 27).

#### *Community Impacts*

We continue to implement Schlumberger's social risks management process, first launched in 2011, to realize our commitment to identify, prevent, mitigate, and resolve social risks and impacts in the communities where we live and work; optimize employment and contracting opportunities for our communities; and address community concerns, issues, and problems. In 2019, we completed social risk assessments in Ecuador, Colombia, Nigeria, and India.

#### *In-Country Value*

We recognize that procurement and hiring policies are an important factor in establishing the terms by which governments and local communities where we operate view the impacts of our business activities. We continue to implement our 2014 guideline for managing and delivering local content, which outlines our approaches to contributing to local development by providing local and national suppliers and workforce with full, fair and reasonable opportunities to participate in our business.



# Environment and Climate

Our rich history of technological innovation uniquely positions us to address the energy transition and climate change and to help drive measurable, positive change across our industry. Through the continued application of risk-mitigation measures, continuous improvements in data collection, and innovative technology development and application, we are focused on achieving significant environmental progress across our customers' environmental footprints as well as our own.





# Environment and Climate

**Schlumberger is committed to responsible environmental stewardship. We strive to meet international environmental standards and regulations, and to exceed customer expectations by managing risk, reducing pollution, reducing our waste and natural resource consumption, and lowering greenhouse gas emissions.**

**We continue to explore ways to reduce the environmental impacts of our operations and our customers' operations. Our 2019 environmental performance in several priority areas is set out below.**

## 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 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 several 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 requirements and 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 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 and Social Performance Standards. Furthermore, a third-party organization has completed a review of our program's alignment to those two standards.

The Schlumberger Environmental Management Standard includes the following risk-based controls applicable to our global operations:

- » Air emissions
- » Chemicals and materials management
- » Environmental competencies for key personnel
- » Environmental communications
- » Contractual environmental risk management
- » Ecosystems and biodiversity impacts and management
- » Environmental due diligence
- » Environmental impact assessment
- » Environmental risk identification and risk management
- » Environmental nuisance management
- » Resource management
- » Spill response and environmental emergency response
- » Waste management

## Environmental Reporting

We are committed to complying with or exceeding existing reporting regulations in every country in which we work. Through our HSE function, we collect regional data on GHG emissions, water use, oil spills, and waste and compile metrics for global data. Our Global Stewardship function is responsible for the public reporting of our global performance



metrics and for adding context to our annual performance. We continue to advance our data collection and risk analysis efforts to generate annual improvements in the measurement and management of our carbon footprint and to reduce our climate-related risk. Schlumberger facilities annually report to the U.S. Environmental Protection Agency (EPA) Toxic Release Inventory in accordance with applicable regulations.

### Climate Change

Our environmental objectives and programs align with the United Nations Sustainable Development Goals (SDGs) of providing access to affordable, reliable, sustainable, and modern energy for all (SDG #7), encouraging and developing ways to responsibly consume and produce resources (SDG #12), taking urgent action to combat climate change and its impacts (SDG #13), and protecting life under water and on land (SDG #14 and #15). We also support the efforts of IPIECA, the global oil and gas industry association for advancing environmental and social performance. IPIECA helps the oil and gas industry be part of the climate change solution by providing members with guidance on greenhouse gas (GHG) reporting and information on best practices regarding energy efficiency and GHG management, and by convening expert workshops to explore key climate-related issues.

In December 2019, we became the first company in upstream E&P services to commit to setting a science-based target to reduce our GHG emissions, as defined by the Science Based Targets initiative (SBTi). SBTi is a collaboration between CDP, the United Nations Global Compact, World Resources Institute, and the World Wide Fund for Nature, and is one of the We Mean Business Coalition commitments.

In line with SBTi's stated criteria, we will define our GHG reduction target by 2021 and, following approval, we will have between 5 and 15 years to reach our set target. Our science-based target will align with the goals of the U.N. Paris Agreement and will be calculated using expertise from our extensive scientific community. The target will include emissions set by SBTi's approved criteria and will be validated based on science and specific contribution to the climate challenge. We have set an initial target to reduce GHG emissions from our fuel and power consumption by 30% by 2025. We will revise this target accordingly once our science-based target has been defined and approved. A portion of the 2020 short-term cash incentive compensation opportunity for our CEO and other members

of our senior management is based on achieving our annual internal emissions reduction objectives as part of this five-year goal. We are also examining opportunities to reduce our indirect GHG emissions from associated input and outputs of our operations.

As described in the Governance and Ethics section of this report titled "Managing Corporate Risk", we believe that our comprehensive risk assessment program is reasonably designed to identify and manage those enterprise-wide risks that have the potential to significantly affect our businesses over the short-, medium- and longer terms. In line with TCFD recommendations, our risk assessments cover exposures to both physical and transition climate-related risks and their respective financial impact.

For example, we review acute physical risks associated with extreme weather in areas susceptible to severe weather, flooding, and increases or decreases in rain and snow. Those variances may impact our business by causing extreme changes in precipitation patterns that may result in flooding, changes in road or well-site conditions, or damage to facilities. This may result in increased operating costs or decreases in revenue through disruptions at our facilities, in our supply chain, or at well-sites; equipment damage and repair requirements; and increased insurance premiums. To manage these extreme weather risks, we work with a third-party loss prevention firm to conduct site visits, assess potential risks to our facilities, and propose mitigating actions. Additionally, Schlumberger has business continuity and crisis management processes in place to mitigate potential disruptions caused by extreme weather events, as discussed further in the section titled "Business Continuity, Emergency and Crisis Management." Additionally, our insurance policies help mitigate the risk of loss of assets at our facilities.

We also review:

- » chronic physical risks related to climate change, such as the potential impact of sea-level rise on our global footprint; and
- » climate-related transition risks, such as policy and legal risks, including the potential impact of a carbon tax on Schlumberger and our customers, and technology risks, such as equipment obsolescence driven by our customers' increased focus on emissions reductions and the associated costs to develop new technologies with a reduced environmental impact.

In 2018, we began working with a climate consulting firm to complement our initiatives for managing climate-related risks by applying scenario-based analyses in accordance with the U.N. Paris Agreement, using both RCP 2.6 and RCP 8.5 scenarios. We began with a comprehensive climate assessment for Norway—a country that is representative of our operational activities. Through country-specific climate-assessments, we are able to conduct a more in-depth analysis of both climate-related risks and opportunities for the assessed countries. In our Norway assessment, we reviewed climate-opportunities such as increasing resource efficiency by applying best practices to reduce power consumption through behavior change, implementing renewables like solar, and optimizing and upgrading our HVAC systems. We also identified climate-related opportunities through our impact-reducing portfolio of products and services, including our Schlumberger New Energy ventures as outlined in the section of this report titled "Technology Advantage."

Findings from our Norway assessment were communicated to Schlumberger management and our Board and are further shaping our internal climate strategy. For example, because of opportunities identified as part of this assessment, Schlumberger has since partnered with the [LowEmission Research Centre](#), a consortium of industry participants in Norway with a common goal of achieving ambitious carbon emissions reductions at the country level. Additionally, after identifying some mid-term flooding risks in Norway, we launched a global sea-level rise assessment, which we expect to complete in 2020. We have expanded our climate assessment project and, as of September 2020, our operations in countries representing over 50% of our total 2019 revenue are participating in the program.

Externally, our position as a global technology leader provides 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, and improving chemistry applications. For additional information about our impact-reducing technologies, please see the section of this report titled "Technology Advantage."

### Biodiversity

To minimize, mitigate, and manage significant ecosystem and biodiversity impacts, Schlumberger has developed a risk-based procedure for the creation of ecosystem and biodiversity management plans, to be applied to sites where relevant. These plans are designed to protect sensitive wildlife areas, flora and fauna, ecosystems, and conservation areas. They also seek to prevent the introduction of invasive species, and they 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, which are periodically reviewed 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. Appropriate risk control levels are applied when Schlumberger operates in environmentally sensitive areas, including areas that have the potential for significant wildlife loss or where operations could possibly introduce invasive species or could impact a large body of land or water. Furthermore, where applicable or appropriate, we aim to preserve the indigenous vegetation of the land when we build worksites and use native plants and species when rehabilitating worksites.

Environmental impacts that require remedial or restorative work are reported, investigated and reviewed in our HSE reporting system. Our ecosystem and biodiversity risk management processes and our environmental spill and emergency response procedures are designed to provide assurance that all required remediation and restoration activities occur concurrently with our operations, both at Schlumberger facilities and at our customers' worksites.

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 as appropriate to avoid sensitive periods of the year.

Schlumberger's Biodiversity Standard states that, unless impracticable, activities should be avoided in the following types of sensitive areas:

- » Conservation priority areas not currently under protection
- » Environmentally sensitive areas
- » Internationally recognized areas
- » Legally recognized areas
- » Sites located in, or adjacent to, protected areas of high biodiversity value
- » Areas with potentially significant biodiversity value which might be at risk of adverse impact

Furthermore, before initiating any business activity, we develop a risk assessment and evaluate potential impacts of current and planned activities on biodiversity, in order to mitigate and monitor impacts throughout the contract lifecycle. In designing Schlumberger facilities and worksites, we also seek to minimize the physical footprint of our activities and operations to reduce potential environmental impacts, particularly in environmentally sensitive areas.

### Protecting Wildlife

Measures are taken to avoid interactions with wildlife within close proximity to activities or operations that could cause health and safety incidents or operational disruptions. Activities are also to be located, designed and constructed to avoid disruption to wildlife movements or habitats. In locations where the risk of said impact cannot be eliminated, arrangements are made to accommodate movements in order to minimize potential harm.

### Invasive Species

Measures are implemented to avoid the potential for introductions of invasive species, including the transportation of substrates (like soil or plant materials) that may harbor invasive species. If we find that we have caused invasive species to be introduced, measures are taken to eradicate such species from the natural habitats.

### Rehabilitation and Restoration of Land

Planning is undertaken to rehabilitate and restore land associated with our assets and infrastructure to either (i) the original condition of the site prior to activities, or (ii) a condition suitable for the land's next intended use.

### Prevention and Management of Land Contamination

During due diligence processes, a risk-based assessment is undertaken on acquisition of or entry to an asset to understand potential past and current impacts to soil and water bodies, as well as any environmentally sensitive receptors. Minimum setback distances or restrictions are put in place for activity infrastructure in proximity to flood prone areas, watercourses and wetlands, and individual and public water supplies.

Land contamination is avoided by using ground protection measures, such as secondary containment or impermeable layers during the disassembly of any surface facilities or equipment.

### Decommissioning and Abandonment

Worksites that show visible signs of impact by hydrocarbon activities, or are known sites of previous spills and releases, have soil samples tested to show that the soil has been returned to ambient conditions with reports to the local regulatory authority, if applicable.

All cuttings pits are closed per local regulations or in accordance with good international practices where regulations are not applicable.

### Measuring and Monitoring

A measuring and monitoring plan is developed to include, among other things:

- » The number and types of grievances raised by external stakeholders in relation to the actual or perceived adverse impact to land and biodiversity.
- » Progress toward land restoration objectives.
- » Incidences of soil or ground contamination.
- » Evidence of positive contributions to conservation efforts, such as outreach programs, education, research, and proactive conservation actions.
- » Allocation and protection of land within the contract area that has been designated for biodiversity conservation and management.
- » Evidence for incorporation of adaptive management of impacts on biodiversity and ecosystems.

### Evaluating Potential Impacts Through Digital Technology

In 2012, we began developing a modeling software that facilitates the incorporation of sustainability aspects into our engineering and operational practices by calculating environmental metrics related to well stimulation, such as emissions, air quality, water use, noise, and chemical exposure. The modeling software was integral to developing environmentally focused technologies such as the BroadBand Sequence\* fracturing service and StimCommander\* automated stimulation delivery platform. After using the modeling software internally for five years, we recognized the evolving needs of our customers to engage a wide variety of stakeholders. Therefore, we began working closely with industry partners to evaluate the external release of the modeling software to enhance planning and communication across the industry, independent of whether Schlumberger is providing the services.

In 2018, we introduced Site Preparation and Drilling modules, which model key upstream oil and gas activities to expand the coverage of the modeling software beyond well stimulation. In 2019, we built a Production module, which models the longest portion of a well's life and other critical aspects of wellsite operations that drive key sustainability metrics. We have presented the modeling software globally to numerous customers interested in using the software for a variety of applications, from modelling the impacts of wellsite technologies to communicating with regulators and stakeholders. Internally, we continue to use the tool within our planning and marketing functions, helping to package the right fit of services, activities, and technologies that align with our customers' sustainability objectives and targets. We continue to identify functionality and user experience improvements and work towards integration with other key Schlumberger applications in our digital portfolio.

### Managing Facilities

The Schlumberger Global Facilities Management and Maintenance Standard defines our responsibilities associated with managing facility activities. Our goal is to minimize utility use and the impact of our activities on the environment. The standard is designed to assist employees in confirming that facility activities maintain compliance with Schlumberger policies and 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 2019, 739 Schlumberger sites and facilities worldwide were subject to environmental audit requirements due to the nature of the operations conducted at those sites, and 53 of these sites were certified to the ISO14001 standard. In addition, Schlumberger's environmental management system has been independently reviewed against the requirements of ISO14001 and has been documented as meeting all of the requirements of the ISO standard. Therefore, at our sites where a third-party ISO14001 certificate is not applicable, our environmental management system nevertheless meets or exceeds the requirements of the ISO standard. In the United States, we have activities that are subject to regulation by the Occupational Safety and Health Administration (OSHA) Hazardous Waste Operations and Emergency Response (HAZWOPER) standards. Schlumberger has established and implemented compliance programs associated with the requirements of these regulations, and as of December 2019, more than 9,000 Schlumberger employees in the United States have received training associated with HAZWOPER programs and compliance.

One significant way in which our facilities management processes support Schlumberger's sustainability goals is through our efforts to reduce power consumption. We have set an initial target to reduce GHG emissions from our fuel and power consumption by 30% by 2025. Our facilities' initiatives to reduce power consumption focus on educating our workforce on energy conservation best practices to promote behavior change, implementing renewable energy solutions at sites where feasible, updating HVAC systems and/or optimizing facility heating and cooling cycles, and strengthening our renewables strategy, targeting our facilities located on independent power grids.

Below are several examples of our facilities initiatives in 2019:

- » We initiated a pilot program in North America for managing our utility consumption and spend. Through this program, which currently covers 40% of our North American facilities, we use an online platform to track our utility usage, identify outliers and opportunities, and maintain proper reporting of energy, water, waste, and emissions.
- » Since 2017, Schlumberger has worked with a local Norwegian energy consultant to reduce the power consumption of certain key facilities in Norway. This pilot program focused on facility heating and cooling optimization, as well as changing employee behavior. In 2019, we expanded this project to three additional Norway facilities and applied lessons learned from the pilot phase. As of September 2020, 22% of our Norway sites are covered by this project. The project has resulted in a significant reduction in average yearly power consumption at these sites, resulting in considerable cost savings in 2019. The rollout of this program to other Norway facilities is ongoing in 2020.
- » We installed solar panels on the roofs of several of our key Schlumberger facilities in India and Egypt. We worked with local utility companies on the hardware installations, resulting in minimal capital expenditures and a reduced rate for electricity. Across our newly solar-powered sites, we produced over 1.5 GWh of solar power, resulting in significant carbon dioxide (CO<sub>2</sub>) emissions reductions of more than 900 metric tonnes of CO<sub>2</sub> equivalent and approximately USD \$250,000 in aggregate annual savings.
- » We were able to significantly reduce annual carbon emissions at one of our large research centers in the United States by adjusting the air flow system to align the air changes with comparable labs in the nearby area. This reduction was equivalent to the estimated amount of carbon emissions produced by the personal cars of the entire staff working in that that center during 2019.
- » In Thailand, we optimized energy consumption at a Schlumberger site through a project sponsored by the local city council. As a result of this project, we reduced 20% of the facility's carbon emissions, resulting in savings of 60 metric tonnes of CO<sub>2</sub> equivalent.

\*Mark of Schlumberger



### Managing Chemicals

Schlumberger places a strong emphasis on protecting human health and the environment, and maintaining operational safety. We have a chemical management process in place to manage the risks associated with chemicals used in Schlumberger activities, products, and services, and to protect Schlumberger employees, customers, contractors, suppliers, property, and the environment. Our chemical management process also serves to promote compliance with regulatory and contractual requirements and avoid significant business losses resulting from chemical-related incidents. In 2020, we formalized our existing chemical management process into a new global Chemical Standard, covering the lifecycle of a chemical from product development, sourcing, procurement, manufacturing, and sale, to use and safe handling, transportation and storage, to the end of the lifecycle at disposal.

Schlumberger is committed to reducing risks associated with chemicals through the elimination and substitution of chemicals, waste minimization, and waste elimination programs. We apply a risk assessment process prior to introducing new chemicals and compounds to our operations.

At the beginning of the lifecycle of a product, we evaluate its chemistry to identify appropriate methods of mitigating chemical-related risks. Our dedicated chemical regulatory team works in close coordination with our research and development team to identify and reduce HSE and regulatory risks early. Our product development and sustaining teams focus on identifying chemical-related opportunities, as well as developing and using more environmentally sustainable chemicals.

We have long been committed to transparency in our chemical disclosure. We also require our suppliers to provide us with full disclosure regarding any chemicals that we purchase from them before we can include such chemicals in our portfolio. In 2010, we developed a system-level full disclosure process for hydraulic fracturing chemicals, which process was adopted several years later by FracFocus 3.0, a registry for public disclosure of fracturing chemistry in the U.S. and Canada. After nearly a decade and more than 25,000 disclosures by Schlumberger, our industry-leading rate of disclosure for chemical constituents continues to be nearly 100%. In 2019, Schlumberger used a total of 77,549,337 m<sup>3</sup> of hydraulic fracturing fluid in its global operations. This figure includes water and chemical additives.

We require that our products comply with applicable laws in the jurisdictions where they may be distributed. We also develop and implement compliance processes in accordance with applicable regulatory regimes, such as the European Union's Registration, Evaluation, Authorization and Restriction of Chemicals regulation (REACH). In the last decade, we developed a robust REACH compliance program, under which we timely registered all required substances in accordance with applicable regulations. Our REACH registrations help us maintain our access to the European market and demonstrate our commitment to compliance.

### Environmental Performance Data

In 2019, our greenhouse gas (GHG) emissions and water use increased, and our electricity use decreased, as the industry continued to rebalance and international activity increased. We continue working to improve our internal processes for gathering and reporting GHG emissions, water consumption, electricity generation, waste, and loss of containment. Each year we increase the number of sources from which we track data.

#### Third-Party Audit

For 2019, we engaged PricewaterhouseCoopers (PwC) 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 for 2019 includes Scope 1 and Scope 2 GHG emissions, waste production, water consumption, spill, and energy consumption. Health and safety data audited for 2019 includes the number of fatalities, employee and contractor lost-time injuries and illnesses, and the associated work hours to determine frequencies and rates. PwC has expressed a limited assurance that our data are, in all material respects, fairly presented and in accordance with Schlumberger procedural guidelines.

#### Air Emissions

Schlumberger wellsite activities increased in 2019, leading to a 14.1% increase in our overall Scope 1 emissions to 1.62 million tonnes, compared to 1.42 million tonnes in 2018. This increase was mainly due to the continued upturn in pressure pumping activities in North America.

Our overall Scope 2 emissions decreased by 9.4% to 0.58 million tonnes in 2019, compared to 0.64 million tonnes in 2018, due to our initiatives to reduce power consumption across key facilities. Combined Scope 1 and Scope 2 GHG emissions increased by 7.3% to 2.218 million tonnes in 2019 from 2.065 million tonnes in 2018. Our Scope 1 and Scope 2 emissions data covers all Schlumberger business lines and all geographical locations where we operate; we continue to strengthen our reporting capabilities with the aim of reporting 100% of our emissions.

Scope 3 emissions from key supplier categories increased 15% from 2018 to 2019 to 1.368 million tonnes. In line with SBTi's criteria for setting a Scope 3 science-based emissions reduction goal, we are working on increased transparency around supplier emissions by re-qualifying and quantifying carbon intensive supplies. We are also developing a supply chain engagement plan to help our suppliers lower their GHG emissions.

The Scope 1, 2 and 3 data included herein for 2019 is consistent with categories of emissions data disclosed in previous years. As part of our commitment to setting a science-based target on emissions reduction by 2021, we are undergoing a thorough review of all emissions data categories and reporting processes with the aim of increasing transparency and identifying key gaps in our current reporting. Through this review process, we have identified, and may continue to identify, particular gaps that will result in a restatement of certain 2019 data. One such gap is fuel purchased by customers for our operations. We anticipate providing a restatement addressing such gaps in connection with setting our science-based emissions target.

#### Water Use

Water use data includes water used for domestic purposes, equipment cooling, equipment washing, manufacturing, and testing. Our water data covers 100% of business operations at our facilities but does not include water used in the delivery of our services at the wellsite. Water used at the wellsite in processes such as drilling or pressure pumping are not included because this water is purchased, controlled, and accounted for by our customers. Our overall water use increased to 5.6 million cubic meters in 2019 from 4.9 million cubic meters in 2018. This water increase came primarily from our production management projects. In 2019, Schlumberger recycled 131,000 cubic meters of water.

