

# 2020 Sustainability Report

Schlumberger Limited



**Schlumberger**



CONTENTS

- 2 MESSAGE FROM THE CHIEF EXECUTIVE OFFICER
- 3 MESSAGE FROM THE CHIEF STRATEGY & SUSTAINABILITY OFFICER
- 3 OUR COMMITMENT TO SUSTAINABILITY
- 4 SUSTAINABILITY HIGHLIGHT 2020: COVID-19 RESPONSE
- 5 TAKING CLIMATE ACTION
  - 5 Getting to Net Zero
  - 9 Investing in Energy Transition
  - 10 Managing Climate and Transition Risk
- 12 CREATING OPPORTUNITY
  - 12 Regional and Local Technical Capability
  - 13 Diversity as a Competitive Advantage
- 14 EMPOWERING LOCAL TEAMS
  - 15 United Nations Sustainable Development Goals in Action
- 16 ESG DISCLOSURES AND PERFORMANCE DATA
  - 16 Climate
  - 24 Nature
  - 30 Stakeholder Engagement
  - 35 Employment and Human Capital
  - 41 Education
  - 43 Human Rights
  - 47 Health and Safety
  - 62 Ethics and Compliance
  - 65 Information Security
- 66 INDEX AND DATA
  - 66 Sustainability Accounting Standards Board (SASB)
  - 67 Task Force on Climate-Related Financial Disclosures (TCFD)
  - 68 United Nations Sustainable Development Goals (UN SDGs) Mapping
  - 70 Performance Data

COMPANY AT A GLANCE

Schlumberger (SLB: NYSE) is a technology company that partners with customers to access energy. Our people, representing over 160 nationalities, are providing leading digital solutions and deploying innovative technologies to enable performance and sustainability for the global energy industry. With expertise in more than 120 countries, we collaborate to create technology that unlocks access to energy for the benefit of all.

*Find out more at [slb.com](https://www.slb.com).*

Safety



TRIF (Total Recordable Injury Frequency) numbers in 2020 Annual Report are based on an internal definition. TRIF numbers herein are based on the IOGP definition.

Environmental



Emissions Reduction  
 -19% Scope 1+2  
 -27% Scope 3  
 Net Zero by 2050

Social

Education Engagements  
 >2,000 Engagements

105,00 Youth Impacted  
 1.2 Youth Impacted Per Employee

86,000+ Number of Employees Worldwide  
 160+ Nationalities  
 120+ Countries

Governance



Sustainability in management cash incentives  
 USD 35 million in local sustainability efforts







**In the past year, we strengthened our sustainability commitment and accelerated our actions, and I am pleased to share our vision and the progress we have made. Sustainability is an important part of our history and a critical element of our future, and we have made definitive strides in our key focus areas of “Taking Climate Action,” “Creating Opportunity,” and “Empowering Local Teams.”**

Our approach to climate change and energy transition includes decarbonizing the oil and gas value chain and investing in low-carbon energy. I was extremely proud this year to set a net-zero greenhouse gas emissions commitment that includes our entire value chain. We also launched our Transition Technology portfolio, which will contribute to reducing oil and gas operator emissions. We have opened a new chapter in the company’s history with Schlumberger New Energy, our portfolio of ventures and partnerships across new energy sectors, with companies who share our ambition for a more sustainable future.

Because sustainability and strategy are tightly linked, we added members to our Board of Directors with expertise in domains relevant to energy transition and created a new position—Chief Strategy & Sustainability Officer—on the leadership team. The knowledge they

bring to our company will help guide us as we lead the industry toward a more sustainable energy future.

I am excited about the path ahead for Schlumberger. It is a path full of opportunity, now and for years to come. We choose to play a key role in helping the world meet future energy demand as we continue developing solutions to address climate change. With our strength in technology innovation, and the determination and optimism of our people, we create amazing technology that unlocks access to energy for the benefit of all.



**Olivier Le Peuch**  
Chief Executive Officer

Aligned with our corporate vision to define and drive high performance sustainably, we are committed to making continued measurable progress. Since our last report, some of our highlights include:

**Net Zero by 2050 Target that covers all three Scopes**

45% of STEM hires in 2020 were women

Sustainable lithium extraction venture

**Transition Technologies launch**

Human Rights risk assessment of our global supply chain

Best safety performance on record

Global sea-level rise risk assessment of all locations

30% women and 9 nationalities represented in the C-suite

19% absolute reduction Scope 1 and 2 emissions from 2019 baseline

Sustainability ratings in 2020: CDP A– and MSCI A

1.5-degC-aligned emissions reduction targets for 2025, 2030, and 2050



**It is a pleasure to share with you for the first time my perspective on sustainability in Schlumberger. As someone who is passionate about the power of technology to drive positive change, I came to Schlumberger confident that we will be a sustainability leader, not only based on our culture of governance and social responsibility, but also by being at the leading edge of energy transition through technology innovation.**

I strongly believe that we must all be committed to a net-zero future to avoid the worst effects of climate change. The oil and gas sector has a critical role to play in the transition, which makes building a more efficient and sustainable industry the business imperative for the coming decade. I am proud to be with Schlumberger on this journey to a more sustainable future.

The corporate strategy that Schlumberger set into motion two years ago recognized the need to drive resilience for the company and the wider industry. Sustainability is a key aspect of that resilience, and it is essential to embrace sustainability at the core of our strategy and in everything we do. I see energy technology companies such as ours actively shaping energy transition toward a decarbonized future.

The corporate strategy for the next five years is robust, and I am excited to drive the extension of this strategy into the medium-to-longer term, where sustainability and our decarbonization expertise will continue to evolve and solve global energy challenges.

Schlumberger has a long and rich history of innovating and reinventing, based on our people and our culture rooted in science and technology. This is an exciting time of opportunity for us and I am proud to be able to contribute to this most promising journey.

**Katharina Beumelburg**  
Chief Strategy & Sustainability Officer

As a leading energy service company, we are 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. This translates into making measurable strides to accelerate innovation in energy transition and achieving these goals in a way that contributes to energy access and economic development with both a global and local lens. In that context, our sustainability focus for the near-to-medium term has three components:

**TAKING CLIMATE ACTION**



- Getting to Net Zero
- Investing in energy transition
- Managing climate and transition risk

**CREATING OPPORTUNITY**



- Regional and local technology capability
- Diversity as a competitive advantage

**EMPOWERING LOCAL TEAMS**



- Locally defined UN SDGs focus
- Technology mapped to UN SDGs

**KEY SUSTAINABILITY FRAMEWORKS WE USE**

- 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

Our strategic approach to these focus areas is described in detail in this report. In each case, we seek to leverage our unique capabilities, invest in technology and innovation, rely on strategic partnerships, and engage the entire Schlumberger organization to achieve our sustainability goals. Emissions reduction and gender balance targets have been incorporated into the management cash incentive. Delivering on our ambitions represents a substantial opportunity for the company in the coming decade, while enabling us to play a role in helping close UN Sustainable Development Goals (SDGs) gaps in cooperation with communities where we operate. Disclosures covering our broad sustainability programs can be found in the “ESG Disclosures and Performance Data” section of our Sustainability Report.



# SUSTAINABILITY HIGHLIGHT 2020: COVID-19 RESPONSE



With the COVID-19 pandemic at the forefront of decisions made in 2020 and 2021, Schlumberger demonstrated global efforts focused on putting people and safety at the center of everything we do—a representation of sustainability in action. Because we had identified pandemics as one of our enterprise-level risks prior to the outbreak of COVID-19, we were able to take a proactive approach to our response—quickly implementing a comprehensive outbreak management plan and adapting our work practices. Our approach does not stop at the site or the office door—our initiatives also contributed to the safety of the people in the communities where we live and work.

Among efforts we are most proud of are

- COVID-19 Management Standard published internally and shared with the global oil and gas industry association for advancing environmental and social performance (IPIECA), International Association of Oil & Gas Producers (IOGP), Society of Petroleum Engineers (SPE), customers, and suppliers
- Schlumberger SAFE COVID-19 app rolled out to workforce
- Protective equipment, sanitizer, air-purifying equipment, temperature-screening equipment, testing, and symptom-monitoring devices distributed globally
- Local manufacturing capability utilized to deliver hand sanitizer and 3D printed face shield components to communities
- COVID-19 workforce training completed by 89,000 people
- IT infrastructure upgraded and guidance issued to accommodate teleworking and well-being
- Nine COVID-19 Life-Saving Rules introduced in 11 languages
- Employee assistance program access broadened globally to help with mental health and stress
- Approximately 1,100 HSE For Youth workshops held virtually to teach children and families about COVID-19



- Multidisciplinary steering committee created in addition to local and corporate crisis management teams
- 80% positive employee satisfaction score achieved on our pandemic response in a recent engagement survey
- Flexible work at scale and new work model introduced to enhance employee experience and drive business performance.





## TAKING CLIMATE ACTION

### OUR COMMITMENTS

**30%** reduction\* in Scopes 1 & 2 by 2025

**50%** reduction\* in Scopes 1 & 2 by 2030

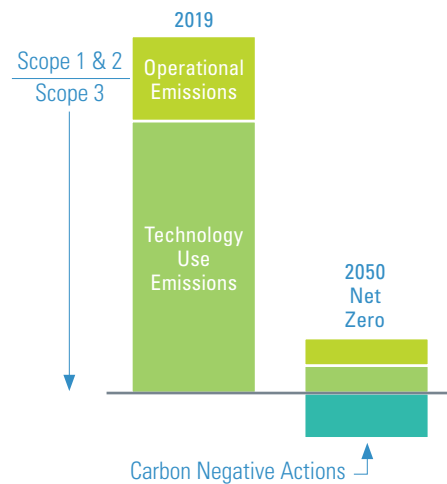
**30%** reduction\* in Scope 3 by 2030

**Net Zero**

by 2050

\*versus 2019 emissions baseline

### ROAD MAP TO NET ZERO



Our first sustainability focus is “Taking Climate Action.” Energy transition and climate change are two enterprise-level risks, addressed as part of the “Next Horizons of Growth” theme of our corporate strategy (2020 Annual Report, Form 10-K p. 6). The breadth and diversity of our global footprint, coupled with our passion for science and technology, position us to have a broad impact. Decarbonizing across the entire oil and gas value chain and investing outside of oil and gas both present opportunities for Schlumberger.

### Getting to Net Zero

Getting to Net Zero by 2050 is a commitment we announced in June 2021 as an industry leader and a company that believes strongly in the power of technology to create change. Science is deeply rooted in our culture, and our science-based approach to climate change is an expression of our history and our ambition for the future, aligned with the Paris Agreement ambition of limiting global warming to 1.5 degC. Our 2050 target is supported by a comprehensive near-term road map with interim milestones in 2025 and 2030. We aim to offset the balance of emissions we produce in 2050 with carbon-negative actions. Along the journey to net zero, we will be transparent about our progress, consistent with our alignment with the TCFD and SASB frameworks. Our near- and long-term ambitions are grounded in climate science, and we continue to work with the Science Based Targets Initiative (SBTi) for formal external validation of our 2030 target.

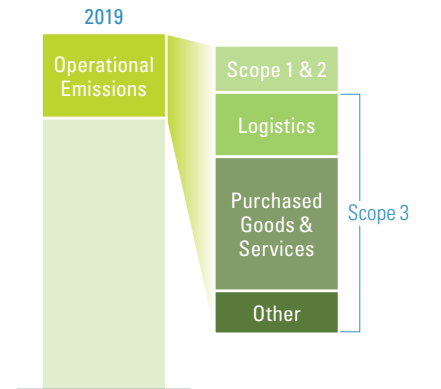
Rather than just considering our Scope 1 and 2 footprint of 2 million tonnes of CO<sub>2</sub> equivalent (CO<sub>2</sub>e), our targets encompass our total 2019 baseline greenhouse gas footprint of 54 million tonnes, and as such, our emissions reduction road map addresses the entire oil and gas value chain. Our detailed emissions footprint is on page 11. There are three key components to achieving our net-zero ambition: reducing operational emissions, reducing customer emissions that occur while using our technology, and taking carbon-negative actions of sufficient scale to offset any residual operational and technology emissions we may have in 2050.

### Operational Emissions

Operational emissions constitute 25% of our 2019 baseline greenhouse gas emissions footprint. We have already converted more than 20% of our facility emission footprint to renewable power and we have begun introducing hybrid vehicles into our fleet. In addition, digital adoption will play a role in reducing waste and consequently emissions. Examples of how we are reducing our operational emissions include the following:

#### Scope 1 and 2

- A global idling reduction campaign in field operations in 2020 resulted in a fuel efficiency improvement (measured in miles per gallon) of 19% in North America and 11% in the rest of the world.
- Our own Celsius Energy geogeneity installation at a manufacturing facility in France resulted in a 90% reduction in CO<sub>2</sub> emissions, 60% reduction in energy consumption, and 40% lower annual heating and cooling costs.



- Electric fleet
- Renewable power
- Supplier alignment
- Digital (efficiency, automation)



Celsius Energy installation (above) and final surface footprint (left) at the Schlumberger Riboud Product Center in France.



TAKING CLIMATE ACTION  
continued



Solar power generation at the Schlumberger Egypt Center of Efficiency saved 400 tonnes of CO<sub>2</sub>e annually.

- We have installed solar panels in facilities in Egypt and India and, in June 2020, signed a Renewable Energy Certificate for Texas, effectively converting approximately 20% of our electricity-related emissions footprint to renewable energy.
- In 2021, we executed an agreement with Schneider Electric to work with us to develop a multiyear global renewable electricity sourcing strategy and prioritized road map for implementation.

Logistics

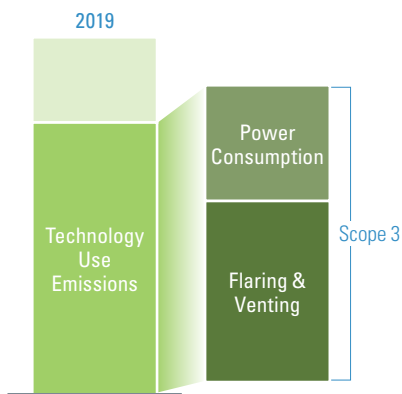
- In April 2021, we implemented digital optimization for the sourcing and distribution network of chemicals in one of our divisions. In the first three months since implementation, we reduced both cost and emissions by 2.9% and 4.0%, respectively. As a result, we are exploring how to scale our learnings from this project to a wider portion of our materials distribution.

Supply Chain

- In 2021, we engaged CDP Supply Chain to work with 500 of our logistics and purchased good and services suppliers on emissions disclosure. These 500 suppliers represent approximately 3.4 million tonnes CO<sub>2</sub>e of our Scope 3 emissions.

Technology Use Emissions







Technology use emissions are 75% of our total CO<sub>2</sub>e footprint and represent the largest category of our Scope 3 emissions. Technology use, or use-phase, emissions are either direct emissions related to the use of our technology in the field or emissions related to power consumption by our technology during operations. In other words, these are Scope 1 and 2 emissions for our customers. Deploying technology to assist our customers in their journey to achieve net zero is a tremendous opportunity for Schlumberger and the industry. Looking at 15 of our largest customers, less than half had emissions reduction targets as recently as three years ago. Today, all of them have some stated ambition related to emissions reduction.



- Eliminate flaring & fugitive emissions
- Lower power consumption
- Digital (efficiency, automation)
- Electrification

TRANSITION TECHNOLOGIES PORTFOLIO

As of August 2021

 Address Fugitive & Vented Methane Emissions	 Reduce or Eliminate Flaring	 Minimize Well Construction CO <sub>2</sub> Footprint	 Full Field Development Solutions	 Electrification
<ul style="list-style-type: none"> <li>• Cameron Low-Emission Valves</li> <li>• Symmetry Platform</li> </ul>	<ul style="list-style-type: none"> <li>• Ora* Deep Transient Testing</li> <li>• EverGreen*</li> <li>• Zero Flaring Well Test and Cleanup</li> <li>• Flaring Emissions Prediction</li> <li>• Symmetry Platform</li> </ul>	<ul style="list-style-type: none"> <li>• Neosteer*</li> <li>• PowerDrive Orbit G2*</li> <li>• EverCRETE*</li> <li>• CemFIT Heal*</li> <li>• Intelligent Power Management</li> <li>• Ora* Fluid Sampling Scanning</li> <li>• Optiq Seismic*</li> <li>• Performance Live*</li> <li>• ENVIROUNIT*</li> <li>• ATC*</li> <li>• TruLink*</li> </ul>	<ul style="list-style-type: none"> <li>• Rapid* Multilateral Systems</li> <li>• Subsea Boosting Systems</li> <li>• Subsea Multiphase Compression System</li> <li>• HiWAY*</li> <li>• CYNARA*</li> <li>• REDA* Maximus Eon*</li> </ul>	<ul style="list-style-type: none"> <li>• All-Electric Surface Actuator</li> </ul>
				 Transition Technologies

Coinciding with our net-zero announcement, we launched our **Transition Technologies portfolio**, which will be a key enabler to our customer decarbonization efforts. The portfolio addresses a range of sustainability attributes that support the United Nations Sustainable Development Goals where our technologies can have an impact, with a strong focus on emissions reduction. The technologies within this portfolio address a range of emissions sources within our customers' operations and are categorized as shown above. Broadly speaking, they are aimed at fugitive or vented methane, flaring, and emissions related to a reduction in power consumption.

**“Coinciding with our net-zero announcement, we launched our Transition Technologies portfolio, which will be a key enabler to our customer decarbonization efforts.”**





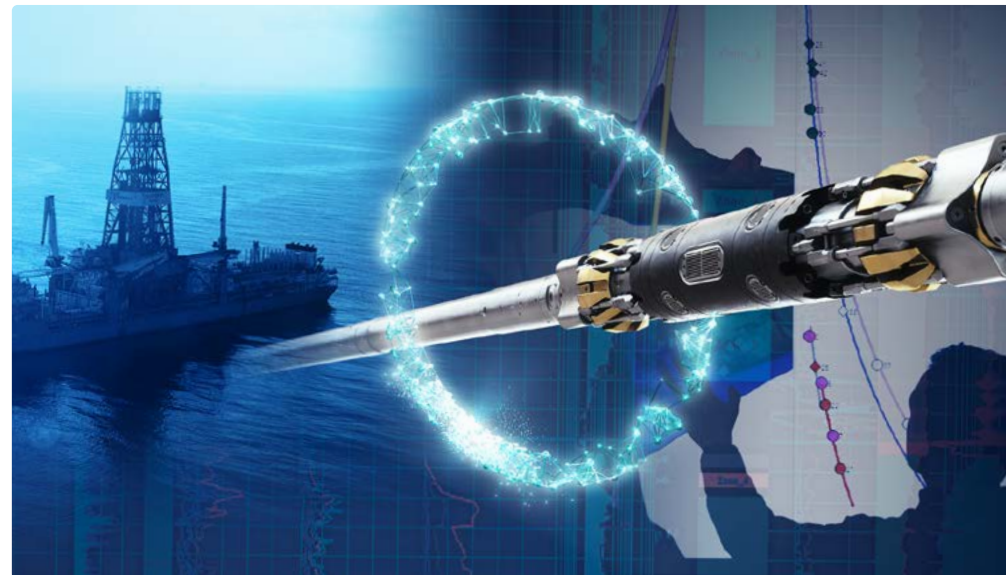
## TAKING CLIMATE ACTION *continued*

Some of the ways we are working to reduce our technology use emissions and our customers' operational emissions are included below.