**Loss of Containment**

We have procedures in place reasonably designed to minimize, respond to, and control the environmental impact of uncontained spills at Company worksites and at some third-party controlled worksites. Our data for industry-recognized number of incidents greater than one barrel and hydrocarbon bulk fluid spills covers 100% of our business operations. In 2019, our industry-recognized number of incidents decreased to 28 from 44 in 2018. Our volume of hydrocarbons bulk fluid spills increased slightly to 536 barrels in 2019 from 522 barrels in 2018.

Our data for industry-recognized spills of hydrocarbon greater than 1 barrel over the past five years is shown in the table below:

	2015	2016	2017	2018	2019
Number of Industry-Recognized Incidents	22	32	45	44	28
Volume (U.S. Barrels)	217	547	436	522	536

**Waste Management**

Our waste data covers 100% of our business operations and includes waste from facilities, manufacturing, building, remodeling, and discarded sand from wellsite operations. We reuse materials when possible and continue to seek opportunities to reduce both our direct consumption of resources and the waste we generate. In 2019, we increased our waste by 27%, to 639,000 metric tonnes from 503,000 metric tonnes in 2018, and we recycled 185,000 metric tonnes of waste.

Schlumberger is committed to managing and reducing waste materials and effluent discharges throughout our facilities, and we have set internal objectives and targets focused on effluent management. Most Schlumberger sites have internal waste minimization plans, and certain sites are required to submit waste minimization and pollution prevention progress reports. Our waste suppliers are contractually required to comply with all applicable laws, ordinances and regulations at the federal, state, provincial, and local levels. We periodically audit our approved waste suppliers and we hold at least one annual environmental business review with our top suppliers. We reserve the right to conduct both audits and business reviews when or as frequently as necessary.

Since 2010, Schlumberger has completed nearly 400 projects as part of its “Lean and Green” program aimed at lowering resource consumption and reducing waste. Lean and Green initiatives have encouraged employees to reduce electricity usage, water usage, fuel and material consumption, and waste, as well as to share environmental technologies, best practices, and innovations for environmental improvement. In 2019, Lean and Green projects focused on waste reduction resulted in avoiding over 500,000 kg of waste by, among other things: removing single-use water bottles and cups; upgrading equipment to reduce hazardous waste; reusing packaging material and consolidating shipments; laundering and reusing personal protective equipment; increasing recycling of metals and sand; and moving paper documentation to online record storage in key Schlumberger locations. We continue to roll out these initiatives globally. From 2010 to 2019, Schlumberger Lean and Green projects resulted in aggregate net savings of more than USD \$11.2 million.

**Raw Materials**

Our raw materials data include use of sand, proppants, brines, cement, barite, and bentonite. In 2019, our raw materials use increased to 11.3 million tonnes from 10.5 million tonnes in 2018, driven by hydraulic fracturing activity in North America. Raw material utilization usually follows changes in wellsite activity.

**Electricity Use**

Electricity use decreased slightly to 1,198,000 megawatt-hours in 2019 from 1,284,000 megawatt-hours in 2018. Our electricity use data covers 100% of our business operations.

**Site Activity**

As Schlumberger is an energy services company, the majority of our business consists of providing products and services on our customers’ sites—which are not in our operational control. For our lump sum turnkey projects where, on behalf of our customers, we manage the operations at rigs (including drilling, completions, cementing, fracturing, and decommissioning operations), in 2019 we drilled 223 wells (well sites) with an average of 32 drilling rigs.

Across our global operations (including sites managed by our customers), Schlumberger drilled an average of 1.8 million meters per month in 2019.

**Key Environmental 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 (subject to the following paragraph). Our top material risk, unintended releases to the environment, includes both well integrity and container integrity. We also continue to monitor our water use and our GHG emissions and continue to assess new methods for water optimization and GHG reductions.

***Notwithstanding the use of the terms “material” and “materiality” in this report, Schlumberger believes that individual companies are best suited to determine what information is “material” under the long-standing U.S. Supreme Court definition of that term and whether to disclose this information in U.S. Securities and Exchange Commission financial filings. Please refer to the “Disclaimer” on the inside back cover of this report for additional information.***

**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.

We have developed a Well Integrity Barrier Standard containing 10 critical requirements that employees must follow on the job. The development of this standard involved a company-wide initiative to raise awareness and impose mandatory rules defining the minimum requirements for training, certification, and knowledge of the barriers we provide. We also use a risk assessment methodology to maintain sufficient controls in place to prevent the failure of any barriers we provide to our customers. Focusing on process safety, the methodology uses risk evaluation to analyze and demonstrate causal relationships in high-risk scenarios.

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, taking into consideration the unique conditions of each container, including its existing condition, age, service history, original construction specifications, and previous inspection results. These inspections are site specific and they meet or exceed industry standards. Additionally, 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 against certain activities. This requirement is implemented even when local regulatory requirements are set to a lower standard.

To identify efficient ways to reduce the number and severity of spills, in 2016, one Schlumberger subsidiary, M-I SWACO, initiated the Environmental Spill Incident Review Program and conducted a full analysis of spill incidents with an emphasis on data. The program produced qualitative and quantitative information through four corresponding initiatives: technical analysis of spill data; teamwork through quarterly spill review calls; training of personnel to understand spill causes and prevention; and tracking of global progress. By identifying trends in data and the top four causes of spills, better practices and training were put in place for spill management and prevention. The program helped to reduce M-I SWACO's monthly spill rate by 29% from 2016 to 2019.

### Greenhouse Gas Emissions

Our greenhouse gas (GHG) emissions strategy is driven by external and internal areas of focus. Externally, we provide a broad range of technologies and services to help our customers lower their emissions. Development of an oil and gas field can be intensive, often requiring hundreds of wells utilizing equipment for drilling and completion as well as delivery of large quantities of resources. Our technologies help our customers achieve lower emissions by reducing the delivery of resources such as proppant and water to the wellsite, and by drilling wells faster and more efficiently. Internally, we continue to direct our efforts at increasing the accuracy of our emissions measurements by adding more data sources and expanding the geographic scope of our emissions scrutiny. This work enables us to better understand our overall GHG footprint and find new ways to reduce our emissions.

We have set an initial target to reduce GHG emissions from our consumption of fuel (Scope 1) and power (Scope 2) by 30% by 2025. We will revise this target accordingly once our science-based target has been defined and approved in 2021. A portion of the 2020 short-term cash incentive compensation opportunity for our CEO and other members of our senior management is based on achieving our annual internal emissions reduction objectives as part of this five-year goal.

Our fuel reduction initiatives, largely involving our fleet of heavy and light vehicles, include reduced idling campaigns, behavior changes in journey management, fuel efficient technology, and conversions to electric and hybrid vehicles, as well as the development and rollout of our automatic pump idling technology. In 2019, we launched an initiative in North America to increase visibility of the idling time that occurs with our vehicles, which led to better management and reduction of idling, as well as decreased maintenance costs. For example, one North America coiled tubing crew reported a 38% reduction in annual costs and a significant reduction in associated emissions. This initiative is being implemented globally beginning in 2020.

Our power reduction initiatives, focused largely on our global facility energy footprint, include employee behavior programs, energy efficiency projects, increased awareness and accuracy on baseline energy

consumption data, increased use of renewables, and facility rationalization as outlined in the "Managing Facilities" section of this report.

As of September 2020, Schlumberger does not use renewable fuel for its on-road equipment; however, we continue to analyze opportunities for emissions reductions in this area. We are also reviewing opportunities to decarbonize certain carbon-intensive supplies, to reduce indirect emissions coming from our supply chain. We are also examining other opportunities to reduce our indirect GHG emissions from associated input and outputs of our operations.

### Water Use Optimization

Responsible water management is key to our operations and performance. Through technological innovation, facility management, and corporate engagement, Schlumberger has prioritized the efficient management of resources, including water, to reduce adverse environmental impacts for our Company and communities around the world. By incorporating next-generation technologies and services into operations in water-stressed areas, we are preparing for a transition within our industry to meet evolving regulatory measures and community expectations. Approximately 13% of our portfolio of impact-reducing technologies align with SDG #6, clean water and sanitation.

Schlumberger requires that its activities, products and services be designed, procured and used with the goal of efficiently managing resource consumption. Where reasonably practicable, Schlumberger operations and activities involving water resources must maximize the re-use of water; investigate opportunities for rainwater collection and the potential for using suitable effluent from other processes as the source of water; minimize freshwater use, especially in areas prone to seasonal, sporadic, or year-round water shortages; and if cooling water is required, use recirculating systems where feasible.

When we take actions relating to water resources, we consider local circumstances such as environmental sensitivities and water availability. We also develop site-specific water resource management procedures that address the water usage requirements at our facilities and operations, as well as controls and procedures to manage related

impacts. A resource management procedure for water generally identifies the applicable sources of water supply and the principle uses of water, and also includes, among other things:

- » A risk assessment of the suitability, quality, sustainability, and reliability of the water supply to Schlumberger and, where applicable, to other relevant stakeholders.
- » An assessment of opportunities to improve water use efficiency.
- » An assessment of the requirements for process and potable water over the lifetime of the operation or project.
- » Details of applicable permits and licenses, which are required to be obtained prior to sourcing water supplies.
- » Planned inspection and maintenance programs for water storage and supply infrastructure.

## Technology Advantage

As a service company, Schlumberger aims to be the performance partner of choice and meet the needs of our customers, including their sustainability objectives and targets. Several of our customers have made public commitments to reduce their carbon emissions footprint, better protect biodiversity, and use fewer natural resources. To help our customers achieve their sustainability goals, Schlumberger currently has approximately 100 technologies or solutions that reduce emissions or negative impacts on local biodiversity.

Schlumberger is committed to developing innovative technologies aimed at enhancing oilfield efficiency, reducing E&P costs, improving productivity, maximizing reserve recovery, and increasing asset value—all while achieving these goals in a safe and environmentally sound manner. Our global network of Technology centers also positions Schlumberger to accelerate a diverse range of innovative technological approaches to support the energy transition. Our broad technology portfolio includes a range of impact-reducing options to help our customers decrease their environmental footprint, use cleaner chemistry, reduce waste, and increase decarbonization elements in the E&P process. Our customers seeking to address their sustainability targets choose these technologies in part because of the quantifiable reductions in planned or unplanned

GHG emissions and energy consumption. We have also developed customized technology plans for our customers to address their environmental priorities (including reduction of waste, carbon emissions and water use), using the United Nations Sustainable Development Goals as a reference framework.

Schlumberger is at the forefront of the rapid transition to digital technologies, artificial intelligence, and the detailed characterization and control of all operations through the proliferation of sensing and actuation devices on edge networks. Through consistent R&D investment we extensively use advanced cloud and edge computing, allowing rapid development and implementation of technologies for operational efficiency. Significant reductions in operational footprint are being achieved through remote operations and automation and control systems. These systems are also reducing environmental impact and enhancing safety.

We also have a technology “watch” program to identify opportunities for commercializing revolutionary technologies being developed at our partner universities, and to connect promising university teams with our Schlumberger New Energy and Technology organizations. Some of the technologies we are “watching” relate to the use of data analytics and artificial intelligence to improve energy efficiency, as well as wellsite renewable energy technologies.

### Methane Reduction

Methane emissions are the largest source of Scope 1 and 2 emissions in the oil and gas industry, and we believe Schlumberger can play a significant role in reducing oilfield methane emissions through the deployment of new digital technologies. To that end, in 2019 we were active in testing and developing new methane leak detection technologies. We have developed an efficient method of inspecting facilities for emission leaks using active laser sensors mounted to aircrafts. Also, as part of the Schlumberger New Energy portfolio of ventures, we have invested in GHGSat, the world’s first satellite dedicated to monitoring methane and other GHGs. In 2019, GHGSat announced the discovery of one of the world’s largest anthropogenic methane emissions sources. Additionally, we continue to monitor and collaborate on different initiatives, including as advisors on a broad study of numerous mobile methane detectors led by Stanford University.

Schlumberger also recognizes that the reduction of oilfield methane emissions requires collaboration from different players in the oil and gas industry, and we continually engage with operators, academics, and innovators on this priority. We have highlighted the numerous new technologies being developed that are more effective and efficient at reducing oilfield methane emissions than existing technology, as well as emerging technologies that can be used to gauge the effectiveness of the new detectors. We are also actively following and have been involved in the evolution of the OOOOa technical rule regarding emissions standards for new and modified oil and gas facilities.

In 2019, we were asked by the Environmental Defense Fund (EDF), a non-profit organization focused on climate change and other global environmental challenges, to share our thoughts on what new methods and technologies are available to reduce oil and gas methane emissions, what their impact might be, and what is needed to realize that potential. Our interview with EDF is available [here](#).

### Solar Impulse Foundation Efficient Solutions

Schlumberger became a partner of the Solar Impulse Foundation’s World Alliance for Efficient Solutions in 2017. The World Alliance for Efficient Solutions is working to select 1,000 technology solutions that protect the environment while maintaining profitability. When a solution’s technological feasibility, profitability, and environmental or socioeconomic benefit has been validated by subject matter experts, it receives an “Efficient Solutions Label”. Eight Schlumberger scientists and engineers volunteered as subject matter experts in 2019, and together they have assessed more than 120 submissions since the inception of the program. In 2019, Schlumberger’s THIOPAQ\* biodesulfurization system was awarded the Efficient Solution label based on its ability to reduce chemical inputs and waste associated with traditional methods of natural gas processing. The THIOPAQ system uses non-hazardous and naturally occurring bacteria to convert hydrogen sulfide from biogas and conventional gas production into usable sulfur-based products, such as fertilizer.

\*Mark of Schlumberger



## Schlumberger New Energy

Schlumberger has a long history of technology development and business implementation in multiple industrial sectors. In 2019, we put in place the plan for our Schlumberger New Energy businesses, which we announced publicly in 2020. This portfolio of technologies and services applies a differentiated approach to participating in the low-carbon economy and expanding our services and technology offerings beyond oil and gas.

Focused on energy efficiency, energy storage, and renewable energy production, Schlumberger New Energy aims to create unique positions in adjacent markets and introduce breakthrough technologies in energy verticals while leveraging Schlumberger's domain expertise, global footprint, and execution platform. We will also use our new partnership models combined with our experience in technology industrialization to develop a new market for Schlumberger.

### Geothermal

Schlumberger has served the geothermal industry by evaluating and drilling geothermal resources and, through GeothermEx, we have participated in geothermal projects in more than 50 countries, leading to the successful installation and operation of nearly 8,000 megawatts of geothermal power.

Expanding on our prior geothermal industry experience, we designed an innovative way to use low-heat geothermal as a heating and cooling source for buildings and campuses, which led to the formation of Celsius Energy, a Schlumberger start-up based in France. Celsius Energy combines proprietary technology, design optimization, and modern digital control systems to offer fit-for-purpose solutions for both existing and new construction buildings, enabling a 70% reduction in overall building energy consumption from conventional sources, along with reductions in associated carbon emissions. Celsius Energy is installing its technical demonstration in our own Schlumberger Riboud Product Center in Clamart, France. For this innovative solution, Celsius Energy [received the Solar Impulse Efficient Solution Label](#) and was [recognized by the United Nations and the Bloomberg 50 Climate Leaders' Program](#).

### Hydrogen

Hydrogen is a versatile energy carrier and a key component of the energy transition for many countries that have set carbon neutrality targets by 2050, making both low-carbon "blue" hydrogen and zero-emission "clean" hydrogen critical to achieving these worldwide emissions reduction objectives. We are pursuing both emerging markets for carbon-neutral hydrogen production: the first by combining carbon capture and storage (CCS) with hydrogen production using natural gas as a feedstock, and the second through water electrolysis powered by renewable electricity through Genvia. Our Genvia hydrogen production technology venture is a partnership between Schlumberger New Energy, the French Alternative Energies and Atomic Energy Commission (CEA), Vinci Construction, and other partners. This venture is aimed at accelerating the development and first industrial deployment of the CEA high-temperature, high-efficiency reversible solid oxide electrolyzer technology, to produce clean hydrogen by water electrolysis using a renewable source of electricity.

### Carbon Services

Schlumberger has been involved in more than 50 carbon capture, utilization, and storage (CCUS) projects around the world since 2005. We help our customers avoid emissions through the provision of services and technologies for permanent geological CO<sub>2</sub> storage. Schlumberger focuses on the challenges of storing CO<sub>2</sub> captured from power and industrial sources underground to help mitigate climate change and protect the environment. We are continuing our participation in many CCUS projects, such as the Illinois Industrial Carbon Capture and Sequestration Project, a large-scale demonstration project designed to store 1 million tonnes of CO<sub>2</sub> annually approximately 7,000 feet underground in the Mount Simon Sandstone. In 2019, Schlumberger participated in two new CCUS projects in the United States.

We also offer technologies for monitoring and verifying CO<sub>2</sub> storage associated with enhanced oil recovery operations. For example, we are providing CO<sub>2</sub> monitoring services at the Farnsworth Field in Texas, where more than 1 million tonnes of CO<sub>2</sub> from an ethanol plant in Kansas have been permanently stored underground through ongoing enhanced oil recovery operations.

### New Ventures

Schlumberger New Energy has a portfolio of investments in promising technologies with start-up companies in a broad range of disciplines. Since 2016, Schlumberger has invested in new ventures focused on the energy transition. The two newest partnerships made in 2019 focus on mobility transformation and the move to vehicle electrification. First, our investment in Pure Energy is leading to the development of a novel, proprietary continuous process for the direct extraction of lithium from subsurface brines that increases recovery efficiency. This process returns almost all of the brine to the reservoir, using an environmentally benign method, with a significantly smaller footprint than the incumbent extraction technologies. Second, we partnered with PolyPlus, a U.S.-based battery company, to develop the next generation of rechargeable batteries with a significantly higher energy density aimed at an increased range for electric vehicles and increased safety. Our investment in PolyPlus builds on the many years of experience that Schlumberger has in developing and manufacturing innovative batteries for harsh environments. We are also participating in the circular economy via our investment in Molyworks, a U.S. start-up developing unique mechanisms for producing high quality printable metallic powder from scrap metals to convert the low value scrap into high value products. These recycling benefits include reducing mining wastes, air pollution, and water pollution, with significant energy and raw materials savings, as well as a 40% reduction in water use.

Other Schlumberger New Energy investments include technologies relating to nanocrystalline cellulose as a clean viscosifying agent, wireless power, high-pressure mass spectrometry, exoskeletons, automation and remote control, and cybersecurity.

# Social and Community

Our commitment to social sustainability spans from our focus on employee health and safety, to preserving and respecting human dignity, to developing a diverse workforce, to promoting STEM and HSE education in the communities where we live and work. Our mature local content strategy launched in the early 2000's forms the foundation of our in-country value globally.



# Social and Community

Schlumberger’s long-established values have always included a commitment to invest in our people and local communities. By applying our high standards of conduct company-wide, our efforts have a positive impact on our employees, contractors, suppliers, and customers, as well as the communities in which we live and work.

## Education

We believe that empowering the educational advancement of school children 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), as well as HSE subjects.

We offer professional development for STEM teachers, HSE-focused student workshops and supplemental instruction, Company-sponsored STEM events, clubs, challenges and competitions, and initiatives promoting literacy and numeracy skills for young children. Through the Schlumberger Foundation, we provide funding for women from developing and emerging economies to pursue advanced graduate study in STEM subjects at top universities worldwide. Our community outreach programs are fully aligned with the United Nations Sustainable Development Goal #4 of ensuring inclusive and equitable quality education and promoting lifelong learning opportunities for all.

### Schlumberger Excellence In Education Development

Our Schlumberger Excellence in Education Development (SEED) program encourages STEM learning through camps, teacher professional development, workshops, and employee classroom visits. Through SEED,

we engage employees, educators, retirees, spouses, and volunteers around the world to share their passion for learning and science with students. This hands-on program focuses on robotics, computer science, and energy education, and relies on the scientific and technological expertise of our workforce, who directly engage with the communities where we live and work. Worldwide, more than 112,000 students attended more than 1,100 SEED activities in 2019.

#### Computer Science

To encourage children to develop an interest in computer science, we sponsor workshops and clubs that introduce computer-based programming and coding to students as early as the second grade, using an MIT-based platform called SCRATCH. To provide hands-on training, we also donate resources related to our Petrel\* E&P software platform to high schools and universities around the world. Through Schlumberger NeXT, a training and competency solution, we sponsor high school competitions using our OilSim\* upstream learning simulator. We have also partnered with Code.org, Microsoft TEALS, and local educational systems to support the professional development of teachers in computer science education.

#### Robotics

Our SEED workshops introduce students to the exciting world of robotics, with a special focus on girls and children from developing countries and

lower socioeconomic backgrounds. In our workshops, Schlumberger employees and other facilitators, including teachers and local university students, teach the programming, coding and building aspects of robotics. Our employees also discuss with students how Schlumberger engineers use robotics when designing our technology and tools to solve problems for our customers or communities.

In addition, we often support schools and communities by sponsoring competitive robotics teams and clubs. Our local operating teams have

2019 SEED BY THE NUMBERS	
Number of Engagements <sup>1</sup>	1,107
Students Impacted	112,967
Teachers Participating	322
Schlumberger Employee Volunteers	1,389

<sup>1</sup> Beginning in 2019, we expanded our SEED category to include all our STEM community engagements worldwide, including professional development for STEM teachers, student workshops and supplemental instruction, Company-sponsored STEM events, clubs, challenges and competitions, and initiatives promoting literacy and numeracy skills for young children.