### Methane

- We recently launched an Emissions Management business line.
- We have invested in GHGSat and SeekOps for methane monitoring by satellite and drone, respectively.
- We are developing multisensor measurement solutions to accurately detect and quantify methane emissions.
- We are involved in Project Astra, a first-of-its-kind sensor network that will use advances in methane monitoring technologies and digital capabilities to monitor methane emissions in the Permian Basin and potentially drive large-scale reductions.
- We offer the largest portfolio of low-emission qualified valves to help address fugitive methane emissions.
- We serve as advisors on a broad study of numerous mobile methane detectors led by Stanford University.

*The Ora platform has already helped customers avoid more than 75,000 tonnes of CO<sub>2</sub>e compared with industry standard methods.*



### Flaring

- We commercialized Ora intelligent wireline formation testing platform, a technology that removes the need to flare during reservoir appraisal.
- Through a combination of technologies and domain expertise, zero flaring solutions can remove the need for flaring during cleanup or well testing operations.

*For BP in Oman, 80,000 tonnes of CO<sub>2</sub>e emissions were avoided during cleanup operations on 10 wells by implementing a fit-for-basin solution.*

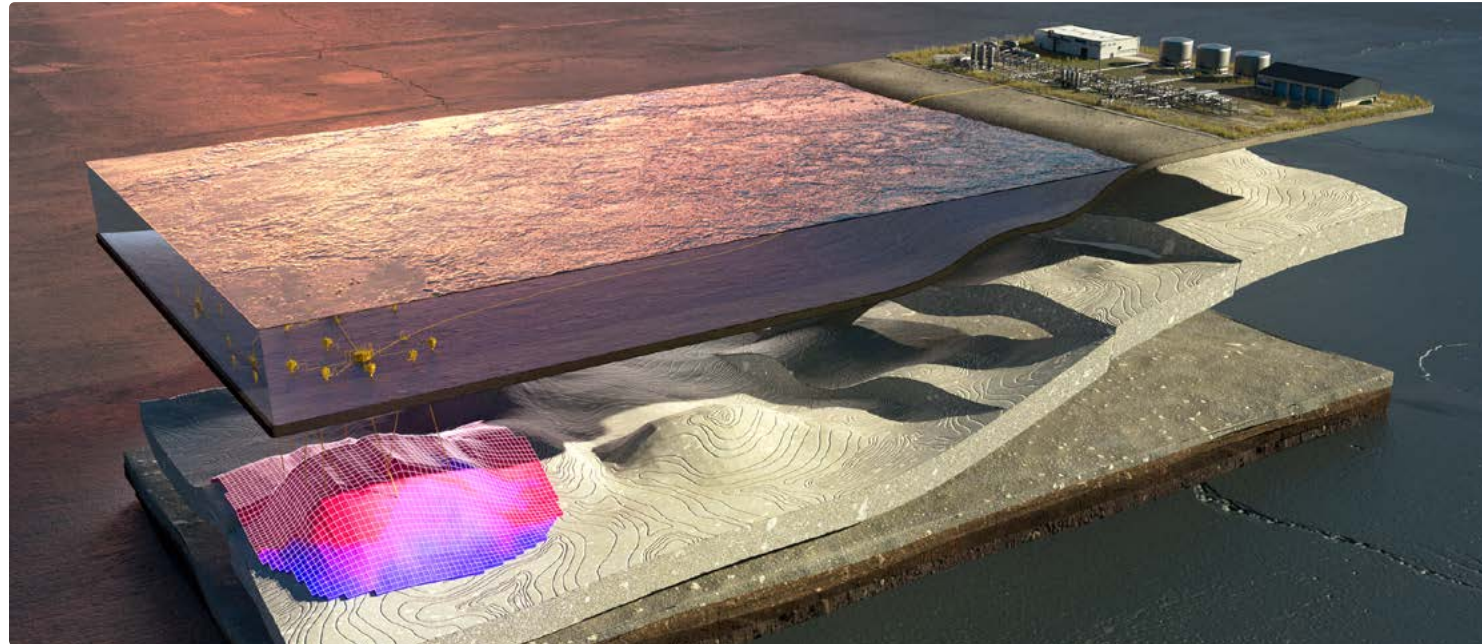
### Power Consumption

- We deployed an automated electrical submersible pump (ESP) gas-handling system—including an AgoraGateway® ruggedized edge computing device, wireless sensors, and a solar-powered skid with a flow computer and an automated choke valve to control the annular gas flow rate—on 40 high gas/oil ratio wells to optimize the well and ESP performance. The operator expects to gain approximately 400,000 bbl/yr (or 1,095 bbl/d more per well) and reduce 10,000 miles of driving by significantly reducing the need to send a field technician.



*The solar-powered AgoraGateway ruggedized edge computing solution collects, integrates, and transmits data from any field device, significantly reducing trips to the wellsite.*





*The OneSubsea all-electric subsea system can reduce the energy intensity of production by 60% and avoid hundreds of thousands of tonnes of CO<sub>2</sub>e emissions during its lifetime.*

- The OneSubsea® first all-electric subsea system recently passed 10 years of operation. OneSubsea electric actuators have now been in operation for more than 1 million hours with zero failure. The all-electric subsea installation delivers greater power consumption efficiency over long distances, with a smaller carbon footprint, reduced risks associated with traditional hydraulic installation, while increasing recovery and extending field life in gas developments.
- We used Rapid multilateral systems in Norway to help Vår Energi complete two existing wells as multilaterals. This avoided the need to drill two new wells and an associated 5,000–10,000 tonnes of CO<sub>2</sub>e emissions.

Quantifying Impact

Quantification of the CO<sub>2</sub>e footprint and reductions has been a challenge for operators and technology providers. To help resolve this, we developed a quantification framework to standardize calculations and enable benchmarking through net-footprint comparisons. We extended this exercise to screen ongoing research projects and incorporated it into our new product development process for all new technology developments.

**“Reducing emissions from technology is the first step in supporting our customers in decarbonization.”**

Reducing emissions from technology is the first step in supporting our customers in decarbonization. As more customers adopt emissions reduction targets that include their entire Scope 3 footprint, our actions related to reducing operational emissions around logistics and supply chain will support their Scope 3 reduction efforts, as will our efforts to move past simply quantifying emissions from technology use to examining life cycle emissions down the road.

Carbon-Negative Actions

The last component of achieving net zero will be ramping up carbon-negative actions of sufficient scale to offset any residual emissions we have in 2050. Our intent is to minimize reliance on traditional offsets and instead to look for technology-centric actions in which we can play a role.

A current example is in the field of bioenergy carbon capture and sequestration (BECCS). In March 2021 we announced plans to develop a BECCS project—working with Chevron Corporation, Microsoft, and Clean Energy Systems—designed to produce carbon negative power in Mendota, California. The BECCS plant will convert agricultural waste biomass, such as almond trees, into a renewable synthesis gas that will be mixed with oxygen in a combustor to generate electricity and, in the process, capture the CO<sub>2</sub> by-product and sequester it in a local underground geologic formation. The plant, when completed, is expected to capture about 270,000 tonnes of CO<sub>2</sub> annually.





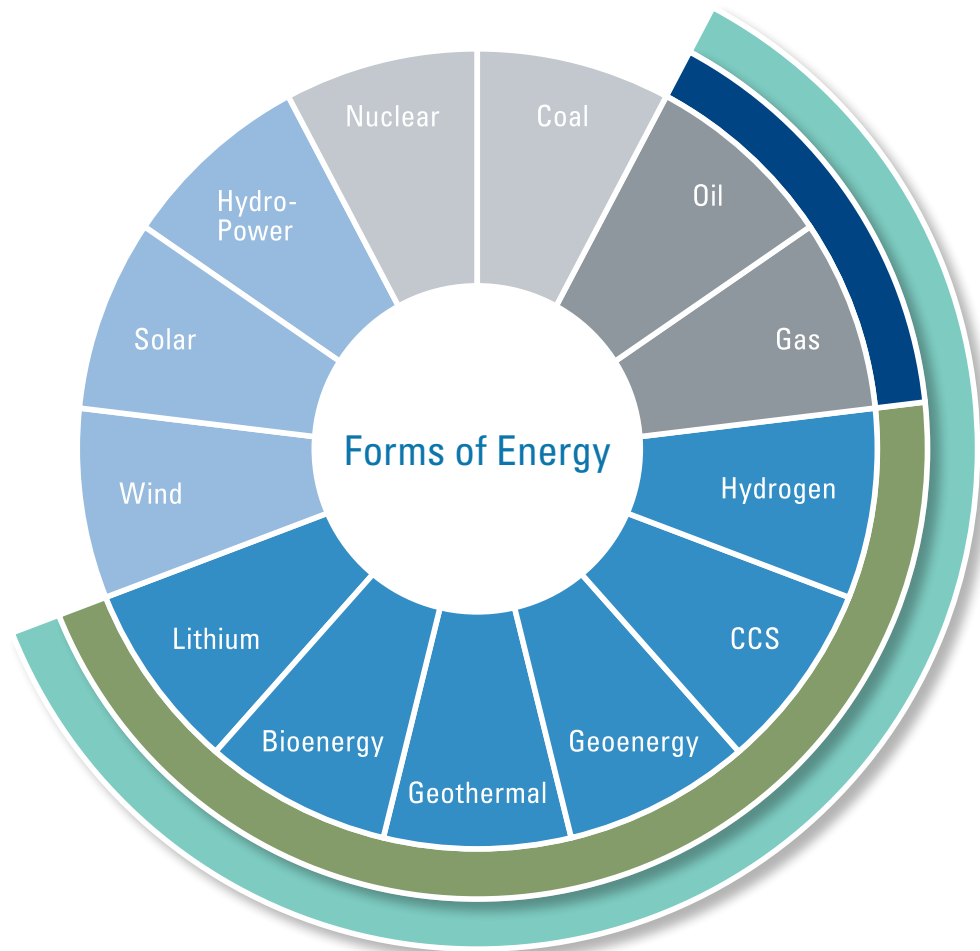


### Investing in Energy Transition

We recognize that our future will expand beyond oil and gas with energy transition and are positioning ourselves for significant long-term growth opportunities. In 2020, we announced our Schlumberger New Energy portfolio to explore new businesses in low-carbon or carbon-neutral energy technologies. Today, Schlumberger New Energy activities include ventures in the domains of lithium, hydrogen, carbon capture, geoenergy, and geothermal. While many of the investments are new businesses, we have historical experience in both carbon capture and geothermal. Schlumberger has participated in carbon capture and sequestration (CCS) projects since 1998, and GeothermEx, the geothermal consulting and services company we acquired in 2010, began operations in 1973.

*In 2020, we announced our Schlumberger New Energy portfolio to explore new businesses in low-carbon or carbon-neutral energy technologies. This portfolio complements our offering in oil and gas while leveraging our digital expertise.*

- Schlumberger Core Portfolio
- Schlumberger New Energy
- Digital



Schlumberger New Energy is taking a business venture approach that will focus on low-carbon energy efficiency and storage as a priority and is aimed at developing unique positions in adjacent markets and introducing breakthrough technologies in energy verticals beyond oil and gas. Schlumberger will use its domain expertise in areas adjacent to its existing activities where it can deliver at scale with its global footprint and execution platform.

Recent announcements from Schlumberger New Energy include the following:

- GeoFrame Energy joint venture with Thermal Energy Partners (TEP). This venture combines Schlumberger subsurface and drilling expertise with TEP’s experience in project development and risk mitigation to develop geothermal power projects. Read more [here](#) and [here](#).
- Partnership with LafargeHolcim. This technology-driven partnership will study the feasibility of capturing carbon from two LafargeHolcim cement plants, based in Europe and North America, using Schlumberger carbon sequestration technologies. This collaboration is a step toward developing a blueprint for large-scale deployment of CCS solutions in transformational sectors. Read more [here](#).
- Genvia clean hydrogen production technology venture. This venture will accelerate the development and the first industrial deployment of the CEA high-temperature reversible solid-oxide electrolyzer technology with the aim of delivering the most efficient and cost-effective technology for producing clean hydrogen. Read more [here](#) and [here](#).
- NeoLith Energy lithium new venture. Following the launch of NeoLith Energy earlier this year, Schlumberger later announced a partnership with Panasonic, a leader in electric vehicle batteries. Together, Panasonic and Schlumberger New Energy aim to accelerate the development and implementation of an innovative lithium production process, with a commitment to economical, environmental and responsible extraction to empower the world’s transition to new energy sources. Schlumberger will bring subsurface and digital capabilities via its innovative direct lithium extraction process. Read more [here](#) and [here](#).

**“Schlumberger will use its domain expertise in areas adjacent to its existing activities where it can deliver at scale with its global footprint and execution platform.”**





**“Schlumberger has taken a comprehensive assessment of emissions across all 3 Scopes, from their operations all the way through the value chain, to set science-aligned, absolute emission reduction targets based on the most robust available methodologies. These targets will drive strategy, demonstrating how Schlumberger takes responsibility for their own emissions while also influencing partners and enabling customers to decrease their own environmental impacts.”**

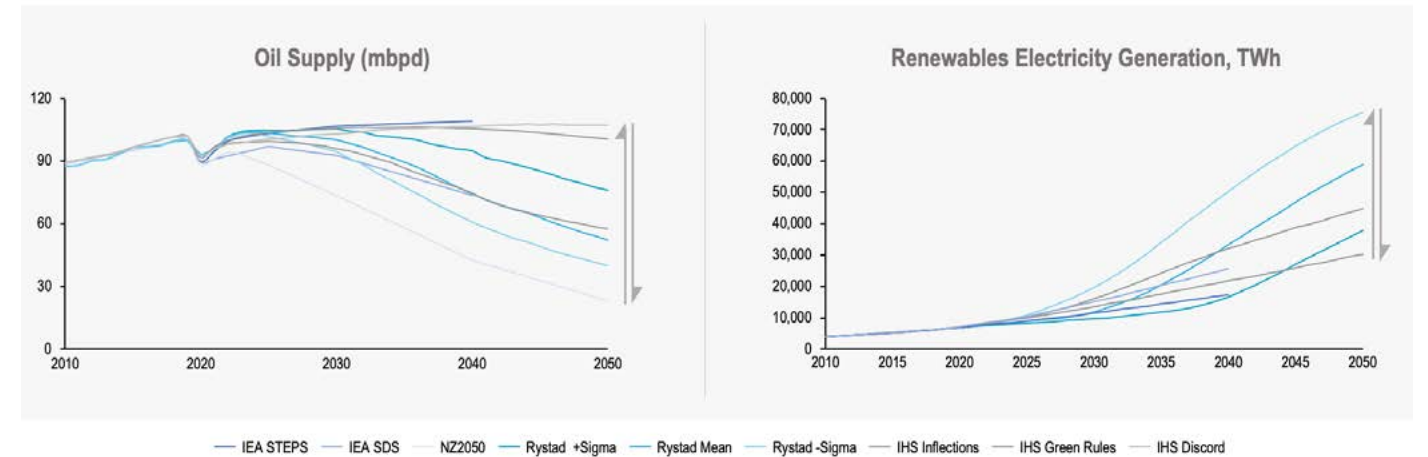
**William Theisen**  
Head of Net Zero – Decarbonization  
Atos North America

### Managing Climate and Transition Risk

Enterprise-level risks are generally similar across an industry, so it can be a competitive advantage for companies to understand and manage those risks across multiple time horizons. Therefore, effectively understanding how both climate change and energy transition will affect our business, and consequently managing those risks, makes us resilient and enables us to stay ahead of the competition. Given the high level of uncertainty and the extended time horizon, our approach to managing climate and transition risks is data-centric and scenario based. We also use both the TCFD and SASB disclosure frameworks as methodology guides.

### Strategy Resilience—Scenario Analysis

Climate-related scenarios are an integral part of our scenarios-based portfolio strategy. We review different scenarios to evaluate our business resilience and confirm our portfolio’s alignment with our energy transition ambitions related to those scenarios. For example, both 2DS and IEA NZE were useful in understanding the role that carbon capture and sequestration will play in the path to net zero. While we have been in the carbon capture business for more than 15 years, the scenarios give us confidence that the potential addressable market in carbon capture warranted continued investment and the integration of this business into our Schlumberger New Energy portfolio. IHS and Rystad both had scenarios that informed our view of regional and local distribution of the energy mix and therefore influenced our specific regional technology strategies. Last, reviewing scenarios with a 2040 time horizon against those with a 2050 time horizon helped inform our long-term portfolio mix decisions. We will continue to use scenarios to inform strategy and financial planning that offer a range of time horizons, ambition with respect to transition, and varied perspectives to help us better understand the risks and opportunities that climate change and the energy transition present. We also will continue to review the accuracy of our scenario predictions in the aim of working from best available predictive information regarding the coming decades.



Sources: IEA, World Energy Outlook, November 2020, Rystad Energy Transition Cube, July 2021, IHS Energy Transition Scenarios, July 2021

Examples of scenario analysis in planning.

To understand scenario sensitivity and materiality, since 2018, Schlumberger has been working with a climate expert to complement our enterprise risk exercise with country-specific climate-impact assessments in alignment with TCFD recommendations. These assessments review both climate-related risks and opportunities and provide added granular climate data relevant to our operations by applying scenario-based analyses in accordance with the Paris Agreement. Our operations representing more than 50% of 2019 revenue either have completed such assessments or are scheduled to complete them in 2021. Examples of impacts that we explored in these assessments include

- carbon pricing including the pace and impact to both our customers in the assessed country and Schlumberger
- field equipment electrification
- extreme weather cost impact on logistics, productivity, etc.
- protected marine activity impact.