\* Mark of Schlumberger



helped prepare student teams for competitions and encouraged students to explore science and engineering as a college major or career.

**Energy Education**

We have formed partnerships with several organizations to develop workshops and educational programs that help students and teachers understand the highly technical skillset needed to work in the energy industry, with a focus on local energy sources. Our partnerships include the American Geosciences Institute, Society of Petroleum Engineers, the Offshore Energy Center, and the Independent Petroleum Association of America.

**Faculty for the Future**

Faculty for the Future, the flagship program of the [Schlumberger Foundation](#), awards fellowships to women from developing economies to pursue advanced graduate studies in STEM subjects at leading research institutes abroad.

The program’s mission is to accelerate gender equality in STEM and alleviate barriers to women’s participation in STEM disciplines. The program’s commitment to gender parity in science aligns with SDG #4, quality education, and #5, gender equality, in recognition that full access to and participation in STEM fields is essential for the empowerment of women and girls.

Since the program’s launch in 2004, a total of 739 women from 82 countries have received Faculty for the Future fellowships to pursue PhD and post-doctorate STEM research programs at 282 universities and research institutions around the world. In 2019, the Schlumberger Foundation awarded 19 new fellowships and renewed 77 fellowships.

Faculty for the Future Fellows are expected to return to their home countries upon completion of their studies, in order to contribute to the economic, social and technological advancement of their home regions.

Today, Faculty for the Future alumnae are strengthening the STEM teaching and research faculties of their home countries’ institutions, and also serving their communities through their leadership in science-based entrepreneurship and public sector service.

In addition to the financial support provided to these women, Faculty for the Future hosts in-person forums where fellows and alumnae meet to share their experiences and help foster an international community of women leaders in STEM. Each grant recipient is offered the opportunity of attending one of these forums during their research program. Participants meet and engage with distinguished scientists and listen to accomplished leaders share their insights. Through knowledge-sharing sessions and panel discussions, participants learn skills and techniques to raise their visibility and improve their chance of successfully impacting their community.

In 2019, program leaders visited Pakistan and met with 24 Faculty for the Future alumnae, local universities, research centers, industry partners, and government agencies. The visit helped the Schlumberger Foundation gather information on ways it can help alumnae build on the momentum Faculty for the Future provides and leverage their recently acquired skillsets to bring positive change to their local communities. Furthermore, the visit helped bring recognition to the program and alumnae from their home institutions, government officials and non-government organizations.

**HSE for Youth**

Schlumberger is committed to promoting HSE learning for children, in order to pass down our HSE leadership and experience to the next generation of Schlumberger families, customers and communities. Since 2009, our employees have shared their expertise through our HSE for Youth programs, trainings and modules covering first aid, internet safety, injury prevention, climate change, water sanitation, road safety, personal security, and HIV/AIDS, malaria and Ebola prevention. We aim to inform and empower young people to make responsible and safe decisions regarding health, safety, and environmental issues.

In 2019, more than 4,300 young people participated in 169 HSE for Youth workshops held across 50 countries. Parents and other volunteers helped organize workshops to teach children how to stay alert, think calmly and act quickly to protect themselves when at home, school or elsewhere in the community. Participants included children of our customers and employees, as well as children from local communities, schools and orphanages. These workshops covered a variety of topics, as shown at right, and have helped thousands of children learn about personal safety.

FACULTY FOR THE FUTURE BY THE NUMBERS	
New Fellowships Awarded in 2019	19
Fellowships Renewed in 2019	77
Alumnae Home Countries	82
Total Fellows and Alumnae since 2004	739
Host Universities and Research Institutions	282

HSE FOR YOUTH BY THE NUMBERS			
TOPICS	NUMBER OF TOPICS COVERED	LOCATION	NUMBER OF WORKSHOPS
Injury Prevention	28	Middle East & Asia	41
Personal Security	22	Africa	34
Internet Safety	27	Europe	21
Road Safety	53	Russia	16
HIV/AIDS	1	North America	21
Climate Change/ Environment	5	South America	12
Water	3	<b>Total</b>	<b>145</b>
Malaria	13		
First Aid	17		
<b>Total</b>	<b>169</b>		



## Health and Safety

Schlumberger is committed to maintaining the highest health and safety standards for employees, customers and contractors. Our commitment encompasses health and safety risks in the office and other facilities, such as laboratories and workshops, out in the field, when traveling on Company business, and at home.

Our HSE Management System defines the principles by which we conduct our operations worldwide, and our management team applies rigorous policies and standards throughout the Company. Nothing is more important to us than ensuring our employees, contractors and customers get home safely to their families at the end of each day. We also have a long-standing commitment to sharing our HSE leadership and best practices through technical papers, active involvement with industry trade associations and specialist HSE organizations, and other means.

Keeping our people safe is also central to our ability to drive high performance. We improved on our safety performance in 2019 by decreasing our industry recognized rate of automobile accidents per million miles by 12% and our total recordable incident rate by 26% year-over-year. 2019 was our best year on record in terms of our total recordable incident rate.

### Health

Schlumberger strives to protect the health of its employees and to manage their health risks in the workplace.

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, and streamline health care costs for employees and the Company. It also helps increase customer retention and satisfaction, optimize business performance and the Company's reputation, and reduce project disruptions while protecting the health of those involved.

We have a global network of health professionals who provide medical support at our operational locations. Each of our operating locations has a specific preventive training program with a focus on health and industrial hygiene, and each program is adapted to the working environment and location. Before new operations begin, and regularly thereafter, employees undergo medical checks and health-risk assessments.

### Heart Healthy Campaigns

Schlumberger has been supporting the American Heart Association through the Houston Heart Walk for eight consecutive years. In 2019, more than 200 Houston-area employees and family members joined the walk to raise awareness about the benefits of exercise. Part of our global Heart Healthy campaign included providing temporary CPR training kiosks at Schlumberger facilities to teach employees what to do in case of a heart attack and raise awareness of cardiovascular risk factors. The kiosks included a "how to" video along with a practice mannequin, like those used in classroom CPR training sessions, so employees and their family members could practice the movements and pressure needed to correctly perform CPR.

Also in 2019, Schlumberger team members in Sub-Saharan Africa launched the Africa Heart Beat campaign to increase health awareness among our workforce in the region. More than 1,200 people participated in running and walking activities as part of this initiative, and collectively they covered a distance of approximately 7,000 km.

### Schlumberger Active Campaigns

Since 2018, Schlumberger has initiated a series of health campaigns to encourage employees to be more physically active. Our first Active campaign in Europe drove active participation with Company-sponsored events, and encouraged employees in Europe to track and share their fitness-related activities through an internal Schlumberger app. The app includes a leader board with recognition badges to incentivize employee engagement through friendly and healthy competition. Employees were also encouraged to share stories and pictures of their activities on an internal social networking platform. The success of the Active campaign in Europe inspired similar campaigns at Schlumberger locations around the globe, including in Central America, East Asia, Australia, South East Asia, North America, South America, North Africa, Sub-Saharan Africa, and the

Middle East. The app has been replicated across more than 60 countries across all continents. In the Far East region, the Active campaign achieved 35 million steps in 2019. In the Russia and Central Asia region, Schlumberger team members recorded 121 million steps and burned approximately 1.4 million calories. In Bahrain, employees participated in a relay marathon. In Scandinavia, teams participated in an eight-week competitive fitness challenge.

Although the Active campaigns were primarily focused on health, they also encouraged our personnel to be more actively engaged in all aspects of HSE. The use of innovative technology solutions has encouraged personnel to access other HSE-related apps more actively, and the teamwork aspects of these campaigns have led to a healthy competition between Schlumberger locations regarding other aspects of HSE.

### Safety

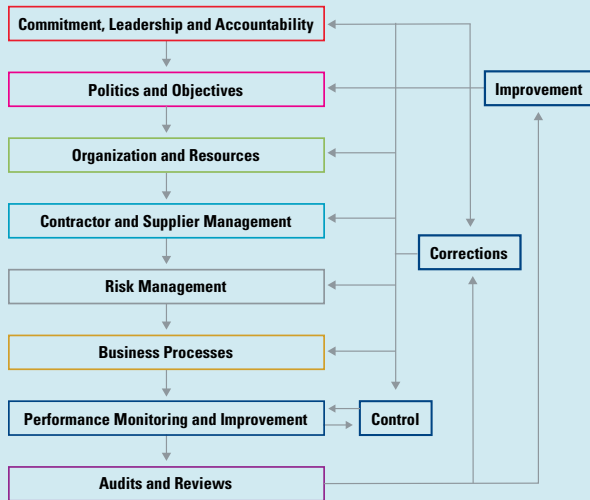
#### Shared Responsibility for Safety

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. Within Schlumberger, all employees and contractors are authorized, empowered and required 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 sets forth the principles by which we conduct our operations worldwide regarding HSE and security. Schlumberger management communicates our global quality, health, safety and environment (QHSE) policy, as well as our HSE philosophy, priorities, objectives and requirements, to all employees, customers, contractors, and third parties associated with our business. Our global HSE standards are implemented in all our operations and comprehensively assessed to assure compliance. We require that each Schlumberger geographic and operational business unit and function provide positive evidence of conformance to our HSE Management System.

Our HSE Management System model comprises eight interrelated elements, reflected on the diagram below.



We work to continually improve upon our HSE outcomes through (i) regular conformance checks on day-to-day standards and procedures (referred to in the diagram at left as “control”); (ii) conformance checks on the management system as a whole (referred to in the diagram at left as “correction”), and (iii) as needed, appropriate modifications to the management system (referred to in the diagram at left as “improvement”).

As of September 2020, our HSE Management System comprised 26 global standards, which we require be implemented within all Schlumberger operations and facilities, regardless of whether a particular operating location or facility has chosen to commit to third-party certification, such as the International Organization for Standardization (ISO), American Petroleum Institute (API), or Occupational Health and Safety Assessment Series (OHSAS) standards.

Schlumberger’s HSE Management System uses a risk-based approach, which allows us to focus resources on the geographic locations, activities and services that present a higher risk to the Company, our personnel and our customers. Our risk-based strategy also enables us to develop focused, concise HSE standards that are easily read, understood and monitored for effectiveness and compliance.

Each risk-based HSE standard contains the following items:

- » A statement of intent
- » The objective of the standard
- » A scope of application
- » Requirements for implementation of controls
- » Clear statements of responsibility for the management of the subject matter
- » Performance monitoring criteria for performance and compliance

Our risk-based approach involves setting prescribed control measures that apply at all Schlumberger sites and to all of our activities and employees, as well as to contractors under our operational control. Schlumberger’s HSE function has developed specific strategies for our risk-based HSE standards, covering both the fundamental controls that apply globally throughout all Company activities without variation, and certain risk-based controls—assessed by country, business operation and location—where application increases proportionally with the assessed risk. At the global

level, each Schlumberger HSE standard has an assigned “owner” who is responsible for developing and monitoring the standard, and for ensuring that it is regularly updated to reflect the Company’s commitment to continuous improvement, industry best practices, and lessons learned.

Each year, Schlumberger holds a global meeting of the senior HSE managers in our geographic locations and senior corporate HSE personnel, in order to review the Schlumberger HSE standards as well as emerging regulatory changes to reflect both internal and external updated HSE best practices. This annual HSE management review is focused on identifying opportunities for improvement both in our HSE Management System and in HSE performance. We also set annual performance and improvement objectives (including leading and lagging performance indicators), review existing HSE standards, and develop new HSE standards, personnel engagement initiatives, and campaigns for the year.

In 2019, we revised the following global HSE Standards: Business Continuity, Crisis and Emergency Management; HSE Training; Auditing; Hydrogen Sulfide; Personal Protective Equipment; Environmental Management; Schlumberger Empowerment Teams; and Injury Prevention. We also issued a new Electrical Safety Standard in 2019.

**Leadership Commitment**

Foundational to the Schlumberger HSE Management System is a commitment by our leadership team to invest in and promote HSE initiatives, programs and the system as a whole, and to personally demonstrate HSE excellence.

Managers at all levels of the Company are responsible for maintaining a culture of HSE excellence, so that all employees see prevention of HSE incidents and accidental losses as an integral part of their daily activities. We expect all managers and supervisors to set a personal example of HSE excellence by actively contributing to HSE risk management, including by providing necessary resources to develop and maintain a proactive HSE Management System throughout the organization. We also expect Schlumberger managers to encourage the involvement of all employees and to empower them to develop and implement appropriate solutions to HSE issues within their areas of responsibility.

Below are some examples of manager involvement in HSE, as applicable based on area of responsibility:

- » Participating in HSE meetings
- » Periodically visiting the field
- » Keeping personal HSE training up to date
- » Leading HSE audits, inspections and assessments, and following up on the remedial action plans
- » Setting location and personal HSE objectives.
- » Reviewing performance indicators
- » Reviewing HSE reports and following up on the closure of action items
- » Participating in and reviewing investigation of accidents
- » Administering reward programs
- » Reviewing driving performance reports

At Schlumberger, each geographical area has a dedicated HSE manager, HSE training and communications coordinator and injury prevention coordinator, along with a team of additional HSE personnel to support their operations. These regional teams are supported by a core group of HSE subject matter experts at the corporate level. In addition, in some cases subject matter experts are based within certain geographical areas depending on the risk and exposure to HSE hazards, such as security specialists, driving coordinators and health professionals.

At the site level, personnel with specific subject matter roles may facilitate and support the technical implementation of our HSE standards, depending on the size, specific risks and operational requirements of the site. A few such examples include roles focused on mechanical lifting, dropped objects, and working at height responsibilities.

Within Schlumberger, all employees and contractors are authorized, empowered and required to intervene and stop any job if they consider a situation to be unsafe—a practice fully supported by Company management.

#### Schlumberger SAFE

Our Schlumberger SAFE program encompasses a series of strategic HSE programs, tools and multi-year initiatives that reinforce our unified, global approach to our organization's HSE commitment. We designed this program based on the four pillars of our global HSE strategy: Leadership, Employee

Engagement, Training and Reporting, and Compliance. Since the program's launch in 2017, we have focused on making our HSE emphasis personal, engaging and fun through innovative training and communication methodologies. The first two years of this campaign have already delivered meaningful results, including helping to reduce the frequency of total recordable injuries and automotive accidents, as well as other improvements in leading HSE indicators.

Examples of Schlumberger SAFE initiatives include:

- » personal HSE leading indicator dashboards and scorecards with metrics such as proactive HSE reporting, HSE leadership engagements and field HSE visits;
- » global safety improvement campaigns that use innovative communication techniques, such as internal social media channels, infographics and personal interactions based on a facilitated learner-centered approach;
- » the development of Company mobile apps for proactive HSE risk identification reporting and observation and intervention reporting;
- » revitalized HSE training for new personnel, supervisors and managers that uses a variety of modern learning techniques; and
- » the implementation of improved processes for monitoring and increasing compliance with Company requirements.

In addition, our Schlumberger SAFE Forum, launched in 2018, introduces supervisors and managers to our latest HSE programs and campaigns through a set of interactive exhibits that can be easily assembled at any Schlumberger location. For remote locations, we have also deployed a truck outfitted with a mobile version of the Schlumberger SAFE Forum to give personnel working in field locations the opportunity to experience in person our latest Company HSE initiatives. In 2019, 39 Schlumberger SAFE Forums were organized to assist supervisors and managers in increasing HSE awareness and engagement at local facilities around the globe.

We also have a wide range of recognition programs based on the Schlumberger SAFE campaigns for individuals, teams, locations, and geographic initiatives and improvements. For example, in 2019, our global HSE function won our Performed by Schlumberger program's "CEO Award" for the Schlumberger SAFE Campaign, out of almost 600 project submissions. The CEO Award is the program's highest accolade, given to a team or project that demonstrates exceptional levels of teamwork,

innovation and business impact for the Company and our customers. Schlumberger personnel around the globe cast their votes, selecting the top four submissions for the awards.

#### Life-Saving Rules

In 2019, Schlumberger launched a 10-week global campaign to introduce the revised International Association of Oil and Gas Producers (IOGP) Life-Saving Rules, which updated the 2010 IOGP Life-Saving Rules. Schlumberger actively participated in developing both sets of IOGP Life-Saving Rules. From our CEO and executive leadership to our frontline workforce, we are committed to the IOGP Life-Saving Rules and to achieving and sustaining the industry goal of having no fatalities.

As part of our 2019 campaign, Schlumberger CEO Olivier Le Peuch and our HSE management team recorded personal videos covering four key messages:

- » Schlumberger fully supports this standardized industry initiative.
- » We are fully committed to reducing the number of work-related fatalities to zero.
- » Every employee and contractor is empowered and, in fact, obligated to "stop the job" if they see any Life-Saving Rule not being followed (or any other unsafe act). Anyone who intervenes will have the full support of Company leadership.
- » Compliance with the Life-Saving Rules is not just about Company requirements. Compliance is about making sure you go home safe to your loved ones.

The campaign then introduced one new rule each week for the following nine weeks. This approach gave our workforce time to focus and reflect on the content and expectations of each new rule. For each new rule, a senior Schlumberger leader recorded a video discussing the importance of the rule, along with examples of incidents and high potential events, and explained how the relevant Life-Saving Rule and associated actions could have prevented or did prevent the loss of a life.

All non-office personnel are required to complete IOGP Life-Saving Rules training and, in 2019, this totaled over 72,000 field personnel worldwide.

Schlumberger's Life-Saving Rules training materials were targeted to frontline workers and made available in local languages. In addition, in alignment with SDG #17, partnerships for the goals, we translated IOGP's training and communication materials, such as work cards, posters, and rule-in-a-minute animations, into 17 languages, and then provided the translated content to IOGP to be shared across the industry as part of our commitment to partnerships. The Life-Saving Rules have also been incorporated into our new employee and new contractor safety training packages, and an e-learning package is available for refresher training.

Schlumberger also analyzed the applicability of the nine Life-Saving Rules for our global operations using Schlumberger-specific data over a 10-year period. We conducted a detailed analysis of work-related fatalities, high potential events and lost workday case injuries to identify those that most commonly resulted in fatalities. A ratio of fatalities to lost workday cases showed trends similar to the IOGP data used to develop the industry Life-Saving Rules.

### HSE Auditing

In 2019, Schlumberger implemented a global risk-based approach and improvements to our HSE auditing and inspections process. We revised all the global templates used to audit compliance against our HSE standards and we required that an audit and inspection plan be developed and documented each year. This annual plan details the schedule of audits and inspections to be performed at each worksite and the respective areas of responsibility during the year. We use a global online dashboard to review the results of the plan's implementation and to monitor the completion and compliance of audits and inspections.

In 2019, we recorded more than 260,500 audits and inspections in Schlumberger's global online QHSE business system. More than 20,000 of these were audits conducted using our global compliance audit templates, which have been developed to determine adherence to our QHSE standards. Our robust internal auditing and inspection process has been rigorously implemented, and its performance equals or exceeds that of a third-party certified HSE management system. Operational locations seek certification to international standards, such as ISO, API or OHSAS, only where there is a clear business case to do so.

### Fatalities

Regretfully, Schlumberger suffered three work-related fatalities in 2019. Schlumberger's 2019 fatal accident rate for employees and contractors was 0.75 per 100 million work hours, which was lower than the 2019 IOGP contractor fatal accident rate of 0.92 per 100 million work hours.

Each of our work-related fatalities was thoroughly investigated and studied, remedial actions were implemented to prevent reoccurrence, and the associated lessons learned were communicated throughout the Company. For example, to address the lessons learned from electrocution incidents and incorporate additional controls, Schlumberger issued a new global Electrical Safety Standard in 2019. Schlumberger also issued new standard work instructions for activities requiring energy isolation verification, deployed additional testing equipment to field personnel, and included further electrical safety training in the requirements for technicians. We also discussed these fatality incidents in our executive leadership videos as part of the IOGP Life-Saving Rules campaign.

No work-related illness fatalities occurred at Schlumberger in 2019.

Schlumberger also tracks employees' non-occupational illness fatalities, such as deaths due to heart disease and cancer, in our global online QHSE business system. These data inform our global and regional health and wellbeing campaigns.

### Learning from Events

Schlumberger's global HSE Event Reporting and Management Standard details our requirements for the notification, recording and investigation of HSE incidents and high potential events, including management reviews, remedial and preventative work plan actions, and follow-up actions to confirm effective implementation. We use our global online QHSE business system to manage the lifecycle of an event, from classification to investigation to remedial action implementation. During 2019, more than 142,000 people used the system, with over 12.7 million logins registered. The system also recorded an average of 1,400 QHSE meetings per day in 2019, totaling more than 511,000 for the year, sent more than 40 million emails to approximately 125 million email recipients, and processed more than 3.8 million items including risk identification reports, meetings, audits, exemptions, management of change requests, observations, inspections, events, suggestions, and recognitions. Our personnel can search and

review two decades worth of reports and data in our QHSE business system. This yields significant opportunities for learning from events and trends, for benchmarking, and for the identification of emerging hazards.

Schlumberger also has a process to generate concise "HSE Alerts" to share best practices and lessons learned from HSE events. HSE Alerts are stored in Schlumberger's HSE Communications Toolbox and are organized by hazard category such as Life-Saving Rule, Product Line and Geography, to help users identify relevant subject matter for organizational learning. HSE Alerts are also sent directly to employees by email. HSE Alerts that we receive from customers and industry organizations are also shared on our internal HSE web portal and on internal social media groups for general HSE, subject matter or location-specific updates, to which anyone in the organization can subscribe.

These lessons learned and best practices are incorporated into our HSE Standards, policies, practices and training resources. Our goal is to promote continuous HSE learning and best practices throughout the organization, and to facilitate reflective discussions at both formal safety meetings and in informal discussions among our team members, such as during pre-job safety briefings.

### 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, their families, contractors, 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 deemed "as low as reasonably practicable" through effective implementation of fundamental and risk-based controls and active continuous monitoring of security conditions.

Schlumberger security specialists—both employees and contractors under our operational control—are required to maintain security arrangements that are consistent with applicable laws and the following international standards:

- » Voluntary Principles on Security and Human Rights
- » United Nations Universal Declaration of Human Rights
- » United Nations Code of Conduct for Law Enforcement Officials
- » United Nations Principles on the Use of Force and Firearms



### PRE-TRAVEL SECURITY AND HEALTH REQUIREMENTS

Schlumberger's online QHSE business system serves as a repository for country-specific health and security information, including the Company's security risk ratings for countries and regions within countries. Prior to traveling for business reasons, Schlumberger personnel are required to review applicable security and health information for their destination country and, for high-risk destinations, have their travel approved. Our travel booking system automatically sends emails with travel advice, relevant security, health and cultural information, local Schlumberger emergency contact numbers, and national authority emergency information.

Control measures for Schlumberger personnel—proportionate to the country security threat and/or alert level—may include travel security guidance or precautions, security escorts upon arrival in a country or region, and the use of Company-approved accommodations (e.g., staff houses or hotels with adequate security standards).

Health specific requirements for travel may include certain vaccinations and certificates, preventive medication, and training on disease prevention (such as malaria protection controls like bed nets, repellents and testing kits), water and food hygiene, animal bite and sting prevention, other immediate response actions, climate-related hazards, and medical emergency management.

### Business Continuity, Emergency and Crisis Management

Each Schlumberger location has comprehensive emergency response plans and trained personnel to respond to anticipated local emergency scenarios such as emergency evacuation, fire, medical emergency response, security threat response, spill response, natural disasters, and other specific operational hazards such as hazardous substances, hydrogen sulfide releases and well control incidents. More than 5,000 location emergency response drills were held and recorded in the global online QHSE business system in 2019.

Also in 2019, Schlumberger released a comprehensive revision to its global Business Continuity, Emergency and Crisis Management Standard. Although the Company's global standard has been in place for more than 20 years, in 2019 we adopted a risk-based approach and incorporated research from the Harvard School of Public Health's National Preparedness Leadership Initiatives and meta-leadership programs, as described in the

[Harvard Business Review](#). In revising this standard, we developed a global hierarchy of crisis and emergency management and response teams in order to effectively respond to developing crisis events and to protect our people, assets and ability to operate, as well as the environment, stakeholders' interests and Schlumberger's reputation. This program is based on our fundamental corporate commitment to the Company's HSE function as a core differentiating competency.

Each of the crisis management teams (CMTs) and emergency management teams (EMTs) comprise nine core members, primarily representing Schlumberger business functions:

- » Crisis management team leader
- » Crisis management coordinator
- » Communications coordinator
- » Stakeholder manager
- » Human resources
- » Legal counsel
- » IT services
- » Facilities
- » Finance

Designated emergency and crisis management centers are suitably equipped and maintained in geographically dispersed locations. This makes technical subject matter expertise continually available to the geographic CMTs and EMTs via business line global operations control centers.

To support our crisis, emergency and business continuity management process, we have implemented standardized Company tools and guidance across the organization. Examples of such tools include:

- » A global online risk mapping tool with geographically conducted vulnerability assessments that include the identification of threats to each business line, function and manufacturing center.
- » A comprehensive global reference manual and an online library of available resources, such as notification and response flowcharts, checklists and drill scenarios, as well as best practices, which are regularly updated based on lessons learned from Company responses to drills and real crisis situations.
- » Designated trained CMTs and crisis management planning at both corporate and geographic area levels, as well as designated trained EMTs and emergency management planning in every country of operation, all of which follow a company-wide crisis and emergency management playbook.
- » An Incident Response app that links to our global crisis management online portal, in order to maintain real-time communications throughout

each response cycle by recording decisions, actions, and stakeholder maps.

- » Emergency situation identification, vulnerability assessment, and response planning for every Company location, using global tools to maintain consistent assessment of the threats, internal and external resource capability analysis, and plans for control and mitigation of emergency situations.
- » Communication tools, including mass e-mail distributions, text message alerts with receipt confirmation, news and updates on our Company intranet and internal social media channels, 24-hour emergency call centers, and standard IT tools for managing and documenting actions taken and interactions with stakeholders.
- » Business impact analysis and continuity planning assessment tools, templates and guidance, covering (among other things) anticipated business disruptions.

We also annually conduct a global-level review of our consolidated geographic, functional and business line risks to check for correlations and trends, and report the same to our executive management. For additional details, please see the Corporate Governance section of this report titled "Managing Corporate Risk" on page 5.

In 2019, we continued implementing our crisis management training programs throughout the organization. Approximately 300 senior leaders around the world attended a two-day crisis or emergency management team training course during the year. These training courses enable attendees to participate in practical exercises combining crisis management best practices, techniques from global academic experts, and expertise from within the Company. Our comprehensive trainings incorporate realistic scenarios, so that theoretical training is successfully translated into practical skills. Our initial trainings are also supplemented with refresher trainings and regional readiness assessments.

We also conduct regular crisis and emergency management drills—quarterly at the country level, bi-annually at the geographic area level, and annually at the corporate level—in order to practice coordinating people, organizations, resources, and information to best mitigate and control a wide range of scenarios, from our initial response through reestablishing operations. In 2019, we conducted a series of cybersecurity drills in addition to operational drill scenarios.

**Contractor Management**

An effective and efficient supply chain is essential to Schlumberger’s success. Our overall objective is to maximize value for the Company through best-in-class planning, sourcing and procurement, achieved through the rigorous use of systematic and integrated processes to select, develop and manage our supplier base. We work with our suppliers in a socially responsible and ethical manner and continuously seek to improve the way we and our suppliers conduct business.

**Contractor Management Standard**

In 2018, we revised our Contractor Management Standard to align with the IOGP industry best practices for managing HSE risks from contracted services. In addition, our Supply Chain standards and procedures govern how we engage with suppliers and contractors, and we use industry best practices as the global basis for managing the HSE risks from contracted services. Together, these standards set forth a risk-based process to identify, onboard and manage suitably capable contractors.

After completing our supplier approval processes, we add newly approved suppliers (including suppliers of contracted services) to a central approved supplier list, which contains information about each supplier, including capability assessments, specific audits, contractual responsibilities (contract mode), and the scope of work that such supplier is qualified to provide to Schlumberger. Our approved supplier list contained more than 44,000 approved suppliers with whom Schlumberger had a spend in 2019.

**Contractor Performance Management**

Schlumberger monitors the HSE performance of its contractors during all phases of our contracts, using various methods:

- » We report any hazardous situation (including any “near miss”) and take actions where necessary to correct the situation relating to the contracted service.
- » We report at-risk behaviors and immediately provide coaching to contractors to correct such behaviors.
- » We positively report and reinforce safe behaviors.
- » We regularly hold formal meetings with the management of suppliers that provide us services, to discuss the supplier’s performance and agree on any actions needed for continuous service improvement. We also hold informal meetings with these service providers. In total, we recorded more than 27,500 meetings with service providers and contractors in our QHSE online business system in 2019.

During 2019, more than 38,000 contractors contributed to Schlumberger’s overall safety performance. Our contractor Lost Time Injury Frequency Rate (LTIFR) was 0.50 per million work hours, consistent with our combined employee and contractor LTIFR of 0.52 per million work hours.

As of December 2019, more than 13,500 contractors were registered to use Schlumberger’s global online QHSE business system. Our contractors are required to follow all Schlumberger HSE programs while at a Schlumberger controlled facility, unless they have an equivalent HSE program with roles and responsibilities defined in an agreement with us.

**Contractor Audits**

In 2019, Schlumberger recorded 1,291 contractor audits in our global QHSE business system. In addition, we conducted 353 land transport contractor audits in alignment with the IOGP industry best practice for land transport contractor assessments (IOGP Report 365).

**Contractor Training**

New Schlumberger contractors engaged in 2019 completed nearly 127,000 certifications that year. Applicable contractors are included in our New Employee Safety Training (NEST) program, which provides critical safety training in order to manage new employees’ increased HSE risks. We also have specific NEST trainings for short-term contracted employees. For additional details about our HSE training programs, please see the section of this report titled “HSE Training” on page 33.

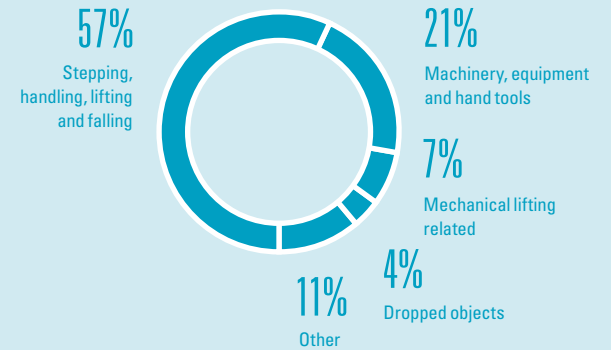
**Injury Prevention**

Schlumberger is committed to injury prevention for employees and contractors through effective implementation of internal best practices as well as those from the oil and gas industry.

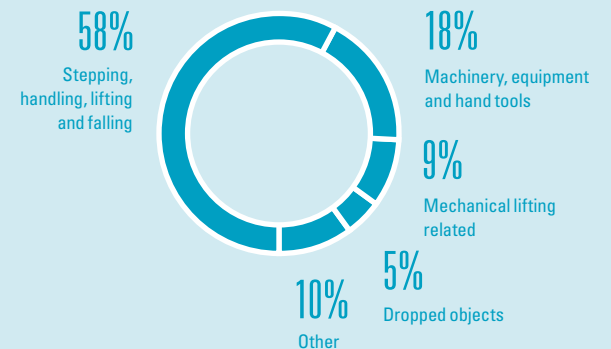
In 2019, we updated our risk-based Injury Prevention Standard, which details the controls required to minimize risk of workplace injuries related to stepping, handling, manual lifting, and working with machinery, equipment and tools. This revision incorporated the new IOGP Life-Saving Rules, as well as updates to our injury prevention training and additional content on the Company’s Design for HSE program.

Schlumberger’s work-related workplace total recordable injuries (TRI) and lost-time injuries (LTI) by hazard category for 2019 are shown in the charts below:

**Total Recordable Injuries (TRI)**  
by Hazard Category (2019)

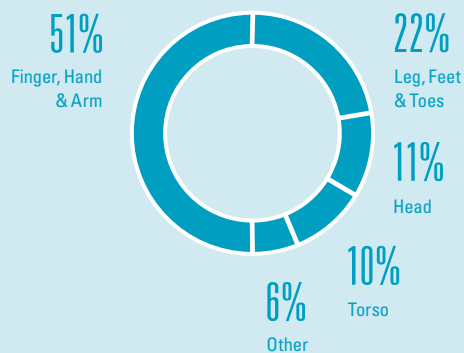


**Lost Time Injuries (LTI)**  
by Hazard Category (2019)

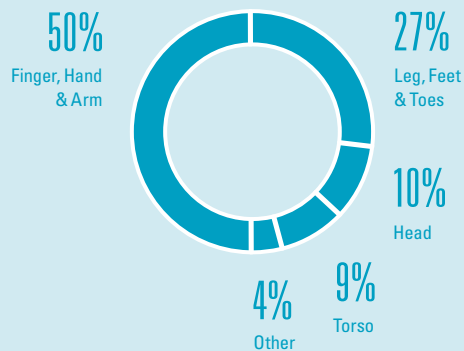


The charts below reflect our 2019 TRI and LTI by body part injured:

**Total Recordable Injuries by Body Part (2019)**



**Lost Time Injuries by Body Part (2019)**



We provide injury prevention training to new employees within the first month of employment, along with annual refresher coaching supported by 363 trainers and 31 master trainers around the globe. In 2019, more than 93,000 employees and contractors were certified at Level 1 training and more than 63,000 were certified at Level 2 training (accompanied by a Commentary Task Assessment conducted by a trained coach).

We have also implemented our Schlumberger “Warm Up to Work” program globally across the Company. Warm Up To Work was designed to improve the health and wellbeing of our workforce and increase awareness about the importance of injury prevention at the workplace. This program includes exercises for workshop and field personnel to warm up their muscles and increase flexibility and the range of motion of joints. For office personnel, it includes a series of stretching exercises help to prevent neck, shoulder, and back discomfort. The program also has an interactive website with short videos that show how to perform the exercises correctly, as well as other resources available in nine languages.

As shown in the charts at left, approximately half of our 2019 TRI and LTI involved injuries to fingers, hands and arms. To address these types of injuries, we have identified various hands-free work aids to reduce direct exposure to these body parts, and then implemented them worldwide. To mitigate the severity of hand and finger injuries, we regularly review improvements in high impact glove technology, and we incorporate pilot testing of new types of gloves to improve the level of protection, fit and comfort. Communication programs and initiatives promoting hand and finger safety continue to be a focus area for our global injury prevention campaigns and local initiatives, such as the “1,2,3 por tus manos” (1,2,3 for your hands) program in the Latin America North area.

**Mechanical Lifting and Dropped Objects**

Both the Company and the oil and gas industry as a whole recognize mechanical lifting and dropped objects as posing risks for fatalities and serious injuries. As a result, we investigate and review all incidents involving any injury as well as high-potential events with or without any injury. We share lessons learned internally using our HSE Alert process and incorporate them into our applicable Company standards, trainings and HSE communication resources.

In 2019, mechanical lifting-related injuries accounted for 7% of our TRI, of which 45% involved forklifts or their loads and 44% involved cranes or their loads. Dropped objects related to 4% of our 2019 TRI. Of the combined TRI for mechanical lifting and dropped objects, 47% of injuries involved hands, arms and fingers, and 31% involved legs, feet and toes.

In 2019, Schlumberger personnel entered nearly 196,000 proactive risk identification reports relating to mechanical lifting and dropped objects into our global online QHSE business system, a 15% increase year-over-year. We continue to focus on effective management of dynamic dropped objects and DROPS Red Zones, proactive risk identification reporting, and the implementation of hands-free lifting techniques and tools.

Mechanical lifting operations on rig sites often involve multiple parties, particularly during rig-up, rig-down and rig-move activities. Maintaining adequate control of operations on rig sites is a key focus for Schlumberger, because rig sites account for proportionately higher rates of mechanical lifting incidents involving injuries in comparison to other working environments. From 2015 through 2019, approximately 30% of Company-involved work-related recordable injuries at mechanical lifting incidents occurred at rig sites (onshore and offshore).The Schlumberger Mechanical Lifting Standard sets forth various control measures to designate and delineate the parties’ responsibilities, including a Company-designated lifting crew for any operation that involves the use of a mobile crane. The lifting crew comprises a person in charge, an appliance operator, and a banksman/slinger or signaler, and all crew members are required to be deemed competent and appropriately trained for their roles.

Another of key injury prevention focus for Schlumberger relates to contractors that supply us with mechanical lifting services and/or equipment. From 2015 through 2019, approximately 30% of the Company’s mechanical lifting-related recordable injuries involved contractors. Our Mechanical Lifting Standard (in accordance with our Contractor Management Standard) requires that all contractors involved in mechanical lifting activities be audited prior to on-boarding. Our site and country mechanical lifting experts participate in these contractor audits to confirm that contracted equipment and services meet both Schlumberger requirements and any applicable regulatory requirements.

In 2019, we also launched or continued various global awareness campaigns focused preventing injuries during mechanical lifting operations, which covered mitigation measures such as:

- » Avoiding being in the “line of fire”
- » Loading and unloading of vehicles
- » Managing areas where personnel may be exposed to dropped object hazards (referred to as DROPS Red Zones)
- » Using barriers
- » Inspecting slings, and rigging and slinging practices
- » Using hands-free lifting tools
- » Using high impact gloves

We also supplemented our global safety awareness campaigns with regional initiatives, such as our “Forklift Blind-spot” awareness campaign in Europe, “SAFE Forklift in Action” campaign in Latin America, and land transport load and cargo securing campaign in North Africa.

### Driving Safety

Road traffic incidents are ranked by the World Health Organization among the top ten causes of fatalities worldwide, and reports from the IOGP indicate that driving-related incidents have historically been a significant cause of fatalities in upstream operations. In 2019, 4% of our TRI and LTI were associated with land transport activities.

In 2019, our driving safety focus continued to be on journey management, the implementation of new technologies to improve driver performance, and driver training. Our comprehensive driver management system consolidates best practices to systematically reduce or eliminate accidents through training, journey and trip management, safe driving behavior, and compliance with [Our Code of Conduct](#). Our risk-based approach provides effective management of driving activities in the countries where we operate.

### Journey Management and Data Analytics

Our Journey Management Centers around the world reinforce safe driving behaviors and deliver increased support for our drivers during each journey. The centers verify each trip for compliance with our journey management procedures, with higher risk driving environments being subject to more stringent controls and standards. These centers serve every country in which we operate with real-time journey tracking in 15 languages, 24 hours a day, 365 days a year.

Through these centers, we monitor driving behavior using real-time tracking and provide immediate feedback to our drivers. The centers use data analytics to define, measure and shape driving behaviors, and to develop initiatives that help our drivers continuously improve their performance. For example, we have designed and deployed an algorithm to analyze driving data in North America, together with an internal website to provide drivers and managers with real-time continuous feedback of any instance of non-conformance with our journey management protocols. The website provides an easily accessible interface to translate the driving data we have collected into actionable information to sustain continuous improvement. In 2019, we analyzed more than 9,000 business trips per weekday, totaling approximately 2.9 million trips across North America during the year. Deployment of this algorithm has shown up to a 96% reduction in journey management non-conformances and a 73% reduction in mileage driven by unidentified drivers since we introduced this initiative.

### New Technology to Improve Driving Safety

We analyze global event data to identify, develop and implement targeted innovative solutions to improve driving safety through driver engagement and vehicle enhancements. Our driving performance app utilizes sensors in the driver’s mobile device to enable the recognition of vehicle movement. Drivers are provided with a customized dashboard and immediate feedback on their driving performance to identify personalized areas of improvement. This app is easy to deploy, promoting driver engagement with immediate in-vehicle feedback to increase personal awareness of driving performance and identify any hazardous behaviors. The app has been deployed for use by our employees and contractors and, on request, it has been extended to include Schlumberger family members.

Another technology implemented to improve driving performance on Schlumberger-owned vehicles is an advanced driver-assistance system (ADAS). This technology enhances vehicle safety systems and reduces human error by alerting the driver to maximum speed limits and lane departures, as well as the proximity of pedestrians and other vehicles to prevent collisions.

Feedback from Schlumberger drivers on these driver aid systems has been positive overall. Even where these technologies provide drivers with just a few more seconds of reaction time, their earlier awareness of potential hazards allows drivers to quickly react to prevent collisions and potentially save lives.

### Driver Training

Every Schlumberger driver, from field to office, is required to complete regular fit-for-purpose driver training, including the use of simulators and driver-improvement monitors to provide real-time, in-vehicle driving performance feedback. Personnel who drive on Company business receive both practical and theoretical training from qualified and skilled master trainers. At just one facility in the United States, Company drivers completed the equivalent of 261,000 driving training hours in 2019. Across all our driving training facilities, we incorporate scenarios designed to provide trainees with advanced skills, such skid pan, emergency steering, head-on collision avoidance, and off-road recovery. Driving simulators also allow drivers to practice their skills on a variety of road types facing different climatic and environmental conditions, in a safe and controlled manner. We reinforce this regular training on an annual basis with a “commentary drive,” where a trained assessor reviews and assesses each driver’s skills on public roads, as part of our ongoing driver training certification requirements. In 2019, Schlumberger had more than 45,300 certified drivers globally.



Below are examples of the various training courses provided at Schlumberger's dedicated training centers.

STANDARD TRAINING	COURSE DURATION	CANDIDATE
Light Vehicle Training	3 days	Drivers of vehicles with a gross vehicle weight rating (GVWR) of less than 10,001 lb (also called "light vehicles")
Medium Vehicle Training	6 days	Drivers of truck and trailer combination vehicles with a GVWR of 10,001 lb to 26,000 lb
Heavy Vehicle Straight	6 days	Drivers of straight truck vehicles with a GVWR exceeding 26,000 lb
Heavy Vehicle Training	11 days	Drivers of tractor and trailer vehicles with a GVWR exceeding 26,000 lb
Driver Assessor School	5 days	Experienced drivers who will be performing driver assessments and in-vehicle skills development and teaching techniques and conflict resolution
Driver Trainer Assessor School–Light	3 days	Assessors who will be teaching driving theory in a classroom setting
Driver Theory	8 hours	All Schlumberger drivers are required to complete driver theory and advanced skills maneuvers theory training
Driver Intensive	5 days	Light vehicle drivers who require additional development of in-vehicle skills

#### *Driver Training Simulators*

Hands-on sessions with qualified instructors allow Schlumberger drivers to learn and apply practical skills in customized vehicles within the controlled setting of the driving training centers. We also use driver training simulators with multiple vehicle profiles including light, heavy articulated and non-articulated vehicles to enable drivers to practice their basic and advanced skills in a safe environment. The simulators provide drivers with the experience of a variety of driving environments, such as suburban, freeway, mountain, snow, ice and rain, the ability to practice a wide range of skills appropriate to minimizing driving hazards, including collision avoidance and skid control.