- CLIMATE SCENARIOS WE USE**
- RCP 2.6 / 8.5
  - IEA B2DS / 2DS / NZE
  - IRENA
  - BNEF NEO
  - IHS GES to 2050 / LEP to 2050
  - Rystad +Sigma / Mean / SDS





**TAKING CLIMATE ACTION**  
*continued*

Although there are some differences across geographies, there were a number of common findings across them. For example, unmitigated extreme weather can affect cost in the future. In one country, extreme weather impacts might involve excessive rain altering road travel whereas in another country they could involve excessive heat causing increased work stoppages and lower worker productivity. We have completed 75% of the work on our planned country-level climate assessments.



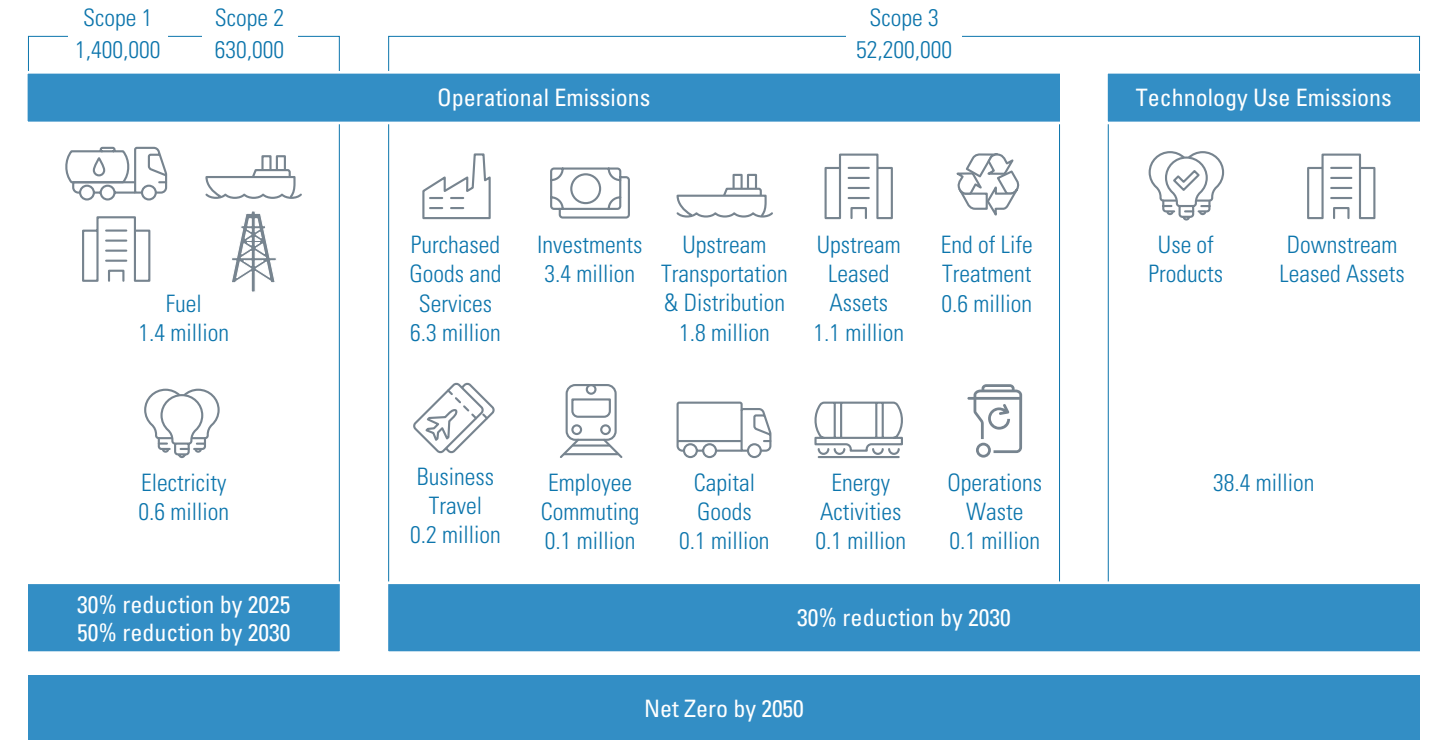
As an example of how we apply learnings from these assessments, one country assessment indicated that 62% of our locations in that country could be exposed to coastal flooding due to sea-level rise by 2050. To address this risk, a decision was made—supported by our Board of Directors and company leadership—to perform a scenario-based assessment across the entirety of the company for all locations potentially at risk of coastal flooding. This was completed in 2020 and mitigation plans were developed—for example, reviewing flood insurance and lease agreements for all locations identified as having a potential future risk of coastal flooding, which constituted less than 1% of our global facility footprint.

**75%** completion of planned work on country-level climate assessments

In 2021, we announced the addition of a Chief Strategy & Sustainability Officer (CSSO) on our executive leadership team. Our CSSO will provide biannual updates to the Board of Directors' New Energy and Innovation Committee, which reviews our Schlumberger New Energy and Transition Technology investments. These governance improvements will position us to continue improving our management of risks related to climate change and the energy transition going forward.

Additional information on how the Board of Directors oversees risk management can be found in the [2021 Proxy Statement](#).

**2019 EMISSION BASELINE INVENTORY**  
(tonnes CO<sub>2</sub>e)



Aligned with 1.5 degC scenario of the Paris Agreement

**Taking Climate Action Scorecard**

Metric	2020	2025 Target	2030 Target
Scope 1 and 2 reduction vs. 2019	19% <sup>1</sup>	30%	50%
Scope 3 reduction vs. 2019	27%	not applicable	30%

Note 1: 19% reflects 2020 absolute reduction. Estimated reduction adjusted for COVID-19 activity impacts was 5%.





## CREATING OPPORTUNITY

Our corporate purpose is to create amazing technology that unlocks access to energy for the benefit of all. The idea of “Creating Opportunity” is embedded in that purpose. One of our enterprise-level risks is increasing regionalization, both geopolitically and in energy markets. With the energy transition, that trend will undoubtedly continue. A highly decentralized, diverse, and empowered organization and a technology portfolio that enables regional technological and economic flexibility is how we plan to navigate this new industry landscape. Our ability to invest in, leverage, and partner with local expertise to deliver bespoke customer solutions will not only empower us to be more competitive in every location, but it will also help to create jobs, promote local economic growth, and reduce inequalities. Like in the case of climate action, we seek to do this across multiple time horizons, creating opportunity today as well as in the future. We are working toward this by investing in

- Regional technology strategies that facilitate regional energy access with a high degree of local content
- Continuing to broaden our diversity to further our competitive advantage.

### Regional and Local Technical Capability

We have two themes relating to regional technology strategies: Fit for Basin and Technology Access. In both cases our ambition is to create additional growth and return opportunities for Schlumberger in a basin, while at the same time creating local value and opportunity in the basin or country and indirectly contributing to energy access. In-country value creation and local partnerships are key components of these solutions.

#### Fit for Basin

In Fit for Basin, we develop technology to address a specific technical challenge inside a basin that cannot be addressed from within the global technology portfolio, either due to technical specifications or commercial challenges. These solutions could incorporate both hardware and software customization. They also provide enhanced customer engagement and, in many cases, an opportunity to accelerate



*Schlumberger Manufacturing Center opened in 2020 in King Salman Energy Park, Kingdom of Saudi Arabia.*

development and consequently energy access in the region. We have a portal through which basins can submit Fit for Basin technology opportunities and more than 80 technology solutions are currently in some stage of development. An example of Fit for Basin is our facility in King Salman Energy Park in the Kingdom of Saudi Arabia, now delivering completions products adapted for the local market, creating in-country value and local supply, and positioning us as regional leaders in production systems equipment.

#### Technology Access

In Technology Access projects, we partner with local service providers by selling or leasing selected Schlumberger technologies to them, which they in turn operate for their customers. In these ventures, Schlumberger gains access to new markets, our local competitors get the opportunity to work with established Schlumberger technologies, and local customers gain access to technologies they would otherwise not have had the opportunity to use as part of their local commercial arrangements. This also supports the corporate transition to a more asset-light portfolio, especially when implemented in business lines that are traditionally capital intensive. We have more than 45 current Technology Access agreements.

One example of a Technology Access project is our wireline technology access collaboration in China, which enables us to participate in a new market. We are contributing to growing the capabilities of our partner, China Petroleum Logging Company, with our ThruBit\* through-the-bit logging services and leverage of local manufacturing and support.

**“One of our enterprise-level risks is increasing regionalization. With energy transition, that trend will likely continue. Our ability to deliver fit-for-basin solutions empowers us to be more competitive in that context while at the same time creating local economic growth and opportunity.”**





**Diversity as a Competitive Advantage**

At Schlumberger, “People First” is the first element of our corporate strategy. 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 are not just the right thing to do—they are a business imperative.

Inclusion is necessary to build a truly diverse workplace, and details about our comprehensive diversity, equity, and inclusion efforts are in the “ESG Disclosures and Performance Data” section of our Sustainability Report. Schlumberger’s long-standing commitment to promote nationality diversity is particularly important in the context of increasing regionalization and deglobalization and represents a competitive advantage for Schlumberger. For decades, we have had a stated ambition of maintaining a workforce nationality mix that is aligned to our geographical revenue mix and have been disclosing our current status versus this metric for years.

Additionally, we are on track to reach our interim milestone of 25% women in our salaried workforce by 2025 and are setting the next milestone of 30% by 2030 to continue to progress.

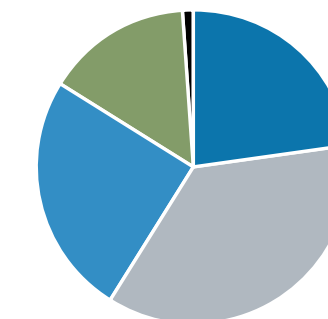
Energy transition and changing geopolitics are both increasingly driving regionalization. Schlumberger is competitively well positioned from both a workforce and a technology perspective to manage this risk and capture the opportunity that it represents for the company and for the countries where we work.

**Creating Opportunity Scorecard**

Metric	Year-End	Ambition
Women in salaried workforce	23%	30% by 2030
Nationality vs. revenue mix <sup>1</sup>	<1%	Within ±5%

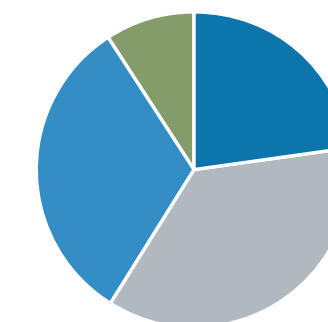
Note 1: Revenue-weighted average difference between percentage of revenue mix and percentage of nationality mix.

**2020 Revenue Contribution**



- North America – 23%
- Middle East and Asia – 36%
- Europe, CIS and Africa – 25%
- Latin America – 15%
- Other – 1%

**2020 Nationality Mix**



- North America – 23%
- Middle East and Asia – 36%
- Europe, CIS and Africa – 32%
- Latin America – 9%





## EMPOWERING LOCAL TEAMS

One size does not fit all when it comes to sustainable development and addressing the climate challenge. The UN Sustainable Development Goals provide countries and businesses with a consistent framework to focus sustainability efforts on the ground. While at the corporate level Schlumberger’s focus is on SDG 7 and 13 (Taking Climate Action) and SDG 8 and 10 (Creating Opportunity), we are also “Empowering Local Teams” to focus on the environmental and social priorities that are most impactful for their local stakeholders.

To inform that focus, we have mapped SDG gaps by country for all countries where we have a physical presence. These gaps were assessed based on input from local teams, publicly available data, and interviews with local external stakeholders. We also conducted workshops with local management teams in many of our large operational and manufacturing facilities.

With this input, local management teams select several SDGs on which to concentrate that are best aligned to their business goals and stakeholder needs. On an annual basis, each local leadership team submits a sustainability plan aligned to its focus SDGs through a centralized portal. In 2021, all Schlumberger GeoUnits submitted plans totaling more than USD 35 million in planned local sustainability projects and initiatives. Sustainability plans cover both mandatory and discretionary investment and are reviewed through the portal for

- SDG alignment
- Local partnership opportunity with customers, suppliers, or local organizations
- Links to business objectives (such as cost, growth, business continuity risk mitigation)
- Employee engagement opportunities.

Empowered local teams drive employee engagement, which in turn drives business performance. This also provides our local teams with the freedom and flexibility to adapt support as needs shift. For example, beginning in 2020, many of our local initiatives shifted support to



*As part of our Reconciliation Action Plan focused on developing respectful relationships with Aboriginal Australian and Torres Strait Islander peoples, the Whadjuk People—the traditional owners of Noongar Land—led the opening ceremony of a new Schlumberger facility in Perth, Australia.*

community-based COVID-19-related response efforts. By engaging our workforce in these efforts, we expect to positively impact our overall business results, while at the same time making a meaningful positive impact in our local communities. To measure how our workforce feels about our sustainability efforts, we added a question to our 2021 annual engagement survey regarding employee perception of our sustainability efforts. For this first time we included the question, 72% of employees viewed our sustainability efforts positively. Our ambition is for more than 85% of our workforce to respond positively to this question.

An illustration of the business value of operationalizing sustainability comes from Ecuador. The local team has focused on doing the right thing, in an intentional and relevant way in order to have the greatest positive impact on the local community. Because we are considered part of the local ecosystem, in 2019 the community supported us through local fuel subsidy protests and immediately after, in helping restart operations quickly. The result was that we had only three days of downtime, while other companies in the area faced downtime periods that were longer.

### Empowering Local Teams Scorecard

Metric	2021 Status	Ambition
Countries in which we have a physical presence with local sustainability plans	79%	85%
Workforce with positive perception of Schlumberger sustainability efforts <sup>1</sup>	72%	85%

Note 1: percent of positive responses from 2021 employee engagement survey.

**“On an annual basis, each local leadership team submits a sustainability plan, aligned to its focus SDGs and linked to business objectives, through a centralized portal.”**





EMPOWERING LOCAL TEAMS  
continued

LOCAL EXAMPLES OF RECENT SDG-ALIGNED INITIATIVES

**1 NO POVERTY**

**Target 1.5**  
**Disaster resilience**

In **Ecuador**, we donated materials to local suppliers to manufacture face shields. Approximately 4,000 face shields were assembled by Schlumberger volunteers and distributed to local hospitals. The remaining 8,000 were distributed across the rest of the country by the local suppliers in coordination with local authorities.

**2 ZERO HUNGER**

**Target 2.1**  
**Year-round access to nutritious food**

In **Mexico**, Schlumberger volunteers worked with one of our customers to design and deliver food parcels to families in low-income neighborhoods in our area of operations, helping to provide local children with access to good nutrition.

**3 GOOD HEALTH AND WELL-BEING**

**Target 3.3**  
**End epidemics**

In **France**, Schlumberger engineers used in-house 3D printing capability to supply face masks and developed a door-opening device that removes direct contact with hospital door handles.

**4 QUALITY EDUCATION**

**Target 4.3**  
**Access to technical and vocational education**

In **Iraq**, Schlumberger NeXT, a training and competency solution, in partnership with the French Embassy, launched an employment and free education program, investing in technical competency development of students and professors from two universities in Basra.

**5 GENDER EQUALITY**

**Target 5.b**  
**Technology to empower women**

In the **United States**, the regional chapter of Connect Women, one of our global employee resource groups, is organizing STEM workshops and virtual mentorships for girls enrolled in the ChickTech: High School program.

**6 CLEAN WATER AND SANITATION**

**Target 6.b**  
**Community participation in water improvement**

In **Guyana**, we installed a closed-loop water recycling system at our largest facility to reduce disposal to sewers and conserve water. This reduced the impact to local water treatment systems and the annual need for 200 tote tanks.

**7 AFFORDABLE AND CLEAN ENERGY**

**Target 7.2**  
**Substantial increase in renewable share**

In the **United States**, we back our Texas facilities with a Renewable Energy Certificate. As a result, the power used at these facilities, which constitutes ~20% of our total Scope 2 emissions, is directly correlated to renewable power projects.

**8 DECENT WORK AND ECONOMIC GROWTH**

**Target 8.8**  
**Protect labor rights and safe, secure work**

In **Brazil**, we implemented a project-specific human rights plan for a subsea production systems project that included human rights self-assessments of higher-risk vendors and third-party assessments of our facilities and vendors in Brazil, Malaysia, and China.

**9 INDUSTRY, INNOVATION AND INFRASTRUCTURE**

**Target 9.4**  
**Upgrade with resource-efficient alternatives**

In 2020, we completed the final stage of a facility heating and cooling optimization project that began in 2017 across key facilities in **Norway**. The project required zero capex and has demonstrated almost 25% savings in utility costs and energy consumption across these facilities.

**10 REDUCED INEQUALITIES**

**Target 10.2**  
**Social, political, and economic inclusion**

In **Canada**, we participate in Progressive Aboriginal Relations, a certification program that validates corporate performance in Aboriginal relations. Approximately 95% of all Schlumberger employees in Canada have completed indigenous awareness training.

**11 SUSTAINABLE CITIES AND COMMUNITIES**

**Target 11.4**  
**Safeguard cultural and natural heritage**

As part of our Reconciliation Action Plan focused on developing respectful relationships with Aboriginal Australian and Torres Strait Islander peoples, the Whadjuk People—the traditional owners of Noongar Land—led the opening ceremony of a new Schlumberger facility in Perth, **Australia**.

**12 RESPONSIBLE CONSUMPTION AND PRODUCTION**

**Target 12.5**  
**Substantially reduce waste generation**

In 2020, in the **United Arab Emirates**, our learning center in Abu Dhabi finished its second waste conservation campaign that measures food waste from the cafeteria and challenges instructors and students from around the world to reduce their consumption. Since 2018, the campaign in the cafeteria has reduced average food waste per meal by 51%.

**13 CLIMATE ACTION**

**Target 13.2**  
**Integrate climate action into planning**

In 2020, we began retrofitting our facilities in **Europe** for LED upgrades based on energy assessments of our UK facilities that highlighted the opportunity for LED upgrades. Out of 13 workshop facilities, 6 have been 100% LED retrofitted.

**14 LIFE BELOW WATER**

**Target 14.2**  
**Protect coastal ecosystems**

In **Senegal**, Schlumberger volunteers collected more than 600 kg of plastic waste from one beach in Dakar, in collaboration with a local public waste disposal company that recycled the waste.

**15 LIFE ON LAND**

**Target 15.1**  
**Sustainable use of terrestrial ecosystems**

In **India**, employee volunteers, in cooperation with a local nonprofit, helped plant 2,000 fruit-bearing trees on farmers' lands near Pune in 2020 under the rural development program. In 2021 the team has planted 500 saplings so far in the Barmer region to support green belt development on public land.