#### *Driving Performance Recognition*

In 2020, Schlumberger won the Egypt Petroleum Show's HSE Excellence in Energy Award for "Best Health and Safety Project of the Year," for our work done in 2019 to modernize driving safety in Egypt through the use of technology. This program involved implementing technology and innovative training with virtual commentary drive skills assessments for Company drivers, engagement with land transport contractors and key stakeholders, and road safety instruction for children.

Schlumberger also has an internal program to recognize and reward Company drivers for high performance. Driving performance is also recognized geographically based on the performance of top drivers using data recorded in Schlumberger's driving app.

### Schlumberger Empowerment Teams

Schlumberger Empowerment Teams (SETs) are action-oriented teams implemented to identify, eliminate or reduce workplace risk at the location level. The teams bring together local employees, line management and HSE professionals in a cooperative effort to strengthen personnel engagement with, and improvement of, HSE performance, by focusing on local initiatives.

All Company locations are covered by a SET, and each location with more than 50 assigned people is required to have its own dedicated SET. Each SET has an assigned leader and six to 15 members, depending on the number of personnel at the location, and comprises a cross-section of our workforce with representation from our business lines and functions, as well as various levels of seniority and authority. SET membership is also required in Schlumberger's career development program for non-HSE disciplines. Each member of a SET focuses on one of three areas at a time—engagement, situational insight or compliance—and then rotates focus areas every four months so that all SET members develop skills in all three focus areas. SET leaders also receive additional training in HSE and facilitation techniques. In 2019, we had more than 4,000 active SET members across 58 countries, representing 4% of our total employee population and 3% of our total workforce (employees and contractors).

In 2019, we recorded more than 6,500 SET meetings in our global QHSE online business system. The SETs identify location-specific HSE issues, provide solutions and best practices, and assist with the implementation of company-wide HSE recognition programs. For example, the global SET network was critical to the successful roll-out of our Life-Saving Rules campaign in 2019. Each SET also develops an annual improvement plan with specific HSE improvement objectives and a budget to support the implementation of its activities for the location. Local SETs have implemented a variety of initiatives and projects related to driving, environment, health, injury prevention, security, communications, and family and community outreach.

Schlumberger recognizes SET achievements through a global award program, with awards for the best SET, best SET leader, and special categories such as injury prevention, driving, security, environment, and health initiatives. The initiatives were judged on criteria such as innovation and improvement impact.

### HSE Training

We manage, monitor and record the HSE online training certifications of all Schlumberger employees and more than 13,500 contractors via our global online QHSE business system. In 2019:

- » The system recorded more than 4 million online certifications and logged more than 6.5 million training hours, averaging approximately 46 hours of training per individual.
- » Worldwide, more than 470 certified trainers of our New Employee Safety Training (NEST) program conducted more than 1,100 NEST classes, providing training to approximately 16,700 employees and contractors.
- » More than 950 Schlumberger managers and approximately 4,500 supervisors attended one of our 424 facilitated two-day HSE leadership training courses.
- » An additional 300 personnel were trained in HSE event investigation and more than 600 were trained in HSE auditing.
- » Nearly 700 HSE specialists and SET leaders were trained in facilitation techniques.

### New Employee Safety Training

A significant proportion of injuries in the oil and gas industry involve personnel with less than one year of service within a company. At Schlumberger, an internal study of historical injury data showed that more than half of our work-related injuries involved employees and contractors with one year of seniority or less. As a result, we identified NEST as a key area of opportunity for improvement in safety performance.

All new Schlumberger employees and contractors working under our direct supervision are required to complete NEST courses covering key HSE topics. NEST uses a blend of innovative learner-centered educational methodologies to empower new personnel to take ownership of their safety performance, by equipping them with a clear understanding of the control measures and mindset required to conduct their work activities safely. NEST uses trained facilitators and incorporates innovative technologies, such as virtual reality, micro-learning videos and mobile apps and gamification, in order to support some of the key training modules and cater to millennial preferred learning styles.

### Leadership Training

In 2018, we redesigned our HSE leadership training curriculum based on employee feedback and surveys to accomplish two key objectives: first, to ensure that managers and supervisors develop and maintain a comprehensive understanding of the Company's HSE rules and tools; and second, to assist in leaders expanding their emotional intelligence skills, which we identified as a critical competency for them to effectively drive desired HSE behavior, motivation and performance improvements.

The HSE leadership program includes facilitated training, incorporating key concepts, such as transformational leadership, in on-demand micro-learning tools like infographics and videos. The majority of classroom time is spent with participants working on team exercises, risk analyses and presentations related to realistic workplace case studies. Following the formal trainings, we provide managers and supervisors with a variety of materials in multiple languages and different formats to assist them in applying the tools and leadership skills they developed in the classroom.

### Professional Development Program (HSE<sup>PRO</sup>)

HSE<sup>PRO</sup> is a Schlumberger training and development program designed for employees in our HSE function. The program seeks to sustain and further develop our HSE function's capabilities, in order to support operational compliance in an increasingly complex industry and operating environment, and to develop talent and expand career opportunities within the Company's HSE community. The program incorporates e-learning, internal and external training classes, personalized coaching, and "on the job tasks". These tasks have been designed to develop and demonstrate participants' HSE knowledge and competency related to general oilfield activities as well as business group-specific activities and risks. Participants are also required to complete the NEBOSH International General Certificate in Occupational Health and Safety or have an equivalent HSE-related bachelor's degree.

In 2019, more than 500 employees participated in HSE<sup>PRO</sup> across more than 50 countries. We also achieved our 2019 objective for this program, which was for more than 90% of HSE<sup>PRO</sup> participants to timely complete the program modules.

### HSE Communications

We maintain and regularly update our global HSE Communication Toolkit, a central online repository for HSE resources in multiple languages. The Toolkit contains user-friendly, interactive materials to increase personnel engagement with HSE issues, and to maximize learning during HSE gatherings. We also make available to all employees and contractors with access to the internal Schlumberger network various HSE resources including:

- » HSE Nudges to help influence employee behavior;
- » Schlumberger SAFE Meetings and Moments to enhance HSE learning;
- » instructions for facilitating a Schlumberger SAFE Forum;
- » videos and presentations to use in safety meetings; and
- » posters and other infographics to prompt HSE-focused discussions in the workplace.

We also require every Schlumberger location to develop an HSE communication plan, designed to ensure that clear, relevant and appropriate HSE information is communicated to the different audiences at that location at appropriate intervals.

### Health and Safety Nudges

Nudge theory is a concept developed in behavioral economics for understanding how people think, make decisions, and behave. Subtle, smart "nudges" can promote and influence safer and healthier behaviors. At Schlumberger, our nudge program reinforces our strong HSE culture and further develops our workforce HSE engagement.

We began introducing HSE nudges in 2018, and we expanded the nudge program in 2019 by developing and implementing a "nudge toolkit" across our global HSE operations. Applying nudging techniques has encouraged our workforce to achieve desired HSE behaviors. In total, we have designed and released 35 nudges to influence healthy behaviors and safe practices, including nudges relating to healthy food choices, anti-smoking, using the stairs, holding handrails, safe walkways, and energy efficiency.

### HEALTH NUDGES

Health nudges encourage healthy lifestyle choices using visual cues, such as:

- » Posters and nutrition information in breakrooms and on vending machines to influence healthy eating
- » Floor stickers and posters that direct employees to the water cooler and remind them to drink more water
- » Calorie-count stickers and posters on staircases to encourage employees to take the stairs instead of the elevator

To encourage personnel to make healthier choices at the vending machines in the canteen and break rooms, an operational location in Sub-Saharan Africa used the health-related nudge "Re-Think Your Sugar". The facility displayed sugar cubes below an image of each drink to accurately represent the grams of sugar in each drink to visually illustrate the amount of sugar contained in a variety of soft drinks. After six weeks, 73% of personnel surveyed said that their choices had been affected by the "sugar board" display, with 24% having completely eliminated soft drinks from their diet and 13% having reduced their soft drink consumption habits.

### SAFETY NUDGES

Safety nudges serve as safety reminders, such as:

- » Posters to remind employees to double-check their personal protective equipment
- » Floor and wall stickers to remind employees to use handrails when walking up or down stairs
- » Stickers on vehicle visors and keychains to remind employees to remain vigilant and drive safely
- » Reflective tape on the back of vehicles to make them stand out and prevent rear-end collisions



### Industry HSE Leadership

Schlumberger is an active participant in the development of national and international standards with industry organizations including the American Petroleum Institute, the International Standards Organization, the IOGP Standards Committee, and IPIECA, the global oil and gas industry association for advancing environmental and social performance. Accordingly, our global HSE standards incorporate best practice guidance from such organizations as shown in the table at right.

Schlumberger also has a long-standing commitment to sharing best practices and our HSE technical expertise through industry organizations. In 2019, Schlumberger employees served within IOGP on its Management Committee, as Vice Chairs of the Environment and Safety standing committees, and as Chairs, Vice Chairs, and active participants of several sub-committees and task forces. Also in 2019, Schlumberger had 19 technical papers accepted at the 2020 SPE International Conference and Exhibition on HSE and Sustainability, some of which were co-authored with industry associations and oil and gas companies. Several Schlumberger senior leaders participated as panel or plenary speakers, and Schlumberger representatives served on the executive committee and on several discipline organizing committees. Schlumberger personnel also participate in the development of industry best practices in specialist oil and gas associations, such as through membership on the DROPS global steering committee.

Many individual Schlumberger employees are also active members of various international, national and regional oil and gas trade associations, including:

- » Society of Petroleum Engineers
- » International Association of Oil and Gas Producers
- » International Association of Drilling Contractors
- » the International Association of Geophysical Contractors
- » the Center for Offshore Safety (United States)
- » Step Change in Safety (United Kingdom)
- » ARPEL (Latin America and Caribbean region)
- » Australian Petroleum Production & Exploration Association
- » the Norwegian Oil and Gas Association
- » Netherlands Oil and Gas Exploration and Production Association

SCHLUMBERGER STANDARD	→	BEST PRACTICE GUIDANCE
Driving and Journey Management Standard	aligns with	IOGP Report 365, Land transportation safety recommended practice. Additionally, land transport contractor assessments are conducted in accordance with IOGP requirements.
HSE Event Reporting and Management Standard	aligns with	IOGP safety data reporting user guide, scope and definitions (updated annually)
Personnel and Asset Security Standard	incorporates and references	IOGP Reports on security risk management guidance (several are referenced)
Health Standard	references	IOGP and IPIECA Reports on health matters (several are referenced)
Environmental Standard	incorporates and references	IOGP Reports on environmental subject matter (several are referenced)
Contractor Management Standard	incorporates	Capability assessments and contractor management practices as recommended by IOGP Report 423, with geophysical operations conducted in accordance with IOGP Report 423
Mechanical Lifting Standard	incorporates	IOGP Report 376, Lifting and hoisting safety recommended practice
DROPS Standard	incorporates	DROPS Forum requirements and best practice guidance
Schlumberger HSE Leadership and Culture Campaigns and Tools	incorporates	IOGP Reports on Human Factors, including Reports 435 and 452, and IOGP Life-Saving Rules, Report 459, with a transition to the nine new Rules released in 2018
Schlumberger Aviation Guidelines	adopts	IOGP Report 590, Aircraft Management Guidelines
Schlumberger Design for HSE Program	incorporates	IOGP 454, Human factors engineering in projects

**HSE Performance Objectives**

Schlumberger executive management defines and documents our annual strategic HSE objectives and performance targets. We require that these strategic objectives and performance targets be:

- » relevant to Schlumberger’s activities, products and services;
- » consistent with our HSE policies and strategic aims;
- » equal in importance with Schlumberger’s other business performance objectives;
- » implemented and maintained at all organizational levels;
- » clearly communicated;
- » consistent with our commitment to meet or exceed applicable regulatory requirements and/or Schlumberger standards, where regulations are not in place; and
- » designed to continuously to improve our HSE management system and HSE performance.

We measure these objectives and targets jointly for employee performance and performance by applicable contractors (in accordance with IOGP guidance), and we cascade them across the Company through geographic and business unit-specific objectives. These objectives, as shown in the table, contain a combination of lagging and leading HSE indicators, which are monitored using our global online QHSE business system.

Schlumberger sets internal performance metrics on lagging indicators at a standard that is higher than required by regulatory or industry lagging indicator reporting. For example, our TRIR internal metric includes off-duty injuries and illnesses, which are not required to be reported as “work-related” by regulatory authorities, such as OSHA, or industry associations, such as IOGP. In addition, our AARm internal metric includes all motor vehicle crashes, many of which are not required to be reported as “work-related” by industry associations.

In addition to our company-wide HSE strategic objectives, we also annually set HSE personal objectives for all Schlumberger managers. The purpose of these personal objectives is to ensure that managers demonstrate high and visible HSE leadership and promote HSE compliance. For 2019, these objectives were set as follows, with specific targets varying depending on a manager’s level of operational responsibilities:

- » between one and three HSE leadership engagement visits per quarter;
- » between six and 13 risk identification reports completed per quarter; and
- » an overall training completion rate exceeding 90%.

Below are examples of several of our 2019 HSE objectives and applicable achievement levels.

HSE INDICATOR	OBJECTIVES	ACHIEVEMENT <sup>1</sup>
<b>Total Recordable Incident Rate per million work hours (TRIR)<sup>2</sup></b> » Covers injuries and illnesses for employees and applicable contractors <sup>3</sup>	» We annually set company-wide and geographic-specific TRIR objectives as percentage improvement compared to prior year’s performance	» 2019 Objective: 7% reduction ✓ <b>ACHIEVED</b>
<b>Automotive Accident Rate per million miles (AARm)<sup>2</sup></b> » Covers miles driven by employees and applicable contractors <sup>3</sup>	» We annually set company-wide and geographic-specific AARm objectives as percentage improvement compared to prior year’s performance	» 2019 Objective: 3% reduction ✓ <b>ACHIEVED</b>
<b>Overall Training Coefficient</b> » Covers employees and applicable contractors <sup>3</sup>	» We annually set company-wide and geographic-specific objectives for compliance with required HSE training programs	» 2019 Objective: Compliance level exceeding 90% overall ✓ <b>ACHIEVED</b>
<b>Risk Identification Reporting Rate</b> » Covers employees and applicable contractors <sup>3</sup>	» We annually set company-wide and geographic-specific objectives to increase our risk identification reporting rate	» 2019 Objective: 20% increase ✓ <b>ACHIEVED</b>

<sup>1</sup> Reflects only company-wide objectives and achievement levels. Geographic- and business line-specific objectives and achievement levels are not reflected.

<sup>2</sup> Reflects all Schlumberger-involved incidents or accidents, as applicable, including incidents that are not required to be recorded by IOGP or OSHA (such as incidents occurring during off-duty hours).

<sup>3</sup> References to “applicable contractors” in this chart refer to the 38,000 contractors whose performance is included in our global QHSE business system as of December 31, 2019. These contractors are to some degree under Schlumberger’s operational control, and so are included in our safety metrics in accordance with IOGP best practices relating to contractor management (Mode 1 and Mode 2 contractors, as defined in IOGP Report 423). See also the section of this report titled “Contractor Management.”

**HSE Performance Data**

Schlumberger captures HSE performance data through our global online QHSE business system. Accessible by all employees and certain contractors, this system enables them to monitor reported HSE events, incidents and observations. We use lagging indicator incident data to benchmark our performance against industry data sources. The system facilitates the investigation process and 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 promote continuous improvement, Schlumberger personnel are actively encouraged to report hazardous situations and near misses in risk identification reports and observation/intervention reports. Our HSE reporting also benefits from an HSE reporting app that enables employees to create a report and submit it to our global system in minutes using their mobile device. In 2019, our workforce submitted an average of more than 49 HSE reports per person into our global QHSE system, totaling more than 7 million HSE risk identification reports for the year.

We use this data to monitor trends and identify areas of concern. Schlumberger employees can also use the system to suggest improvements, post recognitions, track HSE training, and analyze HSE data. The system can be used to assign job-specific HSE training and facilitate and track the testing and certification of computer-based training material.

Our 2019 total recordable incident rate of 1.10 per million work hours (for employees and contractors) and our 2019 total recordable injury rate of 1.07 per million work hours (for employees and contractors) were each the lowest that Schlumberger has ever recorded. Our 2019 automotive accident rate improved by 12% year-over-year, from AARm 0.34 to 0.30, even with a 1% increase in total distance driven during the year. Land transport-related injuries accounted for 4% of all employee and contractor total recordable injuries and lost time injuries.

In 2019, Schlumberger automotive accidents resulted in eight lost workday cases and seven other recordable injuries to our employees and contractors in 13 incidents. As a result, Schlumberger has focused considerable efforts on improving driving performance, including through the implementation of new safety technologies. We analyze all motor

2019 INCIDENT, INJURY AND ILLNESS RATES			
EMPLOYEES AND CONTRACTORS	PER MILLION WORK HOURS	PER 200,000 WORK HOURS	
Total Recordable Incident Rate	1.10	0.22	
Total Recordable Injury Rate	1.07	0.21	
Total Recordable Illness Rate	0.025	0.005	

EMPLOYEES AND CONTRACTORS	PER MILLION WORK HOURS	PER 200,000 WORK HOURS	
Lost Time Incident Rate	0.52	0.10	
Lost Time Injury Rate	0.51	0.10	
Lost Time Illness Rate	0.0075	0.0015	

LAND TRANSPORT RELATED INJURIES IMPROVEMENT FROM 2018 TO 2019			
	EMPLOYEES AND CONTRACTORS	EMPLOYEES ONLY	CONTRACTORS ONLY
Lost Time Injuries	47% improvement	55% improvement	25% improvement
Total Recordable Injuries	52% improvement	58% improvement	20% improvement

vehicle crashes in order to evaluate the effectiveness of the technologies we have implemented. Company data indicates that, in 2019, we significantly reduced the following types of collisions:

- » Head-on collision – 31% improvement year-over-year
- » Vehicle run off road – 53% improvement year-over-year
- » Hit vehicle in front – 23% improvement year-over-year
- » Animal strike – 41% improvement year-over-year

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.

PricewaterhouseCoopers (PwC) auditors reviewed our processes and procedures for 2019 and verified a selected subset of our 2019 data. Health and safety data audited for 2019 includes the number of fatalities, employee and contractor lost-time injuries and illnesses, and the associated work hours to determine frequencies and rates. PwC has expressed a limited assurance that our data are, in all material respects, fairly presented and in accordance with Schlumberger procedural guidelines.

## Human Rights

Schlumberger is committed to conducting business in a manner that preserves and respects human dignity. Our commitment to respecting human rights is reflected in our [Code of Conduct](#), [Human Rights Position Statement](#), [Working Conditions Requirements](#), and other policies and procedures, and covers all Schlumberger business activities as well as our supply chain, including suppliers, contractors and labor agents. People are at the core of everything we do, and we will continuously work to improve the respect for human rights across our company.

We implement a cross-functional leadership approach in our global operations that enables us to align our business priorities and our core values on human rights issues. We recognize the relevance of the U.N. Guiding Principles on Business and Human Rights and adhere to international standards, including:

- » the International Bill of Rights,
- » the OECD Guidelines for Multinational Enterprises,
- » the eight fundamental Conventions as designated by the International Labour Organization,
- » the U.N. Global Compact ten principles, and
- » the Voluntary Principles on Security and Human Rights.

We have identified five key human rights focus areas relevant to our global operations, as reflected in the chart at right. We defined these human rights focus areas based on (i) performance data collected in our global QHSE business system; (ii) a third-party supply chain risk assessment; (iii) application of the “Human Rights Compliance Assessment Quick Check” tool; and (iv) dialogue with our employees, investors, and customers through IPECA and other external stakeholder groups. We believe these focus areas cover Schlumberger’s salient human rights issues, as defined in the U.N. Guiding Principles Reporting Framework.

### Our Human Rights Focus Areas

We have identified five key human rights areas relevant to our global operations, as reflected in the below chart.

IN THE WORKPLACE	LOCAL COMMUNITIES	INDIGENOUS PEOPLES	SECURITY ARRANGEMENTS	SUPPLY CHAIN
<ul style="list-style-type: none"> <li>» Decent work</li> <li>» Non-discrimination</li> <li>» Gender diversity</li> <li>» Safe working conditions</li> <li>» Grievance mechanisms</li> </ul>	<ul style="list-style-type: none"> <li>» Economic and social disruption</li> <li>» Environmental impacts</li> <li>» Cumulative impacts</li> </ul>	<ul style="list-style-type: none"> <li>» Recognition of rights</li> <li>» Respectful interactions</li> </ul>	<ul style="list-style-type: none"> <li>» Employee safety in high-risk environments</li> <li>» Use of force by security providers</li> <li>» Decent work for those in security</li> </ul>	<ul style="list-style-type: none"> <li>» Decent work</li> <li>» Prevention of modern slavery</li> <li>» Safe working conditions</li> <li>» Avoidance of conflict minerals</li> </ul>

### In the Workplace

Schlumberger’s Working Conditions Requirements, first published in 2005 and updated in 2019, promote respect for the rights and welfare of our employees and those working within our supply chain. These Requirements define the general principles that inspire Schlumberger’s approach to human rights in the workplace, including:

- » Employment is freely chosen.
- » Child labor shall not be used.
- » No discrimination is practiced.
- » No harsh or inhumane treatment is allowed.
- » Fair wages are paid.
- » No worker should pay a fee for a job.
- » Freedom of association is respected.
- » Complaints and feedback systems for workers are in place.
- » Working conditions are safe and hygienic.