**16 PEACE, JUSTICE AND STRONG INSTITUTIONS**

**Target 16.5**  
**Reduce corruption and bribery**

Local managers across the **Middle East** and **North Africa** formed a Field Conduct Group, facilitating roundtables with employees on local anticorruption issues, engaging with customers, hosting anticorruption forums with key suppliers, and sponsoring surveys to measure compliance culture.

**17 PARTNERSHIPS FOR THE GOALS**

**Target 17.6**  
**Multistakeholder partnerships**

Since 2016, Schlumberger has been an Associate Member of IPIECA, the global oil and gas industry association for advancing environmental and social performance. IPIECA brings together member companies from across the energy industry to collaborate on best practices and develop guidance aimed at driving measurable sustainable progress across environmental and social topics.







## CLIMATE

In this section of the report, we disclose our governance, strategy, risk identification, and management and measurement of climate risks and opportunities in alignment with the Task Force for Climate-Related Financial Disclosures (TCFD) core elements.

### **Governance**

#### **Board and Management Oversight of Climate Change**

The [Board of Directors](#) (Board) of Schlumberger Limited oversees the long-term health and viability of our business, including the company's strategy, vision, and risk profile.

The [Nominating and Governance Committee](#) of the Board (N&G Committee) oversees Schlumberger's sustainability programs and activities, including oversight of climate-related risks and opportunities. The N&G Committee receives quarterly updates on the progress Schlumberger is making toward a low-carbon future, including our progress toward achieving our carbon emission reduction and net-zero emissions goals.

In 2020, the N&G Committee received an update on the findings of our global sea-level rise assessment—which we completed working with a leading sustainability consultancy—to review all facilities potentially at risk of coastal flooding. The N&G Committee approved the expansion of our climate assessments to additional countries, and our operations representing more than 50% of 2019 revenue either have completed such assessments or are scheduled to complete them by the end of 2021.

The [New Energy and Innovation Committee](#) of the Board (NE&I Committee) reviews our Schlumberger New Energy and Transition Technology investments, and also our mid- to long-term climate strategy as it relates to our overall corporate strategy.





The Board also manages risk in part through its oversight of the Company's Executive Risk Committee (ERC). The ERC comprises top company executives from various functions, including the Vice President of Sustainability, 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. The ERC reports directly to our Chief Executive Officer (CEO) and to the Board, and annually presents to the Board a comprehensive report of its risk mapping efforts for that year. Additional information regarding the Board's role in risk oversight including climate-related risk is included in our [2021 Proxy Statement](#) (p. 14).

The CEO and Chief Financial Officer (CFO) annually approve the capital investment budget, including investments in technology to reduce emissions in oil and gas, and low-carbon businesses in the Schlumberger New Energy portfolio. The aggregate planned investment budget is approved by the Board. Reporting to the CEO, the Chief Strategy & Sustainability Officer (CSSO) oversees our corporate strategy, sustainability, marketing, and investment activities. This position demonstrates how sustainability is at the core of our corporate strategy. The CSSO was involved in the launch of Schlumberger's net-zero commitment and short-term, mid-term, and long-term targets spanning Scope 1, 2, and 3 emissions. Scenario analyses, including scenarios associated with climate change and the energy transition, are the responsibility of the CSSO.

The VP of Sustainability, who reports to the CSSO, is directly responsible for social and environmental sustainability in the company and engages with Schlumberger leadership, employees, investors, and customers on sustainability, including climate-related issues. The VP of Sustainability leads the ERC.

### Strategy

Our corporate strategy around climate is described in the "Taking Climate Action" section of this report (p. 5–11). Our focus includes [Getting to Net Zero](#), investing in the energy transition, and managing climate and transition risk.

We will achieve our net-zero ambition through three key components: reducing operational emissions, reducing customer emissions that occur while using our technology, and taking carbon-negative actions of sufficient scale to offset any residual operational and technology emissions we may have in 2050. We will reduce emissions from our operations through utility efficiency and use of renewable energy and hybrid vehicles. We will reduce customer emissions with our Transition Technologies portfolio. For emissions that cannot be reduced, rather than relying on traditional offsets, we will rely on our carbon-negative actions that are technology-centric, where we can play a role, such as carbon capture and sequestration (CCS).

The second aspect of Taking Climate Action—investing in the energy transition—involves our [Schlumberger New Energy](#) portfolio, which explores new businesses in low-carbon energy and storage, or carbon-neutral energy technologies such as CCS, geothermal power, geoenery for heating and cooling, sustainable battery-grade lithium, and hydrogen as an energy carrier. Our main goal is to introduce breakthrough technologies in energy verticals beyond oil and gas, using our domain expertise in areas adjacent to our existing activities where we can deliver at scale through our global footprint and execution platform.

The third and last aspect of our Taking Climate Action strategy is managing climate and transition risk. We take a data-centric, scenario-based approach and use both TCFD and SASB as disclosure frameworks and methodology guides. Because we realize that climate change and the energy transition will impact our business, understanding and managing those risks and opportunities provides a competitive advantage that will help us be more resilient to potential risks and stay ahead of the competition.

### Climate-Related Risks and Opportunities

To deliver our strategy, we consider short-, medium-, and long-term risks and opportunities per the following horizons:

- Short term: With respect to unpredictable weather patterns including cyclones, hurricanes, and tropical storms that have the potential to affect our bases in coastal areas, we assess these risks on a 1- to 3-year timeframe.
- Medium term: Schlumberger considers capital expenditures and operational planning, including development of new technologies that have the potential to reduce our customers' greenhouse gas (GHG) emissions, over a 3- to 10-year timeframe.
- Long term: The Board and senior management take a longer view in considering strategic planning, including climate-related risks and opportunities that have the potential to negatively or positively affect our business over the medium term (3 to 10 years) and long term (10 to 20 years). Included in long-term risks are energy transition and climate change.

### Climate-Related Scenario Analysis

Climate-related scenarios are an integral part of our scenarios-based portfolio strategy. We review different scenarios to evaluate our business resilience and confirm our portfolio's alignment with our energy transition ambitions related to those scenarios. For example, both 2DS and IEA NZE were useful in understanding the role that CCS will play in the path to net zero. Although we have been in the carbon capture business for more than 15 years, the scenarios gave us confidence that the potential addressable market in carbon capture warranted continued investment and integrating that business into our Schlumberger New Energy portfolio.

IHS and Rystad both had scenarios that informed our view of regional and local distribution of the energy mix and therefore influenced our specific regional technology strategies. Lastly, reviewing scenarios with a 2040-time horizon against those with a 2050-time horizon helped inform certain of our long-term portfolio mix decisions.





## CLIMATE *continued*

We will continue to use scenarios to inform strategy and financial planning, using those that offer a range of time horizons, ambition with respect to transition, and varied perspectives to help us better understand the risks and opportunities that climate change and the energy transition present. We also will continue to review the accuracy of our scenario predictions in the aim of working from best available predictive information regarding the coming decades.

### Climate-Related Scenario Analysis Case Study

In 2018, Schlumberger began working with a climate consulting firm to facilitate a climate assessment pilot program. We selected Norway, a region that is representative of our global operations and features a dynamic political and social landscape regarding climate issues. After a detailed evaluation of our operations in the region, our top climate-related risks and opportunities were identified, and scenario-based analyses were conducted to evaluate potential outcomes. This included both acute and chronic physical climate risks as well as potential risks and opportunities associated with the energy transition.

In alignment with the TCFD recommendations, we used different forward-looking scenarios, including at least a two-degree scenario, for the assessment of Schlumberger's climate-related risks and opportunities. The climate scenarios used for analysis include IEA B2DS, RCP 2.6, and RCP 8.5. B2DS was chosen to represent the more ambitious transition scenario, whereas RCP 8.5 was chosen to represent the physical scenario with the worst potential impacts on our activity. In particular, for the physical risk assessment, a regional climate model with a 12-km resolution was used. Time horizons considered were 2030 for transition risks, which is consistent with our investment timeline, and 2050 for physical risks, which takes into account the trends in chronic risks (e.g., sea-level rise).

This pilot program found that some of our sites are at risk of coastal flooding over a long-term time horizon. Findings from this project were communicated to Schlumberger management and our Board and are further shaping our

internal climate strategy. Following these findings, a decision was made to review flood insurance and lease agreements for our Norway locations, as well as perform a sea-level rise assessment across the entirety of the company for all locations potentially at risk of coastal flooding. More information is available under "Climate Risk Assessments" in the "Risk Management" section in this report.

To reduce likelihood of further exposure, the following procedural improvements were implemented:

- All new facilities above a certain value are checked by an external insurance partner for flood exposure.
- Exposure to flood risk has been added to the checklist for purchasing or leasing new facilities where flood risk is being assessed.
- Facility construction guidelines and standard language have been updated to emphasize the importance of evaluating risk associated with climate change as part of the assessment. The assessment was completed in 2020.

### Impact of Climate-Related Risks and Opportunities on our Strategy

All of the scenarios we used in building our strategy allocate some share of the energy mix to oil and gas in the coming decades. Our strategy considers that there is a wide range of energy mix and pace of transition and as such, addresses opportunity across multiple time horizons. Regardless of the contribution of oil and gas to the energy mix, the industry needs to reduce the carbon footprint of operations in oil and gas, and therefore our strategy considers that as well. We recently launched our Transition Technologies, a portfolio of products and services focused on supporting customer climate action through emissions reduction and energy consumption reduction: <https://www.slb.com/transition-technologies>. Additionally, we see opportunity in expanding beyond oil and gas, and in 2020 we introduced our [Schlumberger New Energy](#) portfolio of solutions including hydrogen, lithium, energy storage, CCS, geothermal power, and geoenery for heating and cooling buildings.

### Facilities Management

To reduce GHG emissions at our facilities, we are focused on reducing 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 optimizing facility heating and cooling cycles, and strengthening our renewables strategy, targeting our facilities located on independent power grids.

### Transition Technologies

Schlumberger is committed to developing innovative technologies aimed at enhancing oilfield efficiency, reducing exploration and production (E&P) costs, improving productivity, maximizing reserve recovery, and increasing asset value—while simultaneously driving sustainability and reducing impact. Our global network of Technology Centers positions Schlumberger to accelerate a diverse range of innovative technological approaches to support the energy transition. Our broad Transition Technologies portfolio includes a range of impact-reducing options to help our customers decrease their emissions, reduce energy consumption, access low-carbon energy sources, and minimize overall footprint across the E&P value chain.

In 2020, we invested USD 580 million in research and development across our entire technology portfolio, and we continued to embed sustainability in our product and service development process. In 2021, Schlumberger increased transparency around the methodology used to both qualify and quantify our portfolio of sustainable technologies, specifically including our Transition Technologies portfolio focused on reducing emissions, as outlined at <https://www.slb.com/transition-technologies>. Additionally, the percentage of revenue derived from our low-carbon products and services was closely reviewed and an internal target was put in place to double the percentage of revenue from Transition Technologies by 2025 relative to 2020.

More information about the solutions we provide and the impact they deliver is in the "Technology Use Emissions" section of "Taking Climate Action" in this report on p. 6.





### 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 have contributed expertise to this program by assessing submissions from other companies. To date, two Schlumberger innovations have been labeled as Efficient Solutions:

- Celsius Energy is a heating and cooling solution based on renewable underground geenergy.
- The THIOPAQ\* biodesulfurization system uses a natural biologic system to convert sulfur from oil and gas into usable products, including agricultural fertilizer.

### Schlumberger New Energy

We recognize that our future will expand beyond oil and gas with the energy transition and are positioning ourselves for significant long-term growth opportunities. We launched Schlumberger New Energy in 2020 to explore new businesses in low-carbon or carbon-neutral energy technologies. Our approach is to apply our domain expertise in areas adjacent to our existing activities and use our global footprint and execution platform to deliver at scale. We are using partnership models and our experience in technology industrialization to expand into energy verticals beyond oil and gas. As previously covered in this report, our diverse New Energy portfolio includes ventures in CCS, geothermal power, geenergy for heating and cooling, sustainable battery-grade lithium, and hydrogen as an energy carrier.

### Carbon Capture and Sequestration

Schlumberger has been helping customers reduce emissions by providing services and technologies for permanent underground sequestration of CO<sub>2</sub> for more than 15 years. We have been involved in more than 80 carbon capture, utilization, and storage (CCUS) projects around the world since 2005. In 2020, Schlumberger participated in 15 new CCUS projects. Schlumberger focuses on the challenges of storing underground the CO<sub>2</sub> captured from power and industrial sources to help mitigate climate change and protect the environment.

Recently, Schlumberger New Energy began exploring ways to expand beyond our traditional offering and directly partner with emitters to assess, develop, and operate entire CCS value chains. The scope of collaboration goes beyond subsurface requirements and includes project economics, technology selection, business models, and permitting. We are designing new partnerships and business models with a focus on exploring and enabling low-cost projects in strategic locations and creating partnerships with industry leaders seeking scale and efficiency by enabling CCS hubs.

Schlumberger New Energy is partnering with leaders in a range of strategic sectors to demonstrate carbon solutions across a wide range of projects. Through our portfolio of CCS initiatives, we support businesses and governments in facing today's challenges of minimizing environmental impact while undertaking the transformations necessary to provide the global energy, materials, and infrastructure needed to sustain the growing societal demands of the future.

Early this year Schlumberger New Energy announced two of these innovative partnership models: our [collaboration in a feasibility study](#) of capturing carbon from two cement plants, based in Europe and North America; and the [development of a first-of-a-kind bioenergy with carbon capture and sequestration \(BECCS\)](#) project designed to produce carbon-negative power while reducing emissions from the combustion of agricultural waste in Mendota, California.

Schlumberger also offers 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 has been permanently stored underground through ongoing enhanced oil recovery operations.

### Geothermal Power

Geothermal power is a sustainable and renewable energy source with unique advantages in the energy transition and for meeting the electricity demands of the future. Geothermal power uses the heat of the Earth to generate electricity by tapping hot water and steam zones that are continuously recharged naturally and by reinjection after heat extraction in the power plant. Success in any geothermal project requires an informed, interdisciplinary approach that combines innovative science and engineering with significant experience and hands-on project management. Leveraging our leading capabilities for subsurface data analysis, our ability to develop optimized drilling plans, and integrated management and execution, the Schlumberger New Energy geothermal power ventures enable cost-effective geothermal development and improved success rates through technical consulting and innovative business models that maximize the value of geothermal resources and the power they produce.

With decades of expertise in the geothermal sector, GeothermEx, a Schlumberger company, provides the full spectrum of geothermal resource development services—from exploration and drilling through analysis, resource modeling and management, financial modeling, and operational support. GeothermEx's multidisciplinary approach has continuously served the geothermal industry since 1973.





### Geoenergy for Heating and Cooling

The Schlumberger New Energy venture [Celsius Energy](#) uses geoenergy to provide heating and cooling solutions for new or existing construction, powered by the Earth. Leveraging Schlumberger's extensive knowledge of subsurface behavior, operational automation technology, and deep science expertise, the Celsius Energy solution helps meet global goals for reduced emissions.

The [first installation of the Celsius Energy](#) demonstrator was completed in December 2020 at a Schlumberger manufacturing facility in France. This installation replaced the 60-year-old building's heating and cooling setup with a renewable geoenergy source. The new Celsius Energy system has already delivered a 60% reduction in energy consumption and 90% reduction in CO<sub>2</sub> emissions related to the heating and cooling of the building, which hosts 200 employees working in technology development activities.

### Sustainable Battery-Grade Lithium

Demand for battery-grade lithium is projected to grow exponentially over the next decade. Because electric vehicles (EVs) greatly depend on lithium-ion rechargeable batteries, sustainable and efficient lithium production has become an important topic not only for regions, industries and technology companies, but also for battery and large automotive manufacturers. While the lithium industry is expected to attract large investments, the time to first lithium production for new development projects and regions will be critical for the industry to meet the surge in demand. Focusing on the market's growth potential, Schlumberger New Energy is taking a technology-driven approach that lets us explore new ways to produce and process high-purity lithium with the entire production ecosystem in mind. This approach enables a cost-effective, sustainable, on-demand response to the growing high-grade battery-lithium market. As lithium supports the transition to a low-carbon economy, consumers are demanding the highest environmental standards and compliance—so sustainability in the supply chain is crucial.

[NeoLith Energy's](#) sustainable approach uses a differentiated direct lithium extraction (DLE) process to produce high-purity, battery-grade lithium material while reducing the production time from over a year to weeks. The unique process is in sharp contrast to conventional evaporative methods of extracting lithium, with a significantly reduced groundwater and physical footprint.

### Hydrogen as an Energy Carrier

Schlumberger New Energy is collaborating with strategic partners to foster the new ecosystem needed to accelerate the development and industrialization of affordable, clean hydrogen production. In a unique private-public partnership model, [Genvia](#) combines Schlumberger's expertise and experience with that of the French Alternative Energies and Atomic Energy Commission (CEA) and partners. The new venture will accelerate the development and the first industrial deployment of the CEA's high-temperature reversible solid-oxide electrolyzer technology. The aim of the venture is to deliver the most efficient and cost-effective technology for producing clean hydrogen, a versatile energy carrier and key component of the energy transition.

Genvia will orchestrate a series of demonstration projects with partners in different use cases for the industrial, energy, and mobility sectors. These demonstration projects will set the stage for the development of the entire value chain to use hydrogen as the preferred clean energy carrier.

### Risk Management

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.

We believe that our comprehensive risk assessment program is reasonably designed to identify and manage climate change-related enterprise-wide risks that have the potential to significantly affect our businesses over the short, medium, and longer terms. Our risk assessments cover exposures to both physical and transition climate-related risks and their respective financial impact.

The climate-related risks we routinely monitor as part of this process include loss of containment and well control, country-specific legislation and regulations, environmental compliance, financial risk associated with climate change, perception of industry due to climate change dialogue, and extreme weather. At a corporate level, business risks related to climate change are identified based on input from a variety of internal and external sources (e.g., local risk assessment, country-specific climate assessments in line with TCFD, customers, the Board, investors, and other stakeholder feedback). A corporate risk map is developed and reviewed with the CEO and his leadership team. Climate change and energy transition are two enterprise-level risks. Enterprise-level risks are developed into various scenarios, guided by subject matter experts, and these scenarios are modeled to assess potential financial impacts. Results of any financial stress tests are discussed with our banks to assess liquidity needs over a three-year time span, along with probable effects on credit ratings and options to deal with each scenario. In the case of acute physical risk, crisis management scenarios are created and tested in desktop exercises at the local and corporate level by the respective management. At the asset level, risks are included in the operational risk maps, which help to identify and assess potential threats to the mid- to long-term strategic objectives of the various business units. These risks are monitored and embedded into the business planning cycle. Risks are scored on likelihood, severity, time horizon, and financial impact. Where applicable, management objectives are set to reflect completion of mitigation plans.