Beyond specific country legal and regulatory requirements, our Working Conditions Requirements provide a common baseline for the expected treatment of employees, contractors, temporary workers, trainee workers, migrant workers, and foreign contracted workers. We expect contractors, suppliers and agents to respect human rights in the workplace and comply with the Requirements.

In addition, Schlumberger 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, gender identity, ethnicity, disability, religion, union membership, or marital status in hiring and employment practices such as promotions, rewards, and access to training, as indicated in our Code of Conduct and our Human Rights Position Statement.



### Local Communities

We respect the rights of local communities and work with our customers to create shared values and to align roles and responsibilities on human rights issues. Recognizing that all direct community interfacing is typically the responsibility of the customer, we are nevertheless committed to identifying, preventing, mitigating, and resolving social risks and impacts; optimizing employment and contracting opportunities in the communities where we operate; and ensuring that community concerns, issues, or problems are taken seriously.

We identify, assess and manage potential impacts and risks to local communities using two key processes. First, through the Schlumberger Social Risk Assessment process, we collect information during initial planning phases, analyze social hazards in terms of risks to people and projects, and then develop appropriate responses for use in implementation, monitoring and evaluation phases. In addition, in our projects with a large social footprint, we implement our Social and Environmental Management Standard, which recognizes the International Finance Corporation Performance Standards on Environmental and Social Sustainability as a key point of reference. Our standard provides a framework for managing our local impacts and maintaining respect for the rights of individuals and groups in local communities and provides specific guidance in key technical areas.

### Indigenous Peoples

Schlumberger recognizes the rights of distinct peoples living in distinct regions to self-determined development and control of ancestral lands. We look to build strong relationships, respect, and opportunities between Schlumberger and the communities where oil and gas activities are undertaken on lands traditionally owned by or under customary use of indigenous peoples.

For example, our policies and procedures in Canada include an Indigenous Relations Policy, an Indigenous Engagement Leadership Statement, and a Local and Indigenous Participation Implementation Plan. We have implemented a self-identification program for our Canada-based employees who identify as Metis, Inuit or First Nations. We also require Canada-based employees to complete indigenous awareness training, which was completed by 95% of our Canada-based employees as of year-end 2019. In Western Canada, we have also established joint-venture partnerships with the Sahtú, Inuvialuit, and Fort McKay First Nations to deliver oilfield services.

### Areas Covered by the Social and Environmental Management Standard

#### Social

Community Relations

Management of Nuisance

Local Content

Social Investment

Indigenous Peoples and Cultural Heritage

Land Acquisition and Land Access

#### Environmental

Waste Management

Water Resource Management

Management of Greenhouse Gases and Air Emissions

Environmental Emergency Management

Land and Biodiversity Management

Hazardous Materials Management

Schlumberger was also one of the first oil and gas services companies in Australia to develop a Reconciliation Action Plan, in order to develop and strengthen relationships with Aboriginal and Torres Strait Islander peoples of Australia. We also continue to participate in the Supply Chain Program for First Australians, which is designed to improve the capacity of local suppliers and empower and upskill the local Indigenous workforce. In 2019, more than 15% of our third-party expenditures in Australia were with majority-owned First Australians and incumbent suppliers with traceable Indigenous engagement.

### Security Arrangements

Due to the nature of our global business, sometimes we operate in dangerous areas. Our employees, their families, contractors, third parties, and our company assets may be exposed to security-related threats, including armed conflict, criminality and civil unrest. Schlumberger puts in place security arrangements that are appropriate under the circum-

stances to protect people and assets in a manner respecting human rights, and that are consistent with applicable laws and international standards, including the Voluntary Principles on Security and Human Rights. Where appropriate, we apply IPIECA guidance for operating in areas of conflict.

We carry out assessments on threats and vulnerabilities in each country where we operate. Our objective is to reduce security risks to a level deemed "as low as reasonably practicable" through effective implementation of fundamental and risk-based controls and active continuous monitoring of security conditions. In line with our Personnel and Asset Security Standard, our security risk evaluation process identifies security risks, the potential for violence in each operational location, and available human rights records of public and private security providers, paramilitaries, and law enforcement agencies. All security providers retained by Schlumberger are required to adhere to our Code of Conduct, and we conduct periodic audits to verify compliance with our policies and procedures.

### Supply Chain

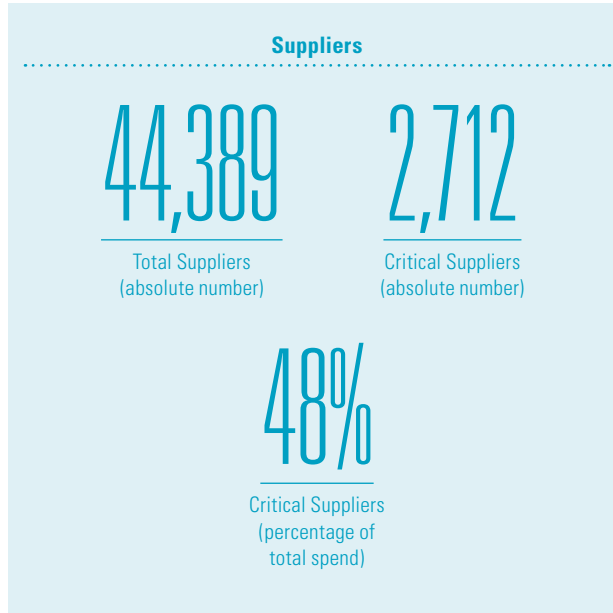
Schlumberger sources from suppliers that work in a professional, ethical, competitive, and cost-effective manner consistent with our policies, procedures and business objectives. We require that our suppliers, contractors and labor agents comply with the laws of the countries in which they operate, or with industry guidelines where they exist and are more stringent than local law. We prohibit any use or contracting, directly or indirectly, of child labor, forced labor, human trafficking, or any other form of modern slavery.

In 2018, Schlumberger formed a cross-functional human rights working group under the leadership of our Vice President of Global Stewardship, Vice President of Global Procurement and Director of Compliance. This group oversees our efforts to identify and prevent exploitative work practices and modern slavery in our business and supply chain. In 2019, we commissioned an independent risk analytics firm to assess the risk of modern slavery in our supply chain, as discussed below.

**CRITICAL SUPPLIERS**

We classify suppliers 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.

We conduct routine audits of our critical suppliers, which may incorporate supplier performance, finance, contract, HSE, quality, and ethics and compliance components, including human rights and labor questions. All suppliers, contractors, and agents must be approved and managed in accordance with internal requirements.



**SUPPLY CHAIN HUMAN RIGHTS ASSESSMENT**

In 2019, Schlumberger completed a high-level risk assessment, performed by an independent risk analytics firm, across our global operations to identify the primary human rights risks in our supply chain in an effort to prevent any indirect use of modern slavery. This assessment covered all of our active direct suppliers—meaning those suppliers who provide goods and services directly to Schlumberger—across various purchasing categories and countries in which our suppliers do business.

We used two key indicators—country risk and category risk—to analyze key supplier categories and markets for use of enhanced supplier due diligence processes. Country risk refers to the relative risk exposure of our suppliers based on each supplier’s invoicing or service delivery location, based on the strength of national legal frameworks related to human rights, country-level implementation and enforcement capabilities, and the prevalence and severity of human rights violations and modern slavery within the country. Category risk refers to the relative risk exposure of our suppliers based on the materiality of human rights and modern slavery risks for each industry, operation-type or other “category” to which they are assigned.



We are assessing our key findings related to modern slavery from this supplier risk assessment as part of our larger corporate risk assessment program. For additional details, please see the Corporate Governance section of this report titled “Managing Corporate Risk” on page 5. We are also using findings from this supplier risk assessment to inform a variety of risk mitigation measures, including enhanced due diligence for suppliers exposed to the highest risk, local supplier engagement activities in certain countries, and training for internal procurement teams. We will continue to review and strengthen our processes to prevent, identify and manage modern slavery risks in our supply chain.

#### CONFLICT-FREE MINERALS

Schlumberger is committed to purchasing 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 designated 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.

## Stakeholder Engagement

To learn about the changing needs and expectations of our stakeholders, we actively listen to stakeholder feedback and align our business processes to conform to local and national priorities.

Our stakeholder engagement takes many forms. We meet regularly with investors, join industry initiatives and partnerships, participate in academic forums and, in consultation with our customers, we often participate in local community meetings.

#### Customers

Continuous engagement with customers enables us to appreciate their needs and expectations around many issues in the oil and gas industry. Through customer engagement, we can focus our investment in technologies and solutions that are tailored to meet 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

As of September 30, 2020, Schlumberger employed approximately 82,000 people representing over 170 nationalities. We sell products and services in more than 120 countries. We are deeply committed to nationality and gender diversity throughout the Company. Our employees are the most professional women and men in the oil and gas services industry. We consider them to be the most credible ambassadors of Schlumberger, and one of the Company’s 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 customers 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 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 universities. Our relationships with 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, our program to manage our impact on the wider environment and in the communities where we live and work.

#### Suppliers

Our Supply Chain team 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.

#### Investors

Schlumberger maintains the highest standards of transparency in disclosing information about the Company to investors. We believe these efforts help investors make objective financial decisions as well as judgments about environmental and social issues. In 2019, our work to keep investors informed was acknowledged by Institutional Investor when Schlumberger was once again recognized as a Most Honored Company.

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

- » At speeches and conference presentations, Schlumberger’s CEO and senior managers explain our corporate strategy and the technical means by which we are carrying it out.
- » Conference calls that follow each quarterly earnings release provide context and color about our financial and operating results, and we answer questions from institutional investors and analysts. ESG roadshow meetings provide investors with annual updates on our sustainability focus and progress.

- » 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, and Europe—provide investors with first-hand experience of our operations.
- » Our Investor Relations website offers complete financial performance data, archived press releases, replays of conference calls, and our annual report and proxy statement.
- » Senior Investor Relations staff responds promptly to market inquiries.
- » Through our annual Global Stewardship Report, we update investors on our environmental, social and governance performance, initiatives and progress.

Face-to-face meetings and Company site tours were postponed beginning in the first quarter of 2020 in response to the COVID-19 pandemic.

### Governments and Policy Makers

Government and regulatory officials and other policy makers seek out Schlumberger domain experts for their knowledge of and experience in many aspects of the oil and gas industry. Although the Company is politically neutral and does not lobby, we routinely assist regulatory officials who are interested in gaining practical understanding of the technologies and processes that can reduce emissions and our industry's carbon footprint. We engage with policy makers in a wide variety of capacities including, but not limited to:

- » In 2019, we attended an Atlantic Council European Energy Security Roundtable meeting held in Brussels.
- » We are sponsors and active participants in the National Academy of Sciences Roundtable Project on Unconventional Hydrocarbon Development.
- » We are a founding member of the Global CCS Institute and have participated in numerous international meetings.
- » Through our relationship with the Petroleum Equipment and Services Association, twice a year Schlumberger trains Foreign Service Officers from the U.S. State Department on how the energy industry can best work with local communities to drive engagement and value.
- » We are a founding member of the OPEC Fund for International Development's Energy Access Program and continue to engage with the program as its mission and associated projects evolve.
- » We are members of the Bloomberg Sustainable Business International Advisory Board, which has oversight on the topics, guest speakers,

and other activities associated with the Bloomberg Sustainable Business Summits around the globe.

- » We are a member of the National Petroleum Council (NPC), which provides advice on energy sourcing and energy security to the U.S. Department of Energy.
- » We actively participated in the NPC Carbon Capture, Utilization, and Storage (CCUS) study requested in 2017 by the U.S. Secretary of Energy, to provide analysis on the potential of, and challenges associated with, CCUS technology and infrastructure. The report was finalized and published in 2019 and is available [here](#).
- » We actively participated in the NPC Arctic Potential study requested in 2018 by the U.S. Secretary of Energy, to reassess the 2015 Arctic Potential study and provide views on how the current regulatory environment could be enhanced. The report was finalized and published in 2019 and is available [here](#).

Additionally, we work with various think tanks and non-governmental organizations—some of which influence policy—to drive ESG change across our industry. These include:

- » Solar Impulse Foundation Partnership
- » Aspen Global Energy Forum
- » Low Emission Research Centre – SINTEF
- » Center for Global Energy Policy – Columbia University
- » Baker Institute for Public Policy – Center for Energy Studies – Rice University
- » Natural Gas Initiative & Seismicity Research Program – Stanford University
- » World Petroleum Council
- » The Carbon Capture and Storage Association

### Industry

Schlumberger manages and coordinates active relationships with numerous industry organizations. Most notably, we are members of the Petroleum Equipment & Services Association, American Geosciences Institute Foundation, American Petroleum Institute, Society of Petroleum Engineers, American Association of Petroleum Geologists, International Association of Oil & Gas Producers, and IPIECA. Schlumberger senior executives serve on the boards and/or advisory committees of these organizations. 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.

Additionally, since 2018, Schlumberger has been an active member of the Permian Strategic Partnership, a coalition of leading Permian Basin energy companies who joined to work in partnership with leaders across the region's communities to address current and future challenges. Areas of focus include making roads safer, improving education, upgrading healthcare, increasing affordable housing, and training the next generation of workers. Schlumberger has been active on the education and housing committees focusing on expanding and strengthening the teacher talent available to Permian public-school students. This supports the development of strong public school leaders and enhanced strategic planning, innovation and execution, while building local partnerships.

### Reporting on Performance

To continuously strengthen and increase transparency around our ESG reporting efforts, Schlumberger uses key sustainability frameworks to guide our non-financial disclosures. These include:

- » Global Reporting Initiative (GRI) Standards,
- » IPIECA, IOGP, API Sustainability Reporting Guidelines,
- » Sustainability Accounting Standards Board Standards (SASB),
- » Task Force on Climate-Related Financial Disclosure (TCFD) Recommendations,
- » U.N. Sustainable Development Goals, and
- » U.N. Guiding Principles on Business and Human Rights Reporting Framework.

In 2019, we also engaged with several third-party firms that collect and report on corporate ESG performance, including:

- » Bloomberg
- » CDP
- » FTSE Russell
- » ISS ESG
- » MSCI ESG
- » RobecoSAM
- » Sustainalytics



**Our Management on University  
Advisory Boards**

18

Schlumberger  
Senior Leaders

11

Number of  
Universities

**Recruiting by the Numbers**

151,000

Job Applicants

69

Countries

601

Universities

55+

Disciplines  
Recruited

**Employment and Human Capital**

At Schlumberger, “People First” is the first element of our corporate strategy. We are proud of our meritocratic culture and our commitment to early responsibility and internal promotion. We offer our employees a challenging work environment where they are treated fairly with equal access to opportunities across different business areas and locations, accelerating their development while fostering an agile workforce and the next generation of business leaders.

We also recognize that our ability to attract, develop, motivate and retain a highly competent and diverse workforce has been the key to our success for many decades. As a service company, we believe it is critical for our people to be able to communicate with our customers in their native languages and to share the values of the people in the countries where we work. We are known as a company with global resources and local expertise, able to understand, respect and work in the local culture of our customers. As such, we recognize that diversity and inclusion is not just the right thing to do—it is a business imperative. It is about attracting the best talent from around the world and enabling creativity and innovation to drive business success.

**University Collaborations**

Since 1954, Schlumberger has engaged with universities and colleges around the world to help develop technical leaders, contribute to innovations and research in engineering and energy technology, and resolve challenges facing the energy sector. Our university collaborations focus on digitalization, the development of adaptive business models, artificial intelligence, machine learning, cybersecurity, and virtual reality. Projects include developing technologies to lower artificial lifting cost, increase efficiency in exploration, improve the cost effectiveness of well construction, and reduce the emissions footprint of oil and gas extraction operations.

Our university engagement initiatives play a key role in our recruiting and sustainability strategies. Through these collaborations, we support education and research in STEM subjects, and we attract talented, local university graduates from the countries in which we work. We also select certain institutions for our University Ambassador Program, through

which we assign a senior-level Schlumberger manager as an “Ambassador” to an institution targeted for recruiting, research, community outreach and technology transfer opportunities. We also regularly sponsor academic chairs and scholarships, and support competitions organized by professional societies, such as the American Association of Petroleum Geologists Imperial Barrel Award and the Geoscientists Without Borders project of the Society of Exploration Geologists. In 2019, we received approximately 151,000 job applicants across 69 countries and 601 universities, encompassing more than 55 disciplines.

In addition, Schlumberger leaders serve on university boards around the world. Our representatives also serve on advisory boards, departmental industry affiliates’ committees, and student project committees at the undergraduate and graduate levels. As of December 31, 2019, 18 Schlumberger senior leaders sat on advisory boards at 11 universities.

**Partnership with Arts et Métiers in France**

Arts et Métiers, one of France’s oldest engineering schools specializing in mechanical, industrial and energy engineering, is a participant in Schlumberger’s University Ambassador Program. In 2019, we recruited more interns and graduates from Arts et Métiers than from any other university in France. We also organized a full-day working session among 16 laboratory research directors from the university together with geographical, business and technical leaders from Schlumberger, in order to discuss common technical interests, projects, and gender balance initiatives.

**Partnership with University of Guyana**

In Guyana, we have partnered with the University of Guyana to encourage energy technology education and develop local talent for work in the country’s growing oil, gas and energy industry. This partnership demonstrates our commitment to investing in, and having a positive impact on, the communities where we operate. In 2019, Schlumberger donated several Petrel\* E&P software platform licenses, together with student workstations, to the Faculty of Engineering and Technology’s new geotechnical computer lab. Access to this technology helps the university train students on our software platform—widely used in the industry to analyze subsurface data from exploration to production—so that upon graduation they will be better equipped to enter the workforce. Read more about these efforts at [here](#).

\* Mark of Schlumberger

### Veteran Program

The Schlumberger veteran program seeks to empower veterans through successful recovery and transition after military service. Through this program, Schlumberger representatives host or participate in veteran community engagement events at universities, military bases and certain Schlumberger facilities. The program is active in the United States, Canada, and Ukraine.

In 2019, through the veteran program, we presented on how to attract, recruit, engage and retain veterans at the Veterans in Energy Forum in Washington, D.C. and the Permian Strategic Partnership Workforce Development Committee in Midland, Texas. We also sponsored the Rice University Veteran Business Battle in Houston, Texas, to support and promote veteran entrepreneurship, and participated in a 24-hour indoor cycling competition to raise funds for Homes for Heroes, a non-profit veteran service organization that builds houses for homeless veterans in Canada and the United States. We also implemented our registered apprentice program through the U.S. Department of Labor, through which qualified veterans receive a monthly stipend from the U.S. Veterans Administration while working in an apprenticeship at Schlumberger. Since 2018, Schlumberger has been recognized as a “Military Friendly Employer” each year by a division of VIQTORY, which rates companies on their programs to recruit and retain veteran employees.

### Learning and Development

Our investment in employee training and development is one of the largest among oilfield services companies.

As a technology company, our success is determined by our people, their technical expertise, and their drive to continuously strive for excellence. Since our early days, Schlumberger has consistently invested in training and development, while continually cultivating our learning mindset to adapt to a changing world and evolving technologies.

Learning is available to all full- and part-time employees and contractors around the world. It is delivered through classroom-based and virtual instruction, live simulations at learning centers, self-paced learning using the latest interactive technologies, and on-the-job education. We are continuously investing in learning technologies to expand access to learning to all our employees.

Development opportunities include coaching, mentoring, and cross training through career mobility to expose employees to new roles, geographies, business lines, and functions.

All employees are encouraged to take an active part in their learning journey and be continuous learners. They 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 from our Code of Conduct. Our goals are to foster collaboration between employees and the Company and create value for employees by enabling them to maintain their current skills while also developing their talents to reach their full potential.

We also offer several internships for students, and many of our employees 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. In 2019, we provided more than 900 internships to students from top universities around the world.

### HSE Training

HSE training continues to be a top priority at Schlumberger. For many topics, we use a learner-centered training approach that encourages active participation and incorporates a combination of micro-learning videos, group discussions, virtual reality, and role play. Employees also have access to an online platform for interactive training that uses self-study and assessments to help them fulfill their required certifications. Throughout their careers, employees are assigned training, re-certification, or refresher training based on their specific roles and responsibilities, work environment, geographic location, and activity risks. For additional details about our HSE training programs, please see the section of this report titled “HSE Training” on page 33.

### Employee Development

Consistent with our commitment to internal promotion, we strive to identify top talent within Schlumberger, and to provide opportunities for employees who demonstrate exceptional competency and performance to progress to ever higher levels of responsibility within the Company. We seek to nurture our talent pool to maximize each employee’s

development potential through a combination of training and experience. Throughout their careers, our employees benefit from opportunities to take on a variety of assignments for professional and personal growth. The Company benefits by having broadly diverse and experienced teams working throughout the world with great energy and enthusiasm. This continual knowledge sharing accelerates the development of our people and enriches our ability to serve our customers. Our “borderless career” philosophy means we support flexible career paths, helping employees develop their skills across different functions, businesses, and geographies. Additionally, we provide employees with the necessary training to enable them to fulfill the requirements of their current role or position.

### NExT

NExT, a Schlumberger company, provides capability, competency, and professional development services for the oil and gas industry. E&P curriculum taught by NExT includes more than 700 courses, training programs, and competency services covering technical and software skills that help attendees develop the petrotechnical expertise they need to meet complex industry challenges. NExT has access to more than 3,000 instructors whose collective expertise includes every E&P discipline. NExT delivers more than 1,500 training sessions each year, and has trained more than 70,000 E&P professionals worldwide.

### Learning Centers

Our global network of learning centers is busy year-round. Primarily designed to deliver our technical programs, the learning facilities include classrooms, wells, rigs, and workshops. The courses are delivered by Schlumberger instructors, who have gained their expertise through practice and experience in operations roles. New trainees follow a fixed-step training program that lasts three to five years. During this period, they attend multiple courses at the learning centers that last from a few days to 12 weeks. The learning centers also host a range of classes including employee onboarding, technical, safety, personal development, business, and managerial courses.

### Developing Local Supply Chain Talent

The global nature of our business presents several logistical challenges, one of which is difficult geographies. Success in these areas 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. Team members are selected to learn and build expertise with the intention of returning to their markets and increasing the level of supply chain performance.

### Knowledge Management

The Schlumberger approach to knowledge management encourages employees around the globe to share their expertise across the full spectrum of the Company's day-to-day activities—including technical challenges, health, safety, and environmental topics, and best practices across all domains. Schlumberger's knowledge management systems and processes connect and motivate our people to collaborate, learn and share expertise and insights, and enable us to deliver the highest-quality service to our customers worldwide.

In 2019, Schlumberger employees completed 8 million searches and viewed 11 million pieces of vetted information in our corporate knowledge database. To facilitate networking within the Company and encourage knowledge sharing, every employee maintains an expanded curriculum vitae on our intranet, and these were accessed more than 7.9 million times during 2019. The Schlumberger InTouch service helps improve service delivery and facilitate the rapid, universal deployment of new technology. It provides technical and operational support to Schlumberger field engineers 24 hours a day, seven days a week, through more than 90 full-time InTouch Engineers located around the world. Our intranet portal, myHub, provides employees with a selection of Company news articles, announcements, and resources that are relevant to their geographic location, position, and interests. In 2019, an average of 45,000 users visited myHub each day, from 1,400 locations around the world.

Schlumberger's strength in knowledge management is shared externally through our speaking engagements events such as the American Productivity and Quality Center (APQC) annual Knowledge Management Conference and KMWorld's yearly Knowledge Management event. In 2019, Schlumberger received the first-ever Excellence in Knowledge Management Award from APQC.

### Diversity, Equity, and Inclusion

One of Schlumberger's greatest strengths is the diversity of our workforce.

As a service company, we believe that our ability to develop innovative, fit-for-basin solutions for our customers and to execute on our business strategies relies on attracting and retaining top talent—including local talent—through a combination of cultural, educational, and individual perspectives. As such, achieving nationality and cultural diversity and gender balance across all parts of our organization has been a focus for Schlumberger for many years.

As we continue to increase the diversity of our workforce, we strive to promote inclusion and cultivate an atmosphere of equality and belonging, where every member of the Schlumberger team is encouraged to share ideas and positively contribute to our organization.

### No Discrimination

Schlumberger 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, gender identity, ethnicity, disability, religion, union membership, or marital status in hiring and employment practices such as promotions, rewards, and access to training, as indicated in our Code of Conduct and our Human Rights Position Statement.

### National and Cultural Diversity

One of our greatest strengths is the diversity of our workforce, with employees of many nationalities and backgrounds working together and sharing common objectives. Schlumberger recruits and develops people in alignment with our business objectives and aims to maintain our population diversity in proportion 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 countries and emerging economies are integrated into every level of our workforce, including senior management. Our executive leadership team includes officers from Europe, North America, Asia, Australia, North Africa, and the Middle East.

Our Board of Directors also reflects the diversity of the Company. Two of our nine directors are women. Among our directors, three are citizens of the United States, three are citizens of France, one is a citizen of Saudi Arabia, one is a dual citizen of both Russia and Israel, and one is a dual citizen of both Argentina and the United Kingdom.

### LGBT+

We strive to foster a culture where employees who identify as lesbian, gay, bisexual, transgender or non-binary are encouraged to be their authentic selves and are respected as valued members of the Schlumberger team. Schlumberger sponsors an LGBT+ and allies workgroup within the Company, aimed at supporting LGBT+ employees, improving engagement on diversity and inclusion topics, and advising on changes in our training and work practices.

### Age Diversity

Ongoing changes in the composition of our workforce require an adaptive approach toward recruitment, retention, and the mobility of our employees. We value the perspectives and the breadth of experience of our most senior employees. When our senior professionals retire, it is important that their knowledge is captured and passed on to the next generation.

Schlumberger is dedicated to hiring, training, and retaining the best and brightest talent to fill the leadership roles and opportunities created when senior professionals retire. By fostering a culture of advancement and professional development, we are continually exposed to fresh perspectives and insights that enable us to stay at the cutting edge of innovation.

### *Gender Balance and Pay Equity*

Achieving improved gender balance has been a focus of policy and action in Schlumberger since the late 1970s, when we began recruiting women for field operations roles. Since then, we have continued to expand opportunities for women across our field operations, technology, business, and management roles. We believe that these gender diversity initiatives help us maintain our competitive edge.

We set our first gender balance target in 1994, with a goal of having women comprise 15% of our salaried workforce by 2015. We achieved that goal ahead of schedule in 2011. Our current gender balance goal is to have women comprise 25% of our salaried workforce by 2025. A portion of the 2020 short-term cash incentive compensation opportunity for our CEO and other members of our senior management is based on achieving our annual internal gender balance objectives as part of this five-year goal.

In 2019, women made up 16.9% of the total Schlumberger workforce (including salaried and hourly employees), up from 16.3% in 2018. Among our salaried employee population, 20.9% were women, and 19.7% of our management roles were held by women. Women held 13.2% of all senior management roles at the Company in 2019. As of September 2020, women filled the following senior executive roles at Schlumberger: one executive vice president reporting to the CEO, one basin president, one division president, and one additional executive officer in a functional role. In addition, women represented approximately 40% of our 2019 hires of salaried employees with science, technology, engineering, and mathematics (STEM) backgrounds.

Schlumberger also continually monitors compensation equality for women and men across all job grades globally, with the goal of maintaining equity. We comply with applicable laws and regulations in various jurisdictions requiring reporting of gender diversity and pay parity data. Our 2019 gender pay gap report for the United Kingdom is available [here](#), and our 2019 gender equality indicators report for Schlumberger entities in France is available [here](#).

### *Empowering Women in Technology*

Schlumberger participates in a number of internal and external initiatives to support women at Schlumberger and, more broadly, women's careers in technology.

Connect Women is an internal Schlumberger networking community, where women and men meet regularly to exchange ideas, promote gender equality, and support career progression within Schlumberger. In 2019, the Connect Women network had 91 local chapters around the world and more than 6,800 members. Global activities included 11 webinars and roundtable discussions that promoted self-development and knowledge sharing. To date, there are 24 local support groups that mentor technical employees through their professional advancement. The Connect Women social network also hosts photo challenges and webinars about career development, collaborates on events with technical communities, and promotes gender equality, inclusion and diversity.

Schlumberger also sponsors the Grace Hopper Celebration of Women in Computing, a series of conferences promoting women's research and career opportunities in computing. In 2019, we conducted more than 70 interviews with conference attendees for positions including data scientists and software engineers, and we offered employment opportunities to 35% of those interviewed. In addition, we hosted "meet and engage" sessions with conference participants that provided a platform for networking and discussions about Schlumberger technologies.

In addition, we annually sponsor the Serve to Succeed (S2S) Social Impact Challenge, through which members of the Society of Women Engineers at colleges and universities volunteer their time to service organizations and charities, to empower their communities to drive change for good. In 2019, 11 universities participated in the S2S Challenge, holding 175 events with nearly 1,100 volunteers.

### *Respect in the Workplace Training*

Schlumberger employees are expected to treat one another professionally, based on with mutual respect, trust and individual dignity. They must also display respect when interacting with customers, contractors and others affected by our operations, including members of local communities. Schlumberger does not tolerate any form of harassment or other offensive action. More than 90,000 members of our workforce completed our 2019 global "Respect in the Workplace" training, which covered topics such as cultural differences, sexual harassment, bystander intervention and reporting processes.



# Index and Data

Schlumberger uses key sustainability frameworks to guide our non-financial disclosures, including:

- » Global Reporting Initiative (GRI) Standards
- » Sustainability Accounting Standards Board (SASB) Standards
- » Task Force on Climate-Related Financial Disclosure (TCFD) Recommendations
- » U.N. Sustainable Development Goals
- » U.N. Guiding Principles on Business and Human Rights Reporting Framework

In addition to these frameworks and standards, Schlumberger reviews and incorporates, when applicable, guidelines issued by IPIECA, the global oil and gas industry association for environmental and social issues, and by the American Petroleum Institute and the International Association of Oil & Gas Producers. Priority issues for the energy services industry include a range of environmental, social, and governance topics. Based primarily on information obtained through regular and ongoing interaction with our stakeholders, Schlumberger reports on data that is relevant to our Company performance. The content in this report was chosen based on prioritized ESG topics using the criteria of applicability, degree of impact, and risk/opportunity. 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 PricewaterhouseCoopers (PwC) to review our processes and procedures and verify a sample of certain Environmental, Health, and Safety data as outlined in the report. PwC has expressed a limited assurance that our data are, in all material respects, fairly presented and in accordance with Schlumberger procedural guidelines.

# Global Reporting Initiative (GRI) Standards

GRI Disclosure Number	GRI Disclosure Title	Information Location <sup>1</sup>
<b>General Disclosures</b>		
<b>Organizational Profile</b>		
102-1	Name of the organization	3
102-2	Activities, brands, products, and services	3
102-3	Location of headquarters	3
102-4	Location of operations	3
102-5	Ownership and legal form	3
102-6	Markets served	3
102-7	Scale of the organization	3
102-8	Information on employees and other workers	3, 4
102-9	Supply chain	39–41
102-10	Significant changes to the organization and its supply chain	40–41
102-13	Membership of associations	42
<b>Strategy</b>		
102-14	Statement from senior decision-maker	2
<b>Ethics and Integrity</b>		
102-16	Values, principles, standards, and norms of behavior	4–10
<b>Governance</b>		
102-18	Governance structure	4–6
102-22	Composition of the highest governance body and its committees	4–6
102-23	Chair of the highest governance body	4–6
102-24	Nominating and selecting the highest governance body	5–6
102-25	Conflicts of interest	8

GRI Disclosure Number	GRI Disclosure Title	Information Location <sup>1</sup>
102-29	Identifying and managing economic, environmental, and social impacts	6
102-30	Effectiveness of risk management processes	5, 28
102-35	Remuneration policies	6
<b>Stakeholder Engagement</b>		
102-40	List of stakeholder groups	41–42
102-42	Identifying and selecting stakeholders	41–42
102-43	Approach to stakeholder engagement	41–42
102-44	Key topics and concerns raised	41–42
<b>Reporting Practice</b>		
102-45	Entities included in the consolidated financial statements	4
102-51	Date of most recent report	Reports
102-52	Reporting cycle	Reports
102-53	Contact point for questions regarding the report	Back Cover
<b>Economic Topics</b>		
<b>Economic Performance</b>		
201-1	Direct economic value generated and distributed	3
201-2	Financial implications and other risks and opportunities due to climate change	9, 13
<b>Market Presence</b>		
202-2	Proportion of senior management hired from the local community	45
<b>Indirect Economic Impact</b>		
203-1	Infrastructure investments and services supported	10, 38–41
203-2	Significant indirect economic impacts	10, 22–23, 43–45
<b>Procurement Practices</b>		
204-1	Proportion of spending on local suppliers	39–40

<sup>1</sup>All page numbers refer to 2019 Global Stewardship Report unless otherwise noted.

GRI Disclosure Number	Information Location <sup>1</sup>	Information Location <sup>1</sup>
<b>Anti-Corruption</b>		
205-1	Operations assessed for risks related to corruption	8
205-2	Communication and training about anti-corruption policies and procedures	8
<b>Anti-Competitive Behavior</b>		
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	8–9
<b>Environmental</b>		
<b>Energy</b>		
302-1	Energy consumption within the organization	17, 57
302-2	Energy consumption outside of the organization	18
302-4	Reduction of energy consumption	15, 18
302-5	Reductions in energy requirements of products and services	18
<b>Water and Effluents</b>		
303-3	Water recycled and reused	16–18, 57
<b>Biodiversity</b>		
304-2	Significant impacts of activities, products, and services on biodiversity	14
304-3	Habitats protected or restored	14
<b>Emissions</b>		
305-1	Direct (Scope 1) GHG emissions	16, 18, 56
305-2	Energy indirect (Scope 2) GHG emissions	16, 18, 56
305-5	Reduction of GHG emissions	2, 13, 16, 18
<b>Effluents and Waste</b>		
306-2	Waste by type and disposal method	15–17, 57
306-3	Significant spills	17, 57
306-4	Transport of hazardous waste	17
<b>Environmental Compliance</b>		
307-1	Non-compliance with environmental laws and regulations	9, 12, 16–17
<b>Supplier Environmental Assessment</b>		
308-1	New suppliers that were screened using environmental criteria	8, 16, 18
308-2	Negative environmental impacts in the supply chain and actions taken	8, 16, 18

GRI Disclosure Number	GRI Disclosure Title	Information Location <sup>1</sup>
<b>Social</b>		
<b>Occupational Health and Safety</b>		
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	29–30, 58–59
<b>Training and Education</b>		
404-1	Average hours of training per year per employee	33–34, 60
404-2	Programs for upgrading employee skills and transition assistance programs days	32–35, 44, 46
404-3	Percentage of employees receiving regular performance and career development reviews	33–34
<b>Diversity and Equal Opportunity</b>		
405-1	Diversity of governance bodies and employees	3, 45–46
<b>Child Labor</b>		
408-1	Operations and suppliers at significant risk for incidents of child labor	10, 38–41
<b>Human Rights Assessment</b>		
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	10, 27, 38–41
<b>Local Communities</b>		
413-1	Operations with local community engagement, impact assessments, and development programs	38–41
413-2	Operations with significant actual and potential negative impacts on local communities	38–41
<b>Supplier Social Assessment</b>		
414-1	New suppliers that were screened using social criteria	38–41
414-2	Negative social impacts in the supply chain and actions taken	38–41
<b>Public Policy</b>		
415-1	Political contributions	8–9
<b>Customer Health and Safety</b>		
416-1	Assessment of the health and safety impacts of product and service categories	24–38

<sup>1</sup>All page numbers refer to 2019 Global Stewardship Report unless otherwise noted.

# Sustainability Accounting Standards Board (SASB)

## Oil & Gas – Services

Topic	Accounting Metric	Code	Information Location <sup>1</sup>
<b>Corporate Governance</b>			
Business Ethics & Payments Transparency	Amount of net revenue in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	EM-SV-510a.1	8
	Description of the management system for prevention of corruption and bribery throughout the value chain	EM-SV-510a.2	8
Management of the Legal & Regulatory Environment	Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry	EM-SV-530a.1	12–17, 36, 46
Critical Incident Risk Management	Description of management systems used to identify and mitigate catastrophic and tail-end risks	EM-SV-540a.1	5, 28
<b>Environmental</b>			
Emissions Reduction Services & Fuels Management	Total fuel consumed, percentage renewable, percentage used in: (1) on-road equipment and vehicles and (2) off-road equipment	EM-SV-110.a.1	16, 18, 56–57
	Discussion of strategy or plans to address air emissions-related risks, opportunities, and impacts	EM-SV-110.a.2	5, 13, 15, 18
	Percentage of engines in service that meet Tier 4 compliance for non-road diesel engine emissions	EM-SV-110.a.3	–
Water Management Services	(1) Total volume of fresh water handled in operations, (2) percentage recycled	EM-SV-140a.1	16, 57
	Discussion of strategy or plans to address water consumption and disposal-related risks, opportunities, and impacts	EM-SV-140a.2	9, 13–17
Chemicals Management	Volume of hydraulic fracturing fluid used, percentage hazardous	EM-SV-150a.1	16
	Discussion of strategy or plans to address chemical-related risks, opportunities, and impacts	EM-SV-150a.2	16
Ecological Impact Management	Average disturbed acreage per (1) oil and (2) gas well site	EM-SV-160a.1	–
	Discussion of strategy or plan to address risks and opportunities related to ecological impacts from core activities	EM-SV-160a.2	14–15

<sup>1</sup>All page numbers refer to 2019 Global Stewardship Report unless otherwise noted.



Topic	Accounting Metric	Code	Information Location <sup>1</sup>
<b>Social</b>			
Workforce Health and Safety	(1) Total recordable incident rate (TRIR), (2) fatality rate, (3) near miss frequency rate (NMFR), (4) total vehicle incident rate (TVIR), and (5) average hours of health, safety, and emergency response training for (a) full-time employees, (b) contract employees, and (c) short-service employees	EM-SV-320a.1	27, 31–33, 36–37, 58
	Description of management systems used to integrate a culture of safety throughout the value chain and project lifecycle	EM-SV-320a.2	24–26

Activity Metric	Code	Information Location <sup>1</sup>
Number of active rig sites	EM-SV-000.A	17
Number of active well sites	EM-SV-000.B	17
Total amount of drilling performed	EM-SV-000.C	17
Total number of hours worked by all employees	EM-SV-000.D	58




<sup>1</sup>All page numbers refer to 2019 Global Stewardship Report unless otherwise noted.






# Task Force on Climate-Related Financial Disclosures (TCFD)




	Disclosure	Information Location <sup>1</sup>
Governance	a) Describe the board's oversight of climate-related risks and opportunities.	4–5
	b) Describe management's role in assessing and managing climate-related risks and opportunities.	2, 4–6, 13
Strategy	a) Describe the climate-related risks and opportunities the organization has identified over the short, medium and long term.	2, 5–6, 9, 13, 15, 19–20
	b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	5–6, 7, 9, 11, 13, 15, 19–20
	c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	5–6, 13
Risk Management	a) Describe the organization's processes for identifying and assessing climate-related risks.	5–6, 13, 15
	b) Describe the organization's processes for managing climate-related risks.	5–6, 13, 15
	c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	5–6, 13
Metrics and Targets	a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	5, 13, 15, 18–19
	b) Disclose Scope 1, 2 and, if appropriate, Scope 3 GHG emissions, and the related risks.	16, 18, 56
	c) Describe targets used by the organization to manage climate-related risks and opportunities and performance against targets.	2, 6, 13, 15–18

<sup>1</sup>All page numbers refer to 2019 Global Stewardship Report unless otherwise noted.