### Climate Risk Assessments

Country-level climate risk assessments provide a practical way to understand climate-related risks and common issues across the organization. For these, we work with a leading sustainability consultant to review the impact of climate issues on our direct operations. Climate-related risks (physical and financial, including transition risks) are assessed using scenario-based analysis. While there are country-specific concerns, some commonalities across geographies are acute physical risks associated with extreme weather (e.g., storm surges, droughts, heat waves, flooding, rain, snow); chronic physical risks such as the potential impact of sea-level rise on our global footprint, water availability, and protected marine life; and transition risks such as policy and legal risks, the impact of a carbon tax on Schlumberger and our customers, the cost of electrifying our operations, and adapting our technology portfolio to changing customer preference. We have completed 75% of the work on our planned country-level climate risk assessments.

The following case studies are examples of how we apply the learnings from these assessments:

- **Chronic Physical Risk Case Study:** One country assessment indicated that 62% of our locations in that country could be exposed to coastal flooding due to sea-level rise by 2050. To address this risk, a decision was made—supported by the Board and Schlumberger leadership—to perform a scenario-based assessment across the entirety of the company for all locations potentially at risk of coastal flooding. This was completed in 2020 and mitigation plans were developed for all locations identified as having a potential future risk of coastal flooding (e.g., reviewing flood insurance and lease agreements), which constituted less than 1% of our global facility footprint.

- **Acute Physical Risk Case Study:** Exposure to acute physical risk to personnel, facilities, and assets is an existing risk in the Texas-Louisiana Gulf Coast region related to hurricanes and tropical storms. Approximately 5% of our facilities are located along the Texas-Louisiana Gulf Coast. Mitigation actions related to this risk include annual reviews of crisis management plans by the relevant management team; required virtual hurricane awareness training for personnel, with an 87% current certification level as of August 5, 2021; and performance of tabletop drill exercises.
- **Transition Risk Case Study:** Carbon tax represents a potential future liability in 2030 in one of the countries assessed of USD 1.7 million to Schlumberger and more than 10 times that for our customers operating in that country. Given the potential global impact of a carbon tax, in particular the impact to our customers, we formalized regular carbon regulation tracking with review by our Chief Legal Officer.

### Transition Risk Management

Climate-related transition risks, such as policy and legal risks, include 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.

Our Transition Technologies portfolio and Schlumberger New Energy business offer a strategic response to the management of energy transition risks, as discussed in the "Strategy" section of this report.

To manage the relevant risks in our own operations, we continue to drive efforts to reduce our GHG emissions globally.

### 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, Schlumberger recently launched a new Emissions Management business, which is focused on helping our customers measure methane emissions, reduce vented and fugitive methane emissions, and replace gas flares with gas-to-X technologies. Schlumberger offers an end-to-end service that includes advising operators on how to set material emissions reduction goals, measuring baseline emissions, recommending the most cost-effective blend of technologies to achieve those goals, performing the field work to implement their emissions reduction plans, measuring the emissions reductions achieved, managing the resulting data, and finally updating the plan to achieve additional reductions in the future.

Additional details about our methane reduction initiatives are in the "Technology Use Emissions" section of "Taking Climate Action" in this report on p. 7.

### Physical Risk Management

We review acute physical risks associated with extreme weather in areas susceptible to increased severity and frequency of extreme weather related to water (e.g., hurricane, excessive rain or flooding) or increased severity and frequency of extreme heat. Those variances may impact our business by causing extreme changes in precipitation patterns that may result in flooding, changes in road or wellsite 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 wellsites; equipment damage and repair requirements; and increased insurance premiums.





## CLIMATE continued

To manage 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. We also consider the potential impact of sea-level rise on our global footprint. Additionally, Schlumberger has business continuity and crisis management processes in place to mitigate potential disruptions caused by extreme weather events. Additionally, our insurance policies help mitigate the risk of loss of assets at our facilities.

### Metrics and Targets

#### Targets

In June 2021, we announced our commitment to reach net-zero emissions by 2050. This 2050 target is inclusive of all three scopes of emissions, and is supported by a comprehensive near-term road map with the following interim milestones:

- By 2025, a 30% carbon emissions reduction in Scopes 1 and 2. A portion of the 2020 short-term cash incentive compensation opportunity for our CEO and other members of our senior management was based on achieving an annual internal emissions reduction objective as part of this 2025 goal.
- By 2030, a 50% reduction in Scopes 1 and 2.
- By 2030, a 30% reduction in Scope 3.

We aim to net the balance of emissions we produce in 2050 with carbon-negative actions.

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 World Wide Fund for Nature, and is one of the We Mean Business Coalition commitments. Our near- and long-term ambitions are grounded in climate science, and we have submitted our 2030 targets to SBTi and are working with them towards validation.

### 2020 Performance Data

In preparation for the next phase of our decarbonization program, and in collaboration with a third-party climate change expert, we performed a comprehensive review of Scope 1 and 2 emissions data and expanded our Scope 3 inventory to include Schlumberger emissions in all 15 categories defined by GHG Protocol's Corporate Standard. Direct and indirect emissions presented in this report include restated figures from 2019, aligned with SBTi criteria, which is the baseline year for our medium- and long-term decarbonization goals. Restated 2019 figures exclude emissions related to our North American fracturing business, which was sold at the end of 2020.

We have also updated our Scope 1 liquid fuel conversion factor to a more comprehensive figure that includes all relevant GHG emissions, and we now include fuel and electricity supplied by customers at work sites in addition to quantities purchased directly by Schlumberger. This method is consistent for 2019 and 2020 GHG emissions in this report. Year-to-year comparisons are based on restated 2019 figures.

Schlumberger business activity fell in 2020 in response to reduced demand for oilfield services and equipment as a result of the COVID-19 pandemic. Scope 1 emissions in 2020 were 1.13 million tonnes of CO<sub>2</sub>e, which is a decrease of 19% compared with 2019. Lower demand for field services and closure of some facilities reduced our consumption of liquid hydrocarbon fuels and natural gas. Vehicle and facility efficiency measures further reduced fuel demand. Scope 2 emissions in 2020 also decreased by 19%, to 0.51 million tonnes of CO<sub>2</sub>e.

Scope 3 emissions fell by 27% in 2020, to 38.13 million tonnes of CO<sub>2</sub>e. Technology use-phase emissions associated with products sold and leased by Schlumberger, GHG Protocol scope 3 category 11 and 8 respectively, were the largest contributor to our GHG inventory. Product sales decreased in 2020 based on reduced demand from our customers. Indirect emissions from Purchased Goods and Services and Logistics (GHG Protocol scope 3 category

1 and 4) also fell as a result of efforts to manage cost, inventory, and emissions within the 2020 business disruption. In 2020, we launched an initiative to better understand supplier emissions, with a goal of identifying practical ways to reduce our GHG inventory.

We continuously monitor our GHG emissions data externally, and PricewaterhouseCoopers provides a GHG emissions data audit biannually.

***“Schlumberger has taken a comprehensive assessment of emissions across all 3 Scopes, from their operations all the way through the value chain, to set science-aligned, absolute emission reduction targets based on the most robust available methodologies. These targets will drive strategy, demonstrating how Schlumberger takes responsibility for their own emissions while also influencing partners and enabling customers to decrease their own environmental impacts. This sector in particular needs more influential companies like Schlumberger to continue to raise the bar in terms of bold ambition that will drive technological innovation on a wider scale; we are excited to collaborate with Schlumberger to take their decarbonization strategy to the next level.”***

**William Theisen**  
Head of Net Zero – Decarbonization  
Atos North America





## CLIMATE *continued*

### Facilities-Led Initiatives

Our global Lean and Green environmental program has been in place since 2010 and focusses on facilities-driven environmental efficiency projects. In 2020, as a result of these efforts, electricity use decreased by 19% to 1,008,000 MWh from 1,248,000 MWh in 2019. Our electricity use data covers 100% of our business operations, including electricity supplied by our customers at remote work sites.

The following are examples of our recent emissions-reduction facilities initiatives:

- We continued a program in North America for managing our utility consumption and spend. Through this program, which currently covers 48% 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.
- In 2019, we installed solar panels on the roofs of three 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. In 2020, these facilities continued to produce more than 1.4 GWh of solar power, resulting in significant CO<sub>2</sub> emissions reductions of more than 900 metric tonnes of CO<sub>2</sub>e and approximately USD 200,000 in aggregate annual savings.
- In 2020, we voluntarily purchased 100% Renewable Energy Certificate (REC)-backed power for all Schlumberger facilities in the Electric Reliability Council of Texas (ERCOT) power market from new renewable electricity generation facilities.
- In 2020, we finished upgrading our Sugar Land, Texas, campus to use LED lights. The entire campus of 16 buildings and surrounding exterior lighting now uses LED. The project is estimated to reduce nearly 900 tonnes of CO<sub>2</sub>e and save approximately USD 100,000 per year.
- In 2020, we began retrofitting our facilities in Europe sites for LED upgrades. Out of 13 workshop facilities, 6 have been 100% LED retrofitted. Our European locations have a clear energy management strategy to reduce consumption by 20% and focus on efficiency opportunities.
- In 2020, our Iraq Sustainable Facilities Plan included reducing AC sizes from 2 ton to 1 ton, replacing all florescent lights with LED lights in our accommodations and office spaces, engaging workforce behavior to “switch off” when away from office, implementing a water treatment unit for camp water and sewage, and improving waste management practices by using water dispensers and reuse of personal water bottles. These initiatives collectively helped reduce diesel consumption by nearly 50,000 gallons and therefore approximately 475 tonnes CO<sub>2</sub>e.
- In 2020, our Mexico and Central America team initiated a sustainability roadmap focused on facilities rationalization and energy optimization. In 2020, their initiatives led to more than 500 tonnes of emissions reduction. The energy optimization effort has since expanded to include plans to improve fuel efficiency, install onsite solar, and improve building energy efficiency.
- In 2020, our global teams initiated a facility rationalization plan to optimize our global facilities footprint by consolidating several locations and disposing facilities with minimum activity, which resulted in a reduction of 22,480 tonnes of CO<sub>2</sub>e in our global facilities’ GHG Scope 2 emissions. This reduction represents almost 4% of our global facilities’ CO<sub>2</sub> Scope 2 emissions baseline in 2019.

Additional examples of facilities-driven initiatives, including water and waste reductions, are included in ESG Disclosures and Performance Data: Nature on p. 24.





## NATURE

### **Governance**

As outlined in our [QHSE Policy Statement](#), signed by our CEO, Schlumberger requires the active commitment to and accountability for quality, health, safety, and the environment (QHSE) from all employees and contractors. Line management has a leadership role in the communication and implementation of and maintaining compliance with QHSE policies and standards. Our commitments include minimizing our impact on the environment through pollution prevention, reduction of natural resource consumption and emissions, and reduction and recycling of waste.

The Board oversees the company's annual enterprise risk assessment and reviews major risks facing the company, such as those related to the potential severity of our activities and the potential impact to life below water (SDG 14) and life on land (SDG 15). The management and mitigation of the environmental impact of our operations is the direct responsibility of our line management. Our environmental management systems and standards are the responsibility of our Vice President of HSE, supported by our Global Environmental Manager. Our global sustainability strategy—including environmental sustainability programs and initiatives to improve aspects of biodiversity—is the responsibility of our Vice President of Sustainability, supported by our Director of Environmental Sustainability.

Schlumberger uses a flexible, risk-based approach to manage and mitigate the environmental aspects and impacts of our activities, products, and services. This includes our environmental impact on nature and biodiversity. Our commitment to environmental protection requires that a minimum standard of environmental performance is established at each of the company's facilities regardless of local regulatory requirements.

Schlumberger's corporate environmental standard is supported by and implemented through a set of 30 geographically specific environmental standards in each of our GeoUnits and by additional environmental standards for certain business lines.





## NATURE *continued*

### Strategy

#### Key Environmental Issues

Based on information obtained from our customers as well as an internal review that assessed applicability, degree of impact, and risk, Schlumberger has identified three key environmental issues that are significant for our operations: unintended releases to the environment (including both well integrity and container integrity), water use, and GHG emissions. Our strategy on reducing GHG emissions is presented in “Strategy” in the Climate section of this report on p. 17 – 20.

#### 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, and this knowledge 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 M-I SWACO, a Schlumberger subsidiary, initiated the Environmental Spill Incident Review Program and conducted a data-driven analysis of spill incidents. 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 32% from 2016 to 2020.

#### Water Use Optimization

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 reuse 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 principal uses of water and includes the following:

- Risk assessment of the suitability, quality, sustainability, and reliability of the water supply to Schlumberger and, where applicable, to other relevant stakeholders
- Assessment of opportunities to improve water use efficiency
- 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.

#### Managing Facilities

The Schlumberger Global Facilities Management and Maintenance Standard defines our responsibilities associated with managing facility activities, with the goal of minimizing utility use and the impact of our activities on the environment. This standard is designed to assist employees in confirming that facility activities maintain compliance with Schlumberger policies and relevant local environmental legislation and directives.

We have several programs focused on lowering resource consumption and reducing waste by encouraging our workforce to reduce electricity usage, water usage, fuel and materials consumption, and waste, as well as to share environmental technologies, best practices, and innovations for environmental improvement.





## NATURE *continued*

One such program, Lean and Green, which is run by our Technology function, focused its 2020 efforts on facility upgrades and process improvements across key engineering centers. Key locations worked on reducing electricity, gas, and water consumption. The facilities teams focused on effectively managing all buildings outside of core operational times, as well as the continued rollout of LED lighting and the upgrading of building electrical systems to enable individual shutoffs to machinery and equipment.

### Environmental Management Standards and Certifications

#### ISO14001

In 2020, 609 Schlumberger sites and facilities worldwide were subject to environmental audit requirements due to the nature of the operations conducted at those sites, and 62 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.

#### Hazardous Waste

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 2020, more than 3,000 Schlumberger employees in the United States have received training associated with HAZWOPER programs and compliance.

### 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, and property,

as well as 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 life cycle of a chemical from product development, sourcing, procurement, manufacturing, and sale, to use and safe handling, transportation, and storage, to the end of the life cycle at disposal. The objective of the standard is to eliminate or mitigate the impact of chemical-related incidents by assessing and controlling the risks related to the different phases of the life cycle of chemicals sold as products, used in the delivery of services, or processed by Schlumberger.

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-based approach including a risk assessment process prior to introducing new chemicals and compounds to our operations, in order to maintain compliance with our strict safety standards.

All engineered and Schlumberger trade name chemicals go through our Lifecycle Management System, which includes an HSE and regulatory assessment. At the beginning of the life cycle 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 and developing and using more environmentally sustainable chemicals. When purchasing and designing chemicals, Schlumberger considers the chemical's life cycle up to and including disposition of the chemical.

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.

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, Authorisation and Restriction of Chemicals regulation (REACH). In the last decade, we developed a robust REACH compliance program, under which we achieved timely registration of 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.

### Risk Management

#### Managing Environmental Risk

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 GHG emissions. For more information on our climate change governance, strategy, risk management, and GHG emissions reduction, see ESG Disclosures and Performance Data: Climate (p. 16).

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 lines. 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.





NATURE  
*continued*

In 2020, we expanded our environmental risk management program to include a GHG emissions management component, which is used to assess the measurement, management, and mitigation of our Scope 1, 2, and 3 emissions. The program provides a management indicator on the maturity of our emissions-reduction programs across our business lines. In 2020, we successfully implemented our science-based emissions management program across all of our geographies and business lines, and will further develop it in 2021 and beyond.

Our environmental risk 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 (ISO) 14001:2015 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, and has provided letters of assurance 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.

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 environmental 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 that 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 life cycle. 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 to minimize potential harm.



NATURE  
*continued*

**Invasive Species**

Measures are implemented to avoid the potential for introductions of invasive species, including the transportation of substrates (such as 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 the original condition of the site prior to activities or 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 and any environmentally sensitive receptors. Minimum setback distances or restrictions are put in place for activity infrastructure in proximity to flood-prone areas, watercourses, 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.

**Metrics and Targets**

**2020 Performance Data**

As part of our ecosystem and biodiversity management plans, we have a measuring and monitoring plan which includes but is not limited to:

- 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.

Additionally, we track key environmental metrics internally through our centralized HSE reporting system. Having transparency on this data enables us to better manage our environmental impact. Below are some of the metrics relevant to nature and biodiversity.

**Water**

Our water data covers 100% of business operations at our facilities and includes water used for domestic purposes, equipment cooling, equipment washing, manufacturing, and testing, 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 decreased to 4.65 million m<sup>3</sup> in 2020 from 5.60 million m<sup>3</sup> in 2019. This water decrease came primarily from business activity changes resulting from the COVID-19 pandemic. In 2020, Schlumberger generated 487,000 m<sup>3</sup> of wastewater and recycled 187,000 m<sup>3</sup>, or 38%, of that wastewater.

**Waste**

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 2020, as a consequence of business activity changes associated with the COVID-19 pandemic, our waste volume decreased significantly, from 639,000 metric tonnes in 2019 to 140,000 metric tonnes. We recycled 31,000 metric tonnes, or 22%, of that waste, a slight decrease from the 2019 recycling percentage.

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.

**Site Activity**

Schlumberger is an energy services company; therefore, 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 2020 we drilled 443 wells (wellsites) with an average of 37 drilling rigs. Across our large footprint projects, Schlumberger drilled an average of 18,000 feet per month in 2020. In 2020, Schlumberger used a total of 40,437,930 m<sup>3</sup> of hydraulic fracturing fluid in its global operations, 37,968,138 m<sup>3</sup> of which relates to OneStim, a business line that we divested as of December 31, 2020. This figure includes water and chemical additives. Regarding diesel engines, at this time, we do not currently have plans to invest further in Tier 4 engines.





NATURE  
*continued*

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 2020, our industry-recognized number of incidents decreased to 26 from 28 in 2019. Our volume of hydrocarbons bulk-fluid spills decreased to 353 bbl in 2020 from 536 bbl in 2019. Our data for industry-recognized spills of hydrocarbon greater than 1 bbl over the past three years is shown in the following table:

Year	2018	2019	2020
Number of Industry-Recognized Incidents	44	28	26
Volume (US Barrels)	522	536	353

Facilities-Led Initiatives

Our global Lean and Green environmental program has been in place since 2010 and focuses on facilities-driven environmental efficiency projects. Some examples of projects targeting reduction in emissions, water, waste, and raw materials are:

- We continued a pilot program in North America for managing our utility consumption and spend. Through this program, which currently covers 48% of our North American facilities, we use an online platform to track our utility usage, identify outliers and opportunities, and manage reporting of energy and water usage, waste, and emissions.
- In 2020, our Iraq Sustainable Facilities Plan implemented a water treatment unit for camp water and sewage and improved waste management practices by using water dispensers and reuse of personal water bottles. This effort was in addition to HVAC upgrades and LED installations.

- In 2021, our Facilities function provided a capex fund for qualified facility initiatives aimed at reducing environmental impact. More than 140 projects were submitted, and of these, 32 projects were selected in 23 countries. More than half of these projects focus on Scope 2 reductions, but six key projects focus on water, waste conservation, or both.

Our Lean and Green environmental program reported a total of more than USD 500,000 of cost savings arising from 67 environmental efficiency projects in 2020.





## STAKEHOLDER ENGAGEMENT

Stakeholder engagement enables us to learn about both our positive and negative business impacts. The resulting insight is critical to our business because it helps us manage sustainability risks, identify new business opportunities, maintain our social license to operate, and increase the productivity of our workforce.

We actively listen to stakeholder feedback in order to align our business processes with applicable local and national priorities, as well as the needs and expectations of all our stakeholders at the societal and local level.

Our stakeholder engagement takes many forms. We meet regularly with investors, engage with customers, join industry initiatives and partnerships, participate in academic forums, conduct employee surveys, and attend local community meetings.

### Customers

Continuous engagement with our customers enables us to respond to and keep pace with their changing expectations around many issues in the energy 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 sustainability priorities. Customer engagement is done through strategic planning, which demands that we respond to environmental, social, and governance concerns in a manner that leads toward our sustainable existence in the communities where we live and work.

Our performance strategy is built around three major themes, all of which are focused on customer performance—a defining attribute in the new industry landscape. The “Strengthen the Core” theme is comprised of Operations Integrity & Efficiency, Customer Collaboration, and Capital Stewardship and is enabled by our people and technology. As part of this strategy, we recently strengthened our customer focus with new programs and improved analytics. This approach was underpinned by a formal global listening program designed in partnership with a leader in customer experience measurement and was deployed to key customers in all five of our Basins and all four Divisions.





## STAKEHOLDER ENGAGEMENT *continued*

The formal listening program has resulted in key insights to reinforce areas of strength and to identify improvement opportunities so that we can deliver an outstanding customer experience across all customer touch points.

These new additions support our existing program of regular operational safety, reliability, and performance reviews at the local, regional, and global levels. In 2020, we set a new record in safety and service quality performance for a third consecutive year despite the operational challenges caused by the COVID-19 pandemic.

### **Employees**

Schlumberger employed approximately 86,000 people representing over 160 nationalities at year-end 2020. Our employees are the most professional women and men in the oil and gas services industry, so we consider them to be the most credible ambassadors of Schlumberger and one of the company's most important stakeholder groups. Therefore, engagement with our employees is used to develop internal policies, standards, and processes.

### **Annual Engagement Survey**

We conduct an annual employee engagement survey to measure workforce engagement and general understanding and perception of our strategic initiatives. Our 2020 survey had a 90% participation rate, compared with an average of 81% for other companies. Our engagement index remained flat compared to 2019, despite the challenging 2020 environment, which translated to Schlumberger increasing its rank from the third to the second quartile of participating companies.

### **Performed by Schlumberger**

The Performed by Schlumberger (PbS) program engages employees by recognizing Schlumberger team members who have demonstrated exceptional levels of teamwork, innovation, and business impact for the company and its customers. The PbS program not only encourages excellence in Schlumberger,

but also recognizes and promotes cross-departmental teamwork throughout the company, further encouraging engagement. The highest honor is the CEO Award, which is presented in three categories: Customer Performance, Operations Excellence, and Innovation. Winning projects have created substantial business impact and strengthened our culture of excellence. In 2020, there were a record 880 PbS submissions, a 48% increase over 2019.

### **Schlumberger Active Campaigns**

Schlumberger has initiated a series of health campaigns to encourage employees to be more physically active. For example, our Active campaigns encourage employees 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 are also encouraged to share stories and pictures of their activities on an internal social networking platform. The app is used in more than 60 countries across all continents where we operate, with more than 5,000 Active app unique users worldwide.

Although the Active campaigns were primarily focused on employee health, they also encouraged our team members to be more actively engaged in all aspects of HSE. In 2020, the Active app was used to provide employees with appropriate information and recommendations on how to stay well and active when working from home—such as by providing videos of wellness techniques and home workouts for a range of fitness levels. 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.

### **Communities**

We strive to avoid harm to people, make a marked and positive impact wherever we work, and partner with our customers to support a stable operating environment in which communities and the energy industry can prosper.

Schlumberger focuses on understanding and managing the impacts of our operations, business relationships, and supply chain on people and society. 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 impacts on local economies can be measured in taxes, wages paid to local workers, promotion of our strong health and safety culture, social programs, and the wide range of initiatives we undertake to build supply chain capacity in communities.

The Schlumberger commitment to contribute to the development of communities worldwide is outlined in our Code of Conduct. We support and encourage a range of social programs informed by local issues—many of which are supported by employee volunteers—in line with our commitment to fulfill our contribution to the UN SDGs.

The SDGs provide countries and businesses with a consistent framework to align social and environmental programs to meet local and business needs and to focus sustainability efforts on the ground. To inform that focus, we have mapped SDG gaps by country for all countries where we have a physical presence. These gaps were assessed based on input from local teams, publicly available data, and interviews with local external stakeholders, including community representatives.

Since 2014, Schlumberger's Social Investment Management Guidelines have supported Schlumberger operations by planning, designing, implementing, overseeing, and disseminating social programs at the country and business level. By engaging with customers, local authorities, and community representatives to provide insights on local needs, resources, and systems and focusing on issues that matter locally, we are able to leverage our experience and resources to establish partnerships, empower communities, and drive positive impact that meets the expectations of all our stakeholders.



### 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 our performance around environmental, social, and governance issues. In 2020, our work to keep investors informed was acknowledged by Institutional Investor when Schlumberger was once again recognized in their All-American Executive Ranking as a Most Honored Company, Best CEO, Best CFO and Best Investor Relations.

Schlumberger uses many avenues to engage investors who seek perspective on the company, such as

- At speeches and conference presentations where 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 around our financial and operating results, and we answer questions from institutional investors and analysts.
- ESG-focused investor 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 members respond promptly to market inquiries.
- Through our annual Sustainability 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 early 2020 and throughout 2021 in response to the COVID-19 pandemic.

### Industry

Schlumberger manages and coordinates active relationships with numerous industry organizations. Most notably, we are members of the Energy Workforce & Technology Council (formerly PESA and AESC), American Petroleum Institute, Society of Petroleum Engineers, International Association of Oil & Gas Producers, and IPIECA. Schlumberger senior executives serve on the boards and advisory committees of these organizations. We hold nonpolitical positions and adhere to a do-not-lobby policy. As a result, these organizations 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 that works 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.

### 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 often provide technical support to regulatory officials who are interested in gaining practical understanding of the technologies and processes that can reduce emissions and our industry's carbon footprint. Schlumberger experts are widely consulted on a variety of technical topics,

and we engage with policy makers in a variety of non-political capacities, such as:

- 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 Energy Workforce & Technology Council (formerly PESA and AESC), twice a year Schlumberger trains Foreign Service Officers from the US 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 Summits Global Advisory Board, which has oversight on the topics, guest speakers, and other activities associated with the Bloomberg Sustainable Business Summits globally.
- We are a member of the National Petroleum Council (NPC), which provides advice on energy sourcing and energy security to the US Department of Energy.
- We actively participated in the NPC's CCUS study requested in 2017 by the US 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.
- We actively participated in the NPC's supplemental assessment to its Arctic Potential report requested in 2018 by the US Secretary of Energy to reassess the 2015 study and provide views on how the current regulatory environment could be enhanced. The [report](#) was finalized and published in 2019.
- We actively participated in the International Energy Agency's workshop on methane policy and regulation in 2020, focusing on the potential for new technologies to measure and reduce methane emissions.
- We support The Center for Strategic and International Studies and Resources for the Future.





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

- Solar Impulse Foundation
- SINTEF LowEmission Centre
- Columbia University SIPA’s Center on Global Energy Policy
- Rice University’s Baker Institute for Public Policy
- Rice University’s Baker Institute of Public Policy Carbon Capture in Texas Working Group
- Stanford University’s Natural Gas Initiative
- Stanford University’s Center for Induced and Triggered Seismicity industrial affiliates program
- World Petroleum Council
- Carbon Capture and Storage Association.

**Suppliers**

We want our suppliers to understand our sustainability focus so they can identify, assess, and respond appropriately to supply chain sustainability risks. Engaging with suppliers on sustainability issues is integrated into communication plans and often works most effectively through a blend of channels, including the tender process, kickoff meetings, quarterly business reviews, supplier forums, trainings, and written communications. Our sustainability engagement efforts focus on continuously improving our suppliers’ performance in relation to worker welfare, conflict minerals, keeping people safe, and tackling environmental risks.

As part of our net-zero commitment and to help us better manage the environmental footprint of our supply chain, we engaged CDP Supply Chain in 2021 to work with 500 of our logistics and purchased good and services suppliers on emissions disclosure. These 500 suppliers represent approximately 3.4 million tonnes of CO<sub>2</sub>e of our Scope 3 emissions.

**Key Suppliers**

In 2020, Schlumberger introduced a supplier segmentation program to categorize suppliers by commercial importance. Our Supplier Management (SM) Level 1 suppliers represent the most commercially important suppliers to Schlumberger, with a corresponding full management model. SM Level 3 suppliers are tail-end suppliers with a basic management model.

We further 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.

**2020 Suppliers**

Number of Total Suppliers with spend in 2020	40,200
Number of Critical Suppliers	759
Percentage of Total Spend on Critical Suppliers	10%
Number of SM Level 1 Suppliers	1,555
Percentage of Total Spend on SM Level 1 Suppliers	36%

**Keeping People Safe in our Supply Chain**

Schlumberger contractors in 2020 had over 368,500 valid training certifications registered in the company’s online QHSE business system. Applicable contractors are included in our New Employee Safety Training (NEST) program, which provides critical safety training to manage new employees’ increased HSE risks. We also have specific NEST trainings for short-term contracted employees. Additional details about our HSE training programs are in the “HSE Training” section (p. 38).

**Supply Chain Training**

The global nature of our business and the size and geographical diversity of our supply chain present several challenges. Success in engagement 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.

**Human Rights in our Supply Chain**

Schlumberger endeavors to work with suppliers that conduct business in a professional, ethical, socially responsible, 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.

Consistent with our recognition of the UN Guiding Principles on Business and Human Rights (UNGP), we are actively working to incorporate human rights due diligence within our supply chains. We prohibit any use or contracting, directly or indirectly, of child labor, forced labor, human trafficking, or any form of slavery and are committed to continuously improving the labor standards performance of our suppliers. In addition, through our human rights program and by actively engaging with our suppliers, we seek to influence the productivity of each of our suppliers’ workforces in recognition of the ways that substandard working conditions can lead to poor safety performance and poor business outcomes.



## STAKEHOLDER ENGAGEMENT *continued*

Since 2018, Schlumberger's cross-functional human rights working group, supported by senior leadership and consisting of representatives from the legal, supply chain, human resources, HSE, and sustainability functions, has overseen our efforts to identify and prevent exploitative work practices and modern slavery in our operations, value chain, and business relationships. In addition, Schlumberger's [Human Rights Position Statement](#) addresses human rights in the supply chain as a salient issue.

In 2020, we used the findings of a high-level human rights risk assessment of our global supply chain to improve our risk identification and assessment processes, including by launching a pilot project in four regions to assess our approach and standardize how we screen higher-risk suppliers. Other key supplier-related human rights activities included:

- Creating a dedicated role in our planning and supply chain organization to strengthen management and oversight of our sustainable supply chain program
- Developing a company-wide human rights training plan
- Updating our website with additional guidance for Schlumberger suppliers regarding, among other things, respect for human rights
- Integrating human rights moments into supplier performance reviews and supplier forums to better communicate our expectations on human rights
- Requiring our global staffing and recruitment agencies to complete an industry-standard human rights due diligence self-assessment questionnaire
- Refreshing our compliance audit tool for remote and onsite core audits, in line with our procedures as well as guidance relating to on-site labor assessments from IPIECA
- Developing an internal compliance audit tool for onsite self-assessments of Schlumberger facilities, piloted in Brazil, to identify specific indicators of human rights risk
- Establishing an anti-human trafficking working group in North America to increase awareness of the issues and mobilize employees to combat human trafficking.





## 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 are not just the right thing to do—they are business imperatives for attracting the best talent from around the world and enabling creativity and innovation to drive business success.

### **Diversity, Equity, and Inclusion**

One of Schlumberger's greatest strengths is the diversity of our workforce. Achieving increased nationality and cultural diversity and gender balance across all parts of our organization has been a focus for Schlumberger for many years. Our ability to attract and retain top talent enables us to develop innovative, fit-for-basin solutions for our customers and to implement our business strategies. We strive to promote and cultivate an atmosphere of equity and inclusion 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

Our employees represent more than 160 nationalities, with people from many different 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.

**160** Nationalities in our Workforce      **9** Nationalities in our Executive Leadership Team      **110** Nationalities among our Managers

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 also reflects the diversity of the company. Two of our ten directors are women. Among our directors, three are citizens of France, two are citizens of the United States, one is a citizen of Australia, one is a citizen of Norway, one is a citizen of Switzerland, one is a dual citizen of both Russia and Israel, and one is a dual citizen of both Argentina and the United Kingdom.

### Employee Resource Groups

To encourage a sense of belonging for all our employees, we have established several employee-led networks that support our inclusion culture by breaking down barriers and promoting equal opportunity for everyone. These employee networks help us to build a workplace for everyone and one that better reflects both our customers and the communities in which we live and work. In 2020, membership in our network of employee resource groups (ERGs) reached almost 7,000.

Our ERGs are global networks whose members engage and collaborate with each other to build an inclusive, global community. Below are some examples:

- **Connect Women:** Connect Women is an internal Schlumberger networking community, in which employees of all genders meet regularly to exchange ideas, promote gender equality, and support career progression within Schlumberger. In 2020, Connect Women organized 18 global webinars and roundtable discussions to promote self-development and knowledge sharing, which received more than 10,000 views. Connect Women's local chapters also hosted additional events.
- **Black Organization for Leadership & Diversity (BOLD):** In the United States, the Black Organization for Leadership & Diversity (BOLD) strives to foster a work culture in which employees of African descent feel valued and empowered. BOLD supports the company's efforts for recruitment, advancement, and career development for this underrepresented group. BOLD is open to all employees who are interested in the promotion and advocacy of equality in the workplace, and its membership is not limited by race, ethnicity, or geography.
- **LGBT+Allies:** We strive to foster a culture where employees who identify as lesbian, gay, bisexual, transgender, or nonbinary are encouraged to be their authentic selves and are respected as valued members of the Schlumberger team. Supported by a sponsor from the executive team, in 2020 our LGBT+Allies ERG held a webcast attended by more than 3,000 employees around the world to raise awareness at all levels and provide guidance on supporting our LGBT+ colleagues across the company.
- **Veterans:** The Schlumberger Veteran Program seeks to empower veterans through successful recovery and transition after military service, and our Veterans Resource Group supports that effort. Through this program, Schlumberger representatives host or participate in veteran community engagement events at universities, military bases, and certain Schlumberger facilities.

### Racial Equality

In the United States, 34% of our employees identified as a member of an underrepresented group as of December 2020. As such, we have a number of ongoing initiatives related to racial equality, including our BOLD ERG. We also chaired the Racial Equality Task Force of the Energy Workforce & Technology Council (the Council), which in 2020 developed an action plan and working groups that are continuing to meet to discuss diversity, race and ethnicity topics. The task force's findings on racial injustice were incorporated into the Council's 2020 Diversity and Inclusion business champion training program, from which more than 50 Schlumberger employees have graduated. That content is being carried over into the 2021 program curriculum.

### Veterans

In 2020, the Schlumberger Veteran Program worked closely with Honor Flight Houston to identify US World War II veterans who had served in France during the war. With the help of the French Consulate General in Houston, we submitted their service records to the Grand Chancellor of the Legion of Honor in Paris, for review to receive the Legion of Honor, the highest French order of merit. Ultimately, eight veterans were awarded the coveted medal. Representatives from Schlumberger and the French Consulate General met with each veteran in person as they were presented the Legion of Honor medal.

Since 2018, Schlumberger has been recognized as a Military Friendly® Employer each year by VIQORY, which rates companies on their programs to recruit and retain veteran employees. The 2020 recognition was upgraded to "gold" status, and Schlumberger was listed as a Top Ten Military Friendly Employer. In addition, early in the COVID-19 pandemic, members of the Schlumberger Veteran Engagement Team sewed hundreds of face masks to donate them to first responders.



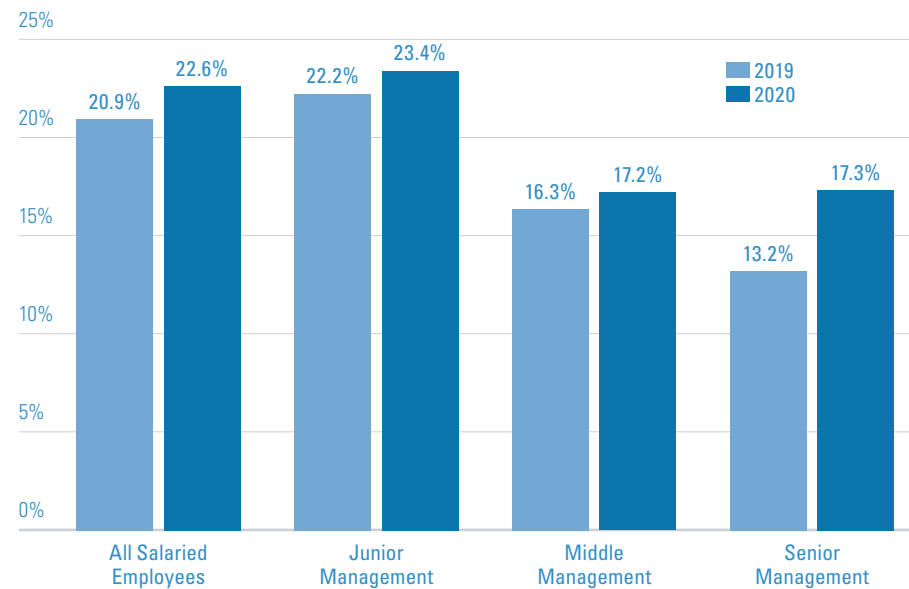


### Gender Balance

We incentivize Schlumberger managers to continuously challenge gender stereotypes and to monitor and increase the representation of women within their teams. At year-end 2020, our gender balance milestone was for women to 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 was based on achieving our annual internal gender balance objectives as part of that 2025 goal. Beginning in 2021, we set our next milestone to continue our progress—for women to comprise 30% of our salaried workforce by 2030.