# United Nations Sustainable Development Goals (UN SDGs) Mapping

Goal	IPIECA Focus Areas	Schlumberger Focus Areas
 <p>3 GOOD HEALTH AND WELL-BEING</p>	<ul style="list-style-type: none"> <li>» Health Impact Assessments</li> <li>» Road Safety</li> <li>» Worker &amp; Community Protection</li> </ul>	<ul style="list-style-type: none"> <li>» COVID-19 Response</li> <li>» Crisis Management</li> <li>» HSE Management System</li> <li>» Fatality Goal</li> <li>» Health &amp; Safety Performance Data</li> <li>» HSE Training</li> <li>» Schlumberger Active Campaigns</li> <li>» Contractor &amp; Supplier Management</li> <li>» Stakeholder Engagement</li> <li>» Local Investments</li> <li>» Employee Benefits &amp; Compensation</li> <li>» Veterans Program</li> <li>» Permian Strategic Partnership</li> <li>» Life-Saving Rules</li> <li>» Global Driver Monitoring Program</li> </ul>
 <p>4 QUALITY EDUCATION</p>	<ul style="list-style-type: none"> <li>» Local Content Strategy</li> <li>» Workforce Education</li> <li>» Technology Training</li> </ul>	<ul style="list-style-type: none"> <li>» Schlumberger Excellence in Education Development (SEED)</li> <li>» Schlumberger Foundation – Faculty for the Future</li> <li>» HSE for Youth</li> <li>» University Collaborations</li> <li>» Knowledge Management</li> <li>» Permian Strategic Partnership</li> <li>» In-Kind Giving</li> </ul>
 <p>5 GENDER EQUALITY</p>	<ul style="list-style-type: none"> <li>» Gender-Sensitive Policies</li> <li>» Inclusive Decision-Making</li> <li>» Women’s Employment Opportunities</li> </ul>	<ul style="list-style-type: none"> <li>» Employee Affinity Groups</li> <li>» Diversity &amp; Inclusion Program and Training</li> <li>» Gender Balance Goal</li> <li>» Gender-Pay Gap Disclosures</li> <li>» Schlumberger Foundation – Faculty for the Future</li> </ul>

Goal	IPIECA Focus Areas	Schlumberger Focus Areas	
<p><b>6</b> CLEAN WATER AND SANITATION</p> 	<ul style="list-style-type: none"> <li>» Water Strategy</li> <li>» Water Use Efficiency</li> <li>» Water Risk Management</li> </ul>	<ul style="list-style-type: none"> <li>» Impact-Reducing Technology Portfolio</li> <li>» HSE Management System</li> <li>» Water Use</li> <li>» Water Recycling</li> <li>» Integrated Water Solutions</li> </ul>	
<p><b>7</b> AFFORDABLE AND CLEAN ENERGY</p> 	<ul style="list-style-type: none"> <li>» Natural Gas</li> <li>» Energy Efficiency</li> <li>» Alternative Energies</li> </ul>	<ul style="list-style-type: none"> <li>» Impact-Reducing Technology Portfolio</li> <li>» Schlumberger New Energy</li> <li>» Solar Impulse Foundation Partnership</li> <li>» Fleet Electric/Hybrid Conversion Project</li> <li>» Science-Based Target Commitment</li> </ul>	
<p><b>8</b> DECENT WORK AND ECONOMIC GROWTH</p> 	<ul style="list-style-type: none"> <li>» Skills Assessment</li> <li>» Local Employment</li> <li>» Workforce &amp; Supplier Development</li> </ul>	<ul style="list-style-type: none"> <li>» In-Country Value</li> <li>» Schlumberger Foundation – Faculty for the Future</li> <li>» Responsible Supply Chain</li> <li>» Knowledge Management</li> <li>» Training &amp; Development</li> <li>» Veterans Program</li> </ul>	<ul style="list-style-type: none"> <li>» Permian Strategic Partnership</li> <li>» Local Technology Access Strategic Initiative</li> <li>» Cross-Functional Human Rights Working Group</li> <li>» People Analytics</li> </ul>
<p><b>12</b> RESPONSIBLE CONSUMPTION AND PRODUCTION</p> 	<ul style="list-style-type: none"> <li>» Efficient Waste Management</li> <li>» Supply Chain Sustainability</li> <li>» Product Stewardship</li> </ul>	<ul style="list-style-type: none"> <li>» Supply Chain Management</li> <li>» Lean &amp; Green Program</li> <li>» Research &amp; Innovation</li> <li>» Impact-Reducing Technology Portfolio</li> <li>» Solar Impulse Foundation</li> </ul>	
<p><b>13</b> CLIMATE ACTION</p> 	<ul style="list-style-type: none"> <li>» Resilience &amp; Adaptive Capacity</li> <li>» Emissions Mitigation</li> <li>» Strategic Planning</li> </ul>	<ul style="list-style-type: none"> <li>» Carbon Emissions Reduction Goal</li> <li>» Science-Based Target Commitment</li> <li>» TCFD Support</li> <li>» Country Climate Assessments</li> <li>» Facilities Management</li> <li>» Third-Party Assurance Report</li> </ul>	<ul style="list-style-type: none"> <li>» Environmental Performance Data</li> <li>» Impact-Reducing Technology Portfolio</li> <li>» Supply Chain Management</li> <li>» Schlumberger New Energy</li> <li>» Global Sea-Level Rise Risk Assessment</li> <li>» Solar Impulse Foundation</li> </ul>

Goal	IPIECA Focus Areas	Schlumberger Focus Areas	
 <p>14 LIFE BELOW WATER</p>	<ul style="list-style-type: none"> <li>» Accident Prevention &amp; Response</li> <li>» Environmental Assessments</li> <li>» Ocean Acidification Minimization</li> </ul>	<ul style="list-style-type: none"> <li>» HSE Management System</li> <li>» Biodiversity Focus</li> <li>» Chemicals Management</li> <li>» Environmental Performance Data</li> <li>» Impact-Reducing Technology Portfolio</li> </ul>	
 <p>15 LIFE ON LAND</p>	<ul style="list-style-type: none"> <li>» Ecosystem Management</li> <li>» Mitigation Hierarchy</li> <li>» Biodiversity Offsets</li> </ul>	<ul style="list-style-type: none"> <li>» HSE Management System</li> <li>» Biodiversity Focus</li> <li>» Chemicals Management</li> <li>» Environmental Performance Data</li> <li>» Impact-Reducing Technology Portfolio</li> </ul>	
 <p>17 PARTNERSHIPS FOR THE GOALS</p>	<ul style="list-style-type: none"> <li>» Dialogue &amp; Coordination</li> <li>» Government Capacity</li> <li>» Sustainable Energy</li> </ul>	<ul style="list-style-type: none"> <li>» IPIECA</li> <li>» Solar Impulse Foundation</li> <li>» UK Carbon Capture &amp; Storage Association</li> <li>» GHGSat</li> <li>» Global CCS Institute</li> <li>» Petroleum Equipment &amp; Services Association (PESA)</li> </ul>	<ul style="list-style-type: none"> <li>» National Petroleum Council (NPC)</li> <li>» Stanford University Natural Gas Initiative</li> <li>» American Petroleum Institute (API)</li> <li>» International Oil and Gas Producers (IOGP)</li> <li>» French Alternative Energies and Atomic Energy Commission (CEA)</li> </ul>



# Performance Data Table

Metric		Units	Year			Reference
			2017	2018	2019	Page Number <sup>1</sup>
<b>Corporate Governance</b>						
Number of Employees Worldwide, approximately		—	100,000	100,000	105,000	3
Countries With Products, Sales and Services		—	85+	120+	120+	3
Nationalities Represented in Our Workforce		—	140+	140+	170+	3
National Mix	Latin America	percentage	12	13	9	3
	North America	percentage	21	23	24	3
	Middle East, Asia	percentage	29	30	33	3
	Europe, CIS, Africa	percentage	37	34	34	3
Revenue Contributions	Latin America	percentage	13	11	13	3
	North America	percentage	31	37	33	3
	Middle East, Asia	percentage	31	29	30	3
	Europe, CIS, Africa	percentage	23	22	23	3
	Other	percentage	2	1	1	3
Revenue		in millions of dollars	30,440	32,815	32,917	—
Income from Continuing Operations		in millions of dollars	-1,505	2,138	-10,137	—
Cash Dividends per Share		in millions of dollars	2.00	2.00	2.00	—
Cash Flow from Operations		in millions of dollars	5,663	5,713	5,431	—
<b>Environmental Performance</b>						
CO <sub>2</sub> e Emitted (Scope 1) <sup>2</sup>		thousands of metric tonnes	1,358	1,422	1,629	16
CO <sub>2</sub> e Emitted (Scope 2) <sup>2</sup>		thousands of metric tonnes	561	642	589	16
CO <sub>2</sub> e Emitted (Scope 1 + 2) <sup>2</sup>		thousands of metric tonnes	1,919	2,065	2,218	16
CO <sub>2</sub> e Emitted (Scope 3) <sup>2</sup>		thousands of metric tonnes	911	1,185	1,368	16
Total Energy Consumption		thousands of MWh	6,644	6,814	7,718	—

<sup>1</sup> All page numbers refer to 2019 Global Stewardship Report unless otherwise noted.

<sup>2</sup> We use the procedures established in the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition) to calculate our annual CO<sub>2</sub>-e emissions in Schlumberger. As part of that process, we need to apply conversion factors to energy consumption data to derive CO<sub>2</sub>-e values. Those conversion factors are taken from the IPCC Third Assessment Report (TAR 100 year); and IPCC Fourth Assessment Report (AR4 – 100 year). The 2019 Scope 1, 2 and 3 data included herein is consistent with categories of emissions data disclosed in previous years. As part of our commitment to setting a science-based target on emissions reduction by 2021, we are undergoing a thorough review of all emissions data categories and reporting processes with the aim of increasing transparency and identifying gaps in our current reporting. Through this review process, we have identified, and may continue to identify, certain gaps that will result in a restatement of certain 2019 data. One such gap is customer-purchased fuel used for our operations. We anticipate providing a restatement addressing such gaps in connection with setting our science-based emissions target.

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Environmental Performance		2017	2018	2019	Page Number <sup>1</sup>	
Electricity Use <sup>3</sup>	thousands of MWh	1,154	1,284	1,198	17	
Fuel Used – Natural Gas	thousands of MWh	435	514	1,364	—	
Fuel Used – Oil/Diesel	thousands of MWh	5,055	5,016	5,156	—	
Fuel Consumption by Type	Distillate Fuel Oil No. 1	percentage	18	4	5	—
	Diesel/Gas Oil	percentage	82	96	95	—
Water Use <sup>3</sup>	thousands of cubic meters	3,816	4,933	5,602	17	
Total Water Recycled	thousands of cubic meters	140	134	131	17	
% Water Recycled	percentage	4	3	2	—	
Waste Generated by Year	thousands of metric tonnes	539	503	639	17	
Waste Recycled	thousands of metric tonnes	184	182	185	17	
Raw Materials Used	thousands of metric tonnes	8,383	10,453	11,300	17	
Number of Incidents >1 bbl of Oil	—	45	44	28	17	
Hydrocarbon Bulk Fluids Spilled <sup>4</sup>	barrels	436	522	536	17	
ISO 14001 Certified Sites	number of sites	74	113	53	15	
Sites Subject to Environmental Audit Requirement	number of sites	713	753	739	15	
Sites Subject to Environmental Audit Requirement	percentage	10	15	7	15	
CO <sub>2</sub> e Per \$B Revenue Per Year <sup>2</sup>	metric tonnes	63,040	62,929	67,382	—	
CO <sub>2</sub> e Per Employee Per Year <sup>2</sup>	metric tonnes	19.2	20.6	21.1	—	
Nonproductive Time Rate Improvement from Baseline Year (2011)	percentage	59.8	54.6	60.1	9	
Social Performance		2017	2018	2019	Page Number <sup>1</sup>	
Community and Education						
SEED: STEM Activities	Engagements <sup>5</sup>	—	143	151	1,107	22
	Teachers	—	1316	811	322	22
	Students	—	17,689	18,465	112,967	22
	Volunteers	—	1,008	1,655	1,389	22
HSE for Youth	Workshops	—	199	206	169	23
	HSE Topics	—	9	10	9	23
	Attendees	—	4,000+	4,000+	4,300+	23
	Countries	—	41	50	50	23

<sup>1</sup> All page numbers refer to 2019 Global Stewardship Report unless otherwise noted.

<sup>2</sup> We use the procedures established in the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition) to calculate our annual CO<sub>2</sub>-e emissions in Schlumberger. As part of that process, we need to apply conversion factors to energy consumption data to derive CO<sub>2</sub>-e values. Those conversion factors are taken from the IPCC Third Assessment Report (TAR 100 year); and IPCC Fourth Assessment Report (AR4 – 100 year). The 2019 Scope 1, 2 and 3 data included herein is consistent with categories of emissions data disclosed in previous years. As part of our commitment to setting a science-based target on emissions reduction by 2021, we are undergoing a thorough review of all emissions data categories and reporting processes with the aim of increasing transparency and identifying gaps in our current reporting. Through this review process, we have identified, and may continue to identify, certain gaps that will result in a restatement of certain 2019 data. One such gap is customer-purchased fuel used for our operations. We anticipate providing a restatement addressing such gaps in connection with setting our science-based emissions target.

<sup>3</sup> We have established norms for consumption per person in North America and we use those norms to calculate estimated consumption 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.

<sup>4</sup> 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.

<sup>5</sup> Beginning in 2019 Schlumberger expanded the SEED category to include all our STEM engagements worldwide including professional development for teachers, student workshops and supplemental instruction, company sponsored STEM events, clubs, challenges and competitions, as well as initiatives promoting literacy and numeracy skills for young children.

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Community and Education			2017	2018	2019	Page Number <sup>1</sup>
Faculty for the Future	New Fellowships Awarded	—	38	50	19	23
	Fellowships Renewed	—	140	111	77	23
	Alumnae Home Countries	—	81	81	82	23
	Fellows and Alumnae <sup>6</sup>	—	634	683	739	23
	Host Universities of Study <sup>6</sup>	—	251	261	282	23
Corporate Giving	Commercial Initiatives (In Kind)	in millions of dollars	2,400	2,630	2,260	—
	Community Initiatives	in millions of dollars	9	9	9	—
Social Risk Assessments (2009-2019)	Total Assessments	—	40	44	48	—
	Yearly Assessments	—	5	4	4	—
	Continents	—	6	6	6	—
	Countries	—	22	22	22	—
Number of Social and Environmental Baseline Studies	—	11	13	1	—	
Health and Safety			2017	2018	2019	Page Number <sup>1</sup>
Company's health and safety system certified to OHSAS 18001		percentage	1	1	1	—
Fatalities <sup>7</sup>	Employee	—	1	1	2	—
	Contractor	—	2	2	1	—
	Company Total	—	3	3	3	27
	Third Party	—	2	3	3	—
	Fatal Accident Rate	per 100 million work hours	0.86	0.79	0.75	27
Combined Lost Time Injury Frequency (CLTIF) (Fatality + LWDC + RDWC) Employees + Contractors <sup>7</sup>		per million work hours	0.91	1.09	0.83	—
Automotive Accident Rate (Employees + Contractors)		per million miles	0.33	0.34	0.30	36
% data coverage as % of employee work hours for injury and illness		percentage	100	100	100	—
% data coverage as % of contractor work hours for injury and illness		percentage	100	100	100	—
Third party (PwC) verification for injury and illness data		—	Yes	Yes	Yes	6
Total hours worked	Employees	—	244,524,020	263,364,700	281,135,730	—
Total Recordable Incidents (Injuries and Illnesses) (Fatality + LWDC + RDWC + MTC) Employees + Contractors						
Total Recordable Incidents	Workforce (Employees + Contractors)	—	467	564	438	—
Total Recordable Incident Rate (Frequency) <sup>7</sup>	Workforce (Employees + Contractors)	per million work hours	1.34	1.48	1.10	37

<sup>1</sup> All page numbers refer to 2019 Global Stewardship Report unless otherwise noted.<sup>6</sup> Represents the total number of fellows and alumnae or host universities and research institutions, as applicable, cumulative since the Faculty for the Future program began in 2004.<sup>7</sup> To convert from per million work hours to per 200,000 work hours, divide by 5.

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Health and Safety			2017	2018	2019	Page Number <sup>1</sup>
Lost Time Incidents (Injuries and Illnesses) (Fatality + LWDC) Employees + Contractors						
Total Lost Work Time	Workforce (Employees + Contractors)	hours	31,256	61,296	46,000	—
Lost Time Incident Rate (Frequency) <sup>2</sup>	Workforce (Employees + Contractors)	per million work hours	0.47	0.68	0.52	37
Total Recordable Injuries (Fatality + LWDC + RDWC + MTC)						
Total Recordable Injury Rate (Frequency) <sup>2</sup>	Workforce (Employees + Contractors)	per million work hours	1.29	1.46	1.07	37
Lost Time Injuries (Fatality + LWDC)						
Lost Time Injury Rate (Frequency) (LTIFR) <sup>2</sup>	Employees	per million work hours	0.49	0.71	0.52	—
Lost Time Injury Rate (Frequency) (LTIFR) <sup>2</sup>	Contractors	per million work hours	0.42	0.57	0.5	—
Lost Time Injury Events (Lost Work Day Cases + Fatalities)	Employees	—	121	255	145	—
Total Lost Work Time (Injury)	Employees	days	3,904	5,628	4,554	—
Lost Time from Accidents (Injury)	Employees	hours	31,232	45,024	36,432	—
Lost Time Severity Rate <sup>2</sup>	Employees	lost days per million work hours	16	21	16	—
Lost Time Illnesses (Fatality + LWDC)						
Lost Time Illness Rate (Frequency) (OIFR) <sup>2</sup>	Employees	per million work hours	0.008	0.015	0.007	37
Supply Chain			2017	2018	2019	Page Number <sup>1</sup>
Number of critical suppliers		absolute number	2,230	2,257	2,712	40
Audits of Tier 1 suppliers	Critical Suppliers	percentage	44	32	48	40
	Total Suppliers	absolute number	41,232	42,218	44,389	40
Critical suppliers for which more than 40% of their revenue comes from Schlumberger		percentage	6	9	5	—
		absolute number	79	195	229	—
Spend analysis covers 100% of suppliers		percentage	100	100	100	—
		absolute number	41,232	42,228	44,389	40
Of spend is covered in risk analysis		percentage	45	78	68	—
Suppliers that are at high risk		percentage	<1	<1	<1	—
Supplier audits conducted		absolute number	453	568	387	—
Of audited suppliers have a documented development plan		percentage	51	35	37	—

<sup>1</sup> All page numbers refer to 2019 Global Stewardship Report unless otherwise noted.<sup>2</sup> To convert from per million work hours to per 200,000 work hours, divide by 5.

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Recruiting and University Collaboration			2017	2018	2019	Page Number <sup>1</sup>
University Interns		—	700+	1000+	900+	44
Recruiting Job Applications		—	310,000	254,000	151,000	43
Number of Countries Recruited In		—	60+	70	69	43
Number of Universities Recruited At		—	471	621	601	43
Disciplines Recruited		—	55+	55+	55+	43
Management on University Advisory Boards	Schlumberger senior leaders		24	29	18	43
	number of universities		19	22	11	43
Training			2017	2018	2019	Page Number <sup>1</sup>
Investment for Operations Engineers, Petrotechnical Experts, and Specialists	Average Time per Position	hours	163	212	207	—
	Average Spend per Position	US dollars	15,100	8,400	8,807	—
	Training Days	days	196,100	244,000	277,100	—
	Training Centers	centers	9	7	7	—
NExT Training	Professionals Trained	—	15,000+	16,000+	19,000+	—
	Instructors Across 11 Disciplines	—	3,000+	3,000+	3,000+	44
	Classes Held Worldwide	—	1,500+	1,650+	1,500+	44
	Practical Courses & Programs	—	700+	750+	700+	44
Dedicated Subject Matter Experts	—	22	19	16	—	
Knowledge Management			2017	2018	2019	Page Number <sup>1</sup>
Number of Times Employee CVs are Viewed		—	8,543,975	7,600,000	7,980,000	—
Number of Times Employees Have Viewed Database Info		—	14,984,698	7,700,000	11,250,000	45
Total Number of Objects in Knowledge Base		—	2,176,832	2,200,000	2,480,000	—
Number of Entries in Corporate Encyclopedia		—	29,000	30,000	28,000	—
Total Downloads of Technical Articles		—	182,000	138,000	340,000	—
Employees Involved in Forums, Newsletters and Workshops		—	31,000	33,000	33,000	—
Number of Live Webinar Viewers		—	39,000	28,500	44,000	—
Number of Webinars		—	700	620	740	—
Number of Bulletin Board Posts and Replies		—	327,000	254,000	296,000	—
Diversity			2017	2018	2019	Page Number <sup>1</sup>
Women in the Company	percentage		16	16.3	16.9	45–46
Women in Management Positions	percentage		18.3	18.8	19.7	45–46
Women in Junior Management Positions	percentage		19.7	20	21.1	46
Women in Senior Management Positions	percentage		12	13.3	13.2	46

<sup>1</sup> All page numbers refer to 2019 Global Stewardship Report unless otherwise noted.



## DISCLAIMER

This report, as well as other statements we make, contain “forward-looking statements” within the meaning of the U.S. federal securities laws — that is, any statements that are not historical facts. Such statements often contain words such as “aim,” “goal,” “ensure,” “expect,” “may,” “believe,” “predict,” “plan,” “estimate,” “intend,” “commit,” “pledge,” “anticipate,” “think,” “should,” “would,” “could,” “will,” “see,” “likely,” and other similar words. Forward-looking statements address matters that are, to varying degrees, uncertain, such as statements about our goals, plans and projections with respect to corporate responsibility, sustainability, and environmental matters; performance and operational targets and other goals; our efforts to enable our customers to achieve their own ESG goals; forecasts or expectations regarding, or dependent on, our business outlook; growth for Schlumberger as a whole and for each of our divisions (and for specified business lines or geographic areas within each division); oil and natural gas demand and production growth; oil and natural gas prices; pricing; our response to, and preparedness for, the COVID-19 pandemic and other widespread health emergencies; access to raw materials; improvements in operating procedures and technology; capital expenditures by Schlumberger and the oil and gas industry; the business strategies of Schlumberger and those of our customers; our digital strategy; 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; changing global economic conditions; changes in exploration and production spending by our customers and changes in the level of oil and natural gas exploration and development; the results of operations and financial condition of our customers and suppliers, particularly during extended periods of low prices for crude oil and natural gas; our inability to achieve our financial and performance targets and other forecasts and expectations; our inability to meet workforce expectations and perform at desired ESG and stewardship standards; our inability to deliver technologies and processes to enable our customers to achieve their own ESG objectives and anticipate future ESG needs; general economic, geopolitical and business conditions in key regions of the world; foreign currency risk; pricing pressure; weather and seasonal factors; unfavorable effects of health pandemics; availability and cost of raw materials; operational modifications, delays or cancellations; challenges in our supply chain; production declines; our inability to recognize intended benefits from our business strategies and initiatives, such as digital or new energy, as well as our restructuring and structural cost reduction plans; 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 new challenges in sustainability and exploration; the competitiveness of alternative energy sources or product substitutes; 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 (SEC). If one or more of these or other risks or uncertainties materialize (or the consequences of any such development changes), or should our underlying assumptions prove incorrect, actual outcomes may vary materially from those reflected in our forward-looking statements. Forward-looking statements are aspirational and not guarantees or promises that goals or targets will be met. The forward-looking statements in this report speak only as of September 30, 2020, 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.


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Many of the terms found in this report are defined in the award-winning [Schlumberger Oilfield Glossary](#). Launched in 1998, this collection of industry terms includes more than 4,600 entries for oilfield-related activities and technologies. The Oilfield Glossary mobile app can be downloaded from the Apple App Store.





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