In 2020, we made significant progress on our gender balance strategy, particularly in leadership roles. We increased our female salaried workforce by 8% year-over-year, from 20.9% in 2019 to 22.6% in 2020. Women held 17.3% of all senior management roles at the Company in 2020, a 31% increase year-over-year.

#### FEMALE REPRESENTATION IN MANAGEMENT AND LEADERSHIP POSITIONS



In addition, women represented approximately 45% of our 2020 hires of salaried employees with STEM backgrounds, up from 40% in 2019.

Year	Hires with a STEM Background, % Women
2019	40%
2020	45%

Schlumberger continually monitors the progression of women in technical roles and compensation equality for women and men across all roles globally, with the goal of maintaining pay equity. We comply with applicable laws and regulations in various jurisdictions requiring reporting of gender diversity and pay parity data.

Our gender balance journey is further supported by several ongoing initiatives and forums related to improving gender balance, focused on recruitment, professional development, education and mentorship. We also have various annual programs, including in 2020, a refresh of the global standard for the female-friendly work environment particularly aimed at women in the field.

Among our key metrics, policies, and practices across the talent development life cycle that support diversity and gender balance are the following:

PAY EQUITY IN HIRING AND AT ALL LEVELS			
	Recruiting	Employee Experience	Promotion and Staffing
<b>Key metrics</b>	Gender balance of hires Number of target schools and universities Gender balance of recruiters	Employee engagement index by gender and nationality % female retention % women in field, technical, and leadership positions	% women assigned to key roles % women and underrepresented nationalities (URNs) in leadership pipeline % women and URNs in succession pools
<b>Global policies</b>	Recruiting standard	Dual career standard Minimum parental leave policy	Performance management Talent management standard
<b>Practices and processes</b>	Recruiter bias training	Employee engagement survey Inclusive leadership training Women in the Field survey Field location audits for being female friendly	Performance appraisal Review of female and URNs representation in talent identification and succession planning processes Mentoring programs

### Centralized Compensation Process

Our philosophy is to offer a comprehensive and balanced compensation and benefits package to all our employees. This is guided by a defined framework and independently managed by our Human Resources function to provide a gender-blind, unbiased evaluation of remuneration levels based on skills.

### Talent Management Process

- **Performance Appraisal:** Every employee is assessed on their inclusive behaviors during their annual performance appraisal. We analyze performance appraisals every year across the organization to identify potential gender bias in the evaluation of employees. All managers receive an annual refresher on conducting performance appraisals.
- **Talent Identification:** To actively maintain our leadership and key expertise talent pipeline, top performers in every team are identified annually across the company. We perform a systematic validation of the representation of women and URNs as part of this process to maintain fair and equitable access to technical, functional, and operational leadership roles.



- **Succession Planning:** Succession planning is conducted for every management role across the company and reviewed annually. All succession pools are systematically reviewed to take into account gender and nationality diversity of the candidates in line for management roles. For senior leadership roles, additional discussions take place to identify areas of development and potential sponsorship needs.

### Dual Careers

First introduced in 2007, our dual career standard sets fair and consistent global guidelines to cover career continuity and development for a couple when both members are Schlumberger employees. It also provides standardized guidance and support when a partner is employed by another company. In addition, the company sponsors an affiliated dual career program to support a member of the couple with employment or training opportunities abroad when they follow their partners in an international move. The standard covers all dual career employees, including same-sex partners.

### Parental Leave Policy

We have had a global Parental Leave Policy since 2008 that sets a minimum paid leave of 12 weeks for the primary caregiver (including adoption) in every country in which we operate and includes support for returning parents.

### Empowering Women in Technology

Schlumberger participates in several internal and external initiatives to support women at Schlumberger and, more broadly, women's careers in technology. In 2020, we supported the Women's Global Leadership Conference in Energy through sponsorship and a range of speakers. We also had a strong recruiting presence at the virtual career fair in the summer of 2020.

In the United States, 53% of attendees were women at our 2020 virtual field camp where students enjoyed an insight into field-life through an event hosted by our Recruiting team.

### 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 all our employees regardless of age, and Schlumberger is dedicated to supporting employees in their growth journeys at every step of their career through continuous learning and knowledge sharing.

### Diversity and Inclusion Training

Schlumberger employees are expected to treat one another professionally, based on 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. During 2020, we maintained more than 95% compliance for our Respect in the Workplace training.

In 2020, we updated and globally rolled out our specialized diversity and inclusion training for Human Resources professionals. The HR function comprises important influencers at the local level, helping to create an inclusive culture to stimulate the conversation about diversity and inclusion.

### Learning and Development

As Schlumberger is 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. The challenges of 2020 did not halt the growth of our employees; rather, by using technology and evolving our capabilities, we enabled our employees to continue their career growth, advance their skills, and continuously learn.

Learning opportunities are available to all full- and part-time employees and contractors around the world. They are 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 and ecosystems 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 role in their learning journey and to 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 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 2020, we provided 231 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 microlearning 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, recertification, or refresher training based on their specific roles and responsibilities, work environment, geographic location, and activity risks. Additional details about our HSE training programs are in the section of this report titled "Health and Safety" on p. 47.





## 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. The 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 delivered more than 1,250 training sessions in 2020 and has trained more than 70,000 E&P professionals worldwide.

## Learning Centers

Our global network of learning centers is primarily designed to deliver our technical programs. Our learning facilities include classrooms, wells, rigs, and workshops, and use emerging technologies such as virtual reality. The courses are delivered both in person and virtually 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 or remotely access 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, as well as technical, safety, personal development, business, and managerial courses.

In 2020, in response to the COVID-19 pandemic and the need to reduce travel for training purposes, thousands of employees were enrolled in our virtual learning programs instead. Trainees were enrolled in our COVID-19 Protection Plan that enabled them to progress their training virtually while working from home. Those employees assigned to new positions were also able to access virtual instructor-led training, online modules, and facilitated networking, accelerating their time to performance. Traditional courses have evolved as we permanently integrate virtual offerings into our structured learning programs, and despite the COVID-19 pandemic, in 2020 we completed more than 187,350 in-person and virtual training days across our global learning centers.

## 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 energy transition, the development of adaptive business models, artificial intelligence (AI), machine learning (ML), 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 graduates of local universities 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. In 2020, we received approximately 108,000 job applications and recruited across 58 countries and 363 universities, encompassing more than 67 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, 2020, 20 Schlumberger senior leaders sat on advisory boards at 13 universities.



#### Partnership with Télécom Paris

Schlumberger continues to expand its AI collaboration with Télécom Paris university in France. The Schlumberger Clamart AI Lab, together with other partners, established the NoRDF Project with the goal to generate disruptive technologies around natural language modeling and extracting complex information from text. Schlumberger also sponsored the 2020 International Collegiate Programming Contest hosted by Télécom Paris and École Polytechnique, involving 80 teams of three participants each. Conference attendees also voted Schlumberger's digital initiatives presentation to all students in November 2020 as the best industry presentation of the year.

#### Collaboration with Norwegian University of Science and Technology

Our Norway Technology Center continued its five-year collaboration with the Department of Geoscience and Petroleum at Norwegian University of Science and Technology (NTNU). Our innovation project focuses on optimizing an integrated workflow of reservoir characterization, modeling, and completion while drilling, with an aim to develop new integrated digital tools and workflows. Together with supporting postdoctoral positions, this collaboration also maintains the server for the Petroleum Cybernetics Group at NTNU.

#### Support of the ESIEE Paris Clean Room

ESIEE Paris, a graduate school of engineering specializing in electronics, microelectronics, and computer sciences, has hosted Schlumberger activities in their 650-m<sup>2</sup> clean room for more than 20 years. Schlumberger and ESIEE Paris continued this partnership in 2020, enabling continued development and fabrication of sensing element chips. In 2020, Schlumberger joined with other industrial users of the ESIEE clean room in discussing common technical interests and promoting potential collaborations.

#### Partnership with the Massachusetts Institute of Technology

We conducted several projects in partnership with the Massachusetts Institute of Technology (MIT), despite pandemic-related challenges. We sponsored two six-month capstone projects with students from the MBA program in business analytics at the Sloan School of Management. The projects developed advanced techniques in uncertainty quantification for ML-based petrophysical interpretation and use of deep reinforcement learning for automating parameter selection in wellbore data processing. Additionally, we sponsored a postdoctorate project with the Department of Aeronautics and Astronautics to develop a proof of concept in use of Bayesian inference using transport maps for critical tasks that arise in the Wireline 4.0 road map, as well as two master's degree projects with the Department of Mechanical Engineering and Center for Ocean Engineering on the use of proxy robots for underwater perception. We also continued our sponsorship of the CSAIL Alliances program, benefiting from close access to the research advances being made within the wide domain of AI and ML, as well as from focused collaborations with the CSAIL faculty members.

#### Partnership with Harvard University

Our active collaboration with Harvard University continued in 2020 even during the height of the pandemic. The US Department of Energy's Advanced Research Projects Agency-Energy (ARPA-E) has funded a joint project between Harvard and the Schlumberger Doll Research Center (SDR) on the development of miniaturized nuclear magnetic resonance (NMR) technology as a multiyear collaboration. Through this project, SDR hosted two postdoctoral scholars and donated NMR equipment to Harvard. Harvard is a strategic collaborator, and a number of SDR scientists have an ongoing affiliation with Harvard as visiting scientists or associates.

#### Compensation Arrangements

As part of our total compensation package, we systematically offer non-cash benefits related to life and accident insurance, short and long-term disability coverage and retirement savings plans to part-time and full-time employees. All Schlumberger employees globally are also eligible to receive awards under Schlumberger's equity stock plans, in the sole discretion of the Board's Compensation Committee, as described in our [2021 Proxy Statement](#) (p. 70 and B-2).

Schlumberger employees are encouraged to freely discuss their occupational interests with management, including the right to collective bargaining, in good faith and in accordance with local laws. Schlumberger actively participates in collective bargaining agreements with employees in several countries.





# EDUCATION

We believe that contributing to the social development of communities through the active educational advancement of young people, especially girls, marginalized people, and underrepresented groups, is fundamental to driving better performance for all of our stakeholders. Our global educational programs support the UN SDG 4, Quality Education, focused on ensuring inclusive and equitable quality education and promoting lifelong learning opportunities for all. Our programs offer Science, Technology, Engineering, and Math (STEM) learning opportunities for young people, help students understand and adopt HSE-related standards, and fund women from lower-middle- and low-income economies to pursue advanced graduate studies in STEM subjects at top universities worldwide.

### Schlumberger Excellence in Education Development

Founded in 1998, the Schlumberger Excellence in Education Development (SEED) program encompasses a range of STEM-related activities including school workshops, professional development for STEM teachers, coding clubs, competitions, facility tours, and classroom connectivity. Together with local educators, Schlumberger volunteers around the world share their passion for learning and science with young people, encouraging them to learn more about STEM subjects through inquiry-based learning and hands-on science experiments. Worldwide, more than 100,000 students participated more than 1,400 SEED events in 2020.

In 2020, the COVID-19 pandemic acted as a catalyst to shift the way young people learn, and consequently, the way we deliver the SEED program. In Russia and Central Asia, 200 volunteers began supporting distance learning solutions, offering remote mentoring and online educational resources. This newly adopted virtual learning format enabled us to partner with key customers to successfully complete 51 virtual workshops for more than 9,000 school children in five countries. We also further strengthened our global SEED strategy to focus on developing shared values with the communities where we live and work—for example, by encouraging young people to use STEM learnings to create a more sustainable future, improving talent and increasing diversity in our local hiring pools, and narrowing the gender imbalance in the energy industry.





EDUCATION  
continued

**Our Theory of Change**

Our theory of change articulates how STEM activities are expected to ignite change in young people and their communities. It serves as our goals for operationalizing SEED programs.

- Learning by Doing – Deliver active, inquiry-based learning, structured around local problems to enable social change through innovation and action
- Transformation – Use STEM activities to build the capacity of local educators, young people, and communities
- Involvement – Lead from below and rely on the passion and expertise of our employee volunteers to drive programs
- Relevance – Establish partnerships to provide insights on local needs, resources, and systems to further support efforts

SEED	2020
Number of Engagements	1,416
Students Involved	102,884
Teachers Participating	2,264
Schlumberger Employee Volunteers	359

**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 SDG 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 721 women from 80 countries have received Faculty for the Future fellowships to pursue PhD and postdoctorate STEM research programs at 276 universities and research institutions around

the world. In 2020, the Schlumberger Foundation awarded 38 new fellowships and renewed 93 fellowships. Faculty for the Future Fellows are expected to return to their home countries upon completion of their studies 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 her 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 influencing their community. In 2020, there were no forums due to the challenges as a result of the COVID-19 pandemic. Forums are expected to resume in November 2021.

Faculty for the Future by the numbers	2020
New Fellowships Awarded in 2020	38
Fellowships Renewed in 2020	93
Alumnae’s Home Countries	80
Total Fellows and Alumnae Since 2004	721
Host Universities and Research Institutions	276

**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 prevention of HIV/AIDS, malaria, and Ebola. We aim to inform and empower young people to make responsible and safer decisions regarding health, safety, and environmental issues.

In 2020, more than 2,400 young people participated in 1,110 HSE for Youth workshops held across 58 countries. The overwhelming majority of those were virtual workshops developed to address the COVID-19 pandemic and provide participating students with information about the virus and how to keep themselves and others safe. Through an app and video conferencing capabilities, our volunteers engaged with students on topics like physical distancing, washing hands, and how to look after each other at home during lockdowns. Adopting a virtual learning model enabled parents and facilitators to engage with children safely without needing to meet in person.

HSE for Youth by the Numbers	
Topics	Number of workshops by topic covered
COVID-19	1,092
Climate Change and Environment	7
Internet Safety	3
Injury Prevention	2
Road Safety	2
Malaria	2
Personal Security	1
First Aid	1
<b>Total</b>	<b>1,110</b>





## HUMAN RIGHTS

Schlumberger is committed to conducting business in a manner that preserves and respects human dignity. Our commitments to respecting human rights are reflected in our [Code of Conduct](#), [Human Rights Position Statement](#), [Conflict Minerals Position Statement](#), [Working Conditions Requirements](#), and other policies and procedures. We seek to apply these commitments to all Schlumberger operations, value chain, and business relationships, 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.

Schlumberger manages its human rights program, which encompasses modern slavery and human trafficking issues, as an integrated program with overarching policies, systems and processes that are designed to be consistently applied at our operating locations across the company. Our [2020 Modern Slavery Statement](#) outlines our policies and actions with respect to the prevention of slavery and human trafficking within our own operations, value chain, and business relationships.

Schlumberger is also a participant member of the [United Nations Global Compact](#), supporting and integrating its Ten Principles on human rights, labor, the environment, and anticorruption into our global operations. We demonstrate our commitment to the Ten Principles through responsible environmental and social sustainability, which is an integral part of our culture and the way we operate.





HUMAN RIGHTS  
continued

**Our Human Rights Focus Areas**

We have identified five key human rights focus areas relevant to our global operations, as reflected in the below chart. We believe these focus areas cover Schlumberger’s salient human rights issues, as defined in the UN Guiding Principles Reporting Framework.



**In the Workplace**

Schlumberger’s Working Conditions Requirements, first published in 2005 and updated in 2019, promote a respect for the rights and welfare of our employees and those working within our supply chain. The Requirements set out nine principles to assist our operations and suppliers in reviewing performance in the area of human rights in the workplace:

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

Beyond applicable legal and regulatory requirements, the 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, consistent with our expectations for our own workplaces.

**Gender Identity and Sexual Orientation**

The mission of Schlumberger’s LGBT+Allies Employee Resource Group is to foster a culture in which all people, including those who identify as lesbian, gay, bisexual, transgender, or nonbinary, are respected as equals, celebrated as individuals, and free to be their whole selves at work and beyond.





## HUMAN RIGHTS *continued*

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. 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.

### 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 our 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 the 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.

### 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

#### Stakeholder Engagement in Ecuador

The Schlumberger team in Ecuador, in collaboration with our customers, engaged with local authorities and indigenous community leaders to better understand the social impacts of COVID-19 in our area of operations. Following these discussions, Schlumberger began having community representatives monitor effective implementation of COVID-19 site management protocols at work sites and organizing donations of Personal Protective Equipment (PPE) to hospitals, local health authorities, and communities more broadly.

In 2020, following the issuance of our COVID-19 Management Standard, we prepared an appendix to this standard setting out recommended community relations actions for Schlumberger’s local operations teams in response to the pandemic. Recognizing that the COVID-19 pandemic has had significant, complex, and lasting impacts on many of the communities where we live and work, local teams in Ecuador, Colombia, Mexico, Nigeria, and India completed rapid risk assessments to understand how they could best support community stakeholders in planning, responding to, and recovering from the impacts of the pandemic.

### 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 energy activities are undertaken on lands traditionally owned by or under customary use of indigenous peoples.

Schlumberger was one of the first energy services companies in Australia to develop a [Reconciliation Action Plan](#) to develop and strengthen relationships with Aboriginal and Torres Strait Islander peoples of Australia. In 2020, Schlumberger’s Canada team, building on its existing Indigenous Relations Policy and Indigenous Engagement Leadership Statement, were recognized as [PAR committed](#) in the Progressive Aboriginal Relations certification program that confirms corporate performance in Aboriginal relations.

#### Supporting Indigenous Students in Canada

Indigenous people are major stakeholders in the energy industry in Canada. In order to reach students early so that they can succeed in our industry, Schlumberger partners with the Literacy for Life Foundation to deliver literacy and reading programs in 44 schools across 17 communities, reaching out to more than 6,000 students in 2020, including 1,825 First Nations students.



HUMAN RIGHTS  
continued

Supply Chain

Schlumberger endeavors to work with suppliers that conduct business in a professional, ethical, socially responsible, 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 are committed to respecting human rights across our Planning and Supply Chain organization, including by partnering with our suppliers to prevent modern slavery in our supply chain, protect labor rights, and promote a safer, secure, and inclusive working environment.”

Gwenola Boyault  
Vice President Planning & Supply Chain

Consistent with our recognition of the UN Guiding Principles on Business and Human Rights (UNGPR), we are actively working to incorporate human rights due diligence within our supply chains. We prohibit any use or contracting, directly or indirectly, of child labor, forced labor, human trafficking, or any form of slavery and are committed to continuously improving the labor standards performance of our suppliers. In addition, through our human rights program and by actively engaging with our suppliers, we seek to influence the productivity of each of our suppliers’ workforces in recognition of the ways that substandard working conditions can lead to poor safety performance and poor business outcomes.

Since 2018, Schlumberger’s cross-functional human rights working group, supported by senior leadership and consisting of representatives from the legal, supply chain, human resources, HSE, and sustainability functions, has overseen our efforts to identify and prevent exploitative work practices and modern slavery in our operations, value chain, and business relationships. In addition, Schlumberger’s [Human Rights Position Statement](#) addresses human rights in the supply chain as a salient issue.

In 2020, we used the findings of a high-level human rights risk assessment of our global supply chain to improve our risk identification and assessment processes, including by launching a pilot project in four regions to assess our

approach and standardize how we screen higher-risk suppliers. Other key supplier-related human rights activities included:

- Creating a dedicated role in our planning and supply chain organization to strengthen management and oversight of our sustainable supply chain program
- Developing a company-wide human rights training plan
- Updating our website with additional guidance for Schlumberger suppliers regarding, among other things, respect for human rights
- Integrating human rights moments into supplier performance reviews and supplier forums to better communicate our expectations on human rights
- Requiring our global staffing and recruitment agencies to complete an industry-standard human rights due diligence self-assessment questionnaire
- Refreshing our compliance audit tool for remote and onsite core audits, in line with our procedures as well as guidance relating to on-site labor assessments from IPIECA
- Developing an internal compliance audit tool for onsite self-assessments of Schlumberger facilities, piloted in Brazil, to identify specific indicators of human rights risk
- Establishing an anti-human trafficking working group in North America to increase awareness of the issues and mobilize employees to combat human trafficking.

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 circumstances 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 conduct 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.

Schlumberger Timeline—Human Rights Efforts

2005	Developed guidelines related to working conditions and eligibility for supply chain contractors.
2009	Established social risk management process and began conducting social risk assessments for large-footprint projects in sensitive operating environments.
2010	Reviewed 400 statements of company policy and standards against guidance from the Business Leaders Initiative on Human Rights.
2011	Completed a review of customer and peer human rights statements and policies to improve our understanding of the UN Protect, Respect, and Remedy Framework.
2013	Introduced a new Social and Environmental Management Standard that recognizes International Finance Corporation Performance Standards as a key point of reference for our large-footprint projects.
2014	Revised our Personnel and Asset Security Standard to incorporate references to the Voluntary Principles on Security and Human Rights.
2015	Initiated alignment of our Sustainability program with the United Nations SDG
2017	Became an associate member of IPIECA, the global oil and gas industry association for environmental and social issues, the first oilfield services company to do so.
2018	Published Schlumberger Human Rights Position Statement.
2019	Commissioned a research consultancy to assess the risk of modern slavery and labor exploitation in our supply chain.
2020	Established an anti-human trafficking working group in North America.





## 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 that 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 2020 by decreasing our industry-recognized Automotive Accident Rate per million miles (AARm) by 23% and our Total Recordable Incident Rate per million workhours (TRIR) by 34% year-over-year. 2020 was our best year on record in terms of our TRIR.

### 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.





## HEALTH AND SAFETY *continued*

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.

### COVID-19 Response

With the COVID-19 pandemic at the forefront of decisions made in 2020 and 2021, Schlumberger demonstrated global efforts focused on putting people and safety at the center of everything we do—a representation of sustainability in action. Because we had identified pandemics as one of our enterprise-level risks prior to the outbreak of COVID-19, we were able to take a proactive approach to our response—quickly implementing a comprehensive outbreak management plan and adapting our work practices. Our approach does not stop at the site or the office door—our initiatives also contributed to the safety of the people in the communities where we live and work.

Additional details about our COVID-19 response procedures and actions are in the section of this report titled “Sustainability Highlight 2020: COVID-19 Response” (p. 4).

### Workplace Well-being and Mindfulness

In 2020, Schlumberger expanded its wellness and employee assistance programs. These programs provide employees and their family members with well-being articles, podcasts, toolkits, and access to experts and resources in key life areas including relationships, managing anxiety, and finding help with care for children or elderly relatives.

Schlumberger volunteers also founded a Workplace Wellbeing & Mindfulness special interest group in 2020, sponsored by senior management and co-led by our Global Health Advisor. Throughout the year, the group offered nine global webinars on topics including well-being, mindfulness, and emotional intelligence, which gathered more than 2,200 participants. They also organized 15 weekly mindfulness sessions with activities such as yoga, meditation, and journaling, which were open to all employees and their families and were led by company volunteers, certified yoga instructors or practitioners, and external teachers.

### Health Campaigns

In 2020, many of our ongoing health campaigns transitioned to virtual events and activities that our personnel could participate from home. Examples of regional health campaigns covering a variety of health and well-being related subjects include:

- In the Russia & Central Asia Basin, local teams held 138 safety meetings covering health-related topics such as fatigue management, healthy nutrition, staying active and developing new interests and skills using books and online learning.
- In Malaysia, a licensed counselor from a health care partner presented four webinars broadcast to approximately 400 attendees on the subjects of self-care and well-being when working from home. Approximately 250 personnel participated in a Move for Mental Health challenge to mark World Mental Health Day.
- In Singapore, a wellness webinar was held for personnel working from home, approximately 400 people participated in our 25-day health and well-being challenge, and the local HSE team deployed nutritional health nudges in our manufacturing facilities.
- In the United Kingdom, our team developed a well-being app and a mental health first aid program.

- In Norway, Schlumberger team members conducted two 8-week activity campaigns with 77 teams completing more than 20,000 exercise sessions. In addition, we targeted well-being campaigns to our offshore workforce.
- In Egypt, campaigns were run on breast cancer awareness and the seasonal flu, and health checkups were conducted in collaboration with the Ministry of Health.
- In Oman and Africa, our teams initiated virtual heart healthy campaigns.

### Schlumberger Active Campaigns

Schlumberger has initiated a series of health campaigns to encourage employees to be more physically active. For example, our Active campaign encourage employees 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 are also encouraged to share stories and pictures of their activities on an internal social networking platform. The app is used in more than 60 countries across all continents, with more than 5,000 Active app unique users worldwide.

Although the Active campaigns were primarily focused on health, they also encouraged our team members to be more actively engaged in all aspects of HSE. In 2020, the Active app was used to provide employees with appropriate information and recommendations on how to stay well and active when working from home—such as by providing videos of wellness techniques and home workouts for a range of fitness levels. 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.





HEALTH AND SAFETY  
*continued*

**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 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 each Schlumberger geography, business line and function to 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:

- Regular conformance checks on day-to-day standards and procedures (referred to in the diagram at left as “control”)
- Conformance checks on the management system as a whole (referred to in the diagram at left as “correction”)
- As needed, appropriate modifications to the management system (referred to in the diagram at left as “improvement”).

Our QHSE Management System comprised 27 global standards, which we require be implemented at 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 ISO, American Petroleum Institute (API), or Occupational Health and Safety Assessment Series (OHSAS) standards. Additional details regarding our system’s alignment to third-party standards and certifications can be found on p. 26 of this report.

Schlumberger’s HSE Management System uses a risk-based approach, which enables 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:

- Statement of intent
- Objective of the standard
- 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 line, and location—for which 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 regularly updating it 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 to review the Schlumberger HSE standards and 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 2020, we revised the following global HSE standards: HSE Event Reporting and Management; PPE; Business Continuity, Emergency and Crisis Management; HSE Training; Training and Competency – Operations System; Auditing; Environmental Management; Schlumberger Empowerment Teams; Management of Change and Exemption; Contractor Management; Hydrogen Sulfide; Fire Prevention and Mitigation; Injury Prevention; Radiation; Explosives; Well Integrity; Chemical; and Electrical Safety. We also developed two new global standards in 2020: Lithium Battery and COVID-19 Management.



## HEALTH AND SAFETY *continued*

### Independent Assessments

Schlumberger's corporate and support functions' management system, procedures, and processes have undergone a review and independent assessment to verify the system's alignment with ISO 9001:2015, API Spec Q2 1st edition, and API Spec Q1 9th edition specifications. In addition, seven business lines conducted a similar global exercise during the six-year period ending in 2020, and received certificates indicating their specific processes, procedures, and appendices to the global Schlumberger standards were aligned with the ISO 9001:2015 and API Spec Q2 standards.

Our global Environmental Standard been evaluated against the requirements of ISO 14001:2015 on a clause-by-clause basis, and an independent certifying authority has provided a letter of assurance verifying alignment. The standard has also been independently assessed to determine alignment with the International Finance Corporation (IFC) Environmental Performance Standards (2012 edition), and a statement of assurance was provided for alignment with IFC Performance Standard 1, Assessment and Management of Environmental and Social Risks and Impacts; IFC Performance Standard 3, Resource Efficiency and Pollution Prevention; and IFC Performance Standard 6, Biodiversity Conservation and Sustainable Management of Living Natural Resources.

### 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.

Examples of manager involvement in HSE, as applicable based on area of responsibility, include:

- 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 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 some cases these 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 multiyear 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. This campaign has 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
- 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
- implementation of improved processes for monitoring and increasing compliance with company requirements
- a wide range of recognition programs based on Schlumberger SAFE campaigns for individuals, teams, locations, and geographic initiatives and improvements.





HEALTH AND SAFETY  
continued

We have also used Schlumberger SAFE Forums to introduce 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. One Schlumberger SAFE Forum was held in early 2020 prior to the widespread outbreak of COVID-19. We have transitioned to using virtual tools to disseminate new resources, updates, and engagement materials as a result of the COVID-19 pandemic.

**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, and 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.

Each SET identifies location-specific HSE issues, provides solutions and best practices, and assists with the implementation of company-wide HSE recognition programs. For example, the global SET network was critical to the successful rollout of our COVID Life-Saving Rules campaign in 2020. 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 are judged on criteria such as innovation and improvement impact.

**IOGP Life-Saving Rules**

From our CEO and executive leadership to our frontline workforce, the Schlumberger team is committed to achieving and sustaining our goal of having fatality-free operations. A key focus of this goal is on compliance with the International Association of Oil and Gas Producers (IOGP) Life-Saving Rules, which Schlumberger actively participated in developing. In 2020, more than

98.3% of all Schlumberger field personnel completed training on the Life-Saving Rules, which training is required of all nonoffice personnel. In addition, the Life-Saving Rules have been incorporated into our new employee and new contractor safety training packages, and an e-learning package is available for refresher training.

**COVID-19 Life-Saving Rules**

In 2020, we developed a specific set of COVID-19 Life-Saving Rules using the principles of the IOGP Life-Saving Rules. We rolled out the COVID-19 Life-Saving Rules across our global organization and supported the campaign through monthly initiatives, including personal video messages recorded by our CEO and other members of executive leadership team.

## COVID-19 Life-Saving Rules

- I
**ASSESS**
  - I evaluate my exposure risk related to COVID-19
  - I complete my health self-assessment, truthfully, before working or traveling
  - I check in *One Site Pass* before going to a working location
- I
**PREVENT**
  - I wear my face mask/cover as required by local authorities, customers or SLB
  - I wash or sanitize my hands frequently
  - I maintain physical distancing and avoid person-to-person contact
- I
**PROTECT**
  - I follow the rules set for quarantine and isolation
  - I stay at home if I am sick or a member of my household is sick
  - I save lives. I do not put myself, my family, my friends or my colleague's lives at risk

I will behave responsibly. **Always.**



## HEALTH AND SAFETY *continued*

All employees were required to complete an online training module on the COVID-19 Life Saving Rules following the roll-out. In record-breaking time, more than 89,000 employees and contractors completed their certifications, including more than half our workforce in just eight days and approximately 90% of our workforce in less than one month. To materialize the learning and turn it into engagement, we followed the initial campaign with a global contest in which all employees were invited to showcase the best examples of practical application of the COVID-19 Life Saving Rules. Teams from around the world participated with more than 100 videos, photos and messages demonstrating the endless creativity and resilience of the Schlumberger workforce during the pandemic. The campaign recognized the locations that displayed the best personalization and engagement with the COVID-19 Life-Saving Rules.

We shared our COVID-19 Life-Saving Rules initiative with our customers and contractors as well as the wider oil and gas industry at conferences and through participation in industry trade association meetings and forums, such as with IOGP, IPIECA, and the Regional Association of Oil, Gas and Biofuels Sector Companies in Latin America and the Caribbean (ARPEL).

### HSE Auditing

Schlumberger has implemented a global risk-based approach to our HSE auditing and inspections process, including requiring 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 2020, we recorded more than 220, 800 audits and inspections in Schlumberger's global online QHSE business system. More than 19,400 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. Our 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 2020. Schlumberger's 2020 fatal accident rate for employees and contractors was 0.95 per 100 million workhours. 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.

No work-related illness fatalities occurred at Schlumberger in 2020.

Schlumberger also tracks employees' nonoccupational illness fatalities, such as deaths due to COVID-19, heart disease, and cancer, in our global online QHSE business system. These data inform our global and regional health and well-being campaigns and COVID-19 protective measures.

### 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 2020, more than 128,000 people used the system, with over 11 million logins registered. The system also recorded an average of 1,230 QHSE meetings per day in 2020, totaling more than 448,000 for the year, sent more than 35 million emails to approximately 108 million email recipients, and processed more than 5.8 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 Toolkit and are organized by hazard category, such as Life-Saving Rule, Business Line, and Geography, to help users identify relevant subject matter for organizational learning. HSE Alerts are also sent directly to employees by e-mail. 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. Where remedial workplan actions are globally applicable to our operations, they are assigned for completion to all applicable sites, with follow-up and completion tracked through our online business system.

In 2020, Schlumberger introduced an Early Incident Notification system to provide a high-level event summary for both internal and external use, to promptly inform appropriate managers in the organization of events and to provide suggested immediate actions for those who perform similar activities.

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.





## HEALTH AND SAFETY *continued*

### 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 Basic Principles on the Use of Force and Firearms by Law Enforcement Officials

### Pretravel 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 e-mails 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 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 (for example, staff houses or hotels with adequate security standards). Health-specific requirements for travel may include certain vaccinations and certificates, preventive medication, training on disease prevention (for example, malaria protection controls such as 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.

In early 2020, Schlumberger restricted business travel to “business critical” travel in compliance with applicable local COVID-19 travel guidelines.

### **Business Continuity, Emergency and Crisis Management**

Each Schlumberger location has comprehensive Emergency Response Plans (ERPs) 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 6,000 location emergency response drills were held and recorded in the global online QHSE business system in 2020.

In 2020, Schlumberger updated its global Business Continuity, Emergency and Crisis Management Standard. This standard sets out a risk-based approach, incorporating the Harvard School of Public Health’s National Preparedness Leadership Initiatives and Meta-Leadership programs, and provided the basis for our global COVID-19 crisis management response in 2020. It adopts a global hierarchy of crisis and emergency management and response teams 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.

Each Schlumberger site is required to assess its potential emergency situations, put ERPs in place for each emergency scenario, provide sufficient response capabilities, including resources and emergency response teams, and conduct local drills for these ERPs. Standardized global flowcharts,

guidance, and checklists are provided to assist the emergency and crisis management teams with their initial response actions. Schlumberger employees and contractors working at customer or third-party locations are required to follow the applicable site emergency response protocols and participate in any drills and response activities in accordance with their training, competence, and agreed responsibilities in the site-specific plans. Lessons learned and feedback on what worked well during drills and actual emergency situations are then reported and reviewed both locally and globally for purposes of continual improvement. 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:

- CMT 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 to support regional CMTs and country EMTs, as well as site-specific emergency response teams. Technical subject matter expertise is made continually available to the geographic CMTs and EMTs via business line global operations control centers. We also annually conduct a global-level review of our consolidated geographic, functional, and business line risks to analyze correlations and trends and report the same to our executive management.



## HEALTH AND SAFETY *continued*

We also conduct regular crisis and emergency management drills—quarterly at the country level, biannually at the geographic area level, and annually at the corporate level—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 2020, we conducted a series of cybersecurity drills in addition to operational drill scenarios and a variety of response and management drills to combine reasonably foreseeable emergency and crisis scenarios with the response actions in place for the COVID-19 global pandemic.

### Emergency Response Tools and Guidance

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:

- Global online risk mapping tool with geographically conducted vulnerability assessments that include the identification of threats to each business line, function, and manufacturing center
- Emergency response assessment tools, standardized emergency response plan templates, and comprehensive guidance for a variety of scenarios (such as natural disasters, extreme weather conditions, injuries, illness, fire, security threat, and evacuation of building, site or country)
- Comprehensive global reference manual and 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 and emergency 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

- Incident response digitally enabled application that links to our global crisis and emergency management online portal in order to:
  - Identify and map internal and external stakeholders (such as contractors, customers, regulators, emergency services, government agencies, specialist service providers, community officials, members of the public, and/or media)
  - Maintain real-time internal and external communications
  - Record crisis and emergency response and management decisions and actions throughout each crisis or emergency cycle
  - Manage business continuity actions and decisions
- 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.

### Emergency Response Training

In 2020, we continued implementing our crisis management training programs throughout our organization. Nearly 90 senior leaders around the world attended a two-day CMT or EMT training course, which transitioned to virtual courses in response to the COVID-19 pandemic. 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 to successfully translate theoretical training into practical skills. Our initial trainings are also supplemented with refresher trainings and regional readiness assessments. Subject matter experts provided crisis and

emergency management support to our global organization on an ongoing basis throughout the COVID-19 pandemic response.

### Emergency Communications

Schlumberger maintains communications channels open to the public to report:

- chemical emergency situations, including emergency contact numbers for all our chemical products and for different geographic areas with multiple language options as appropriate
- via an e-mail contact option from our public website.

For internal reporting, the following options are made available and can be used anonymously:

- EthicsLine, available 24/7 with two ways of reporting, by telephone and using an online report
- Using the online QHSE business system’s ethics and compliance feature or mobile reporting application.

### 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, as achieved through the rigorous use of systematic and integrated processes to select, develop, and manage our supplier base. We work with our contractors in a socially responsible and ethical manner and continuously seek to improve the way we and our contractors conduct business.





## HEALTH AND SAFETY *continued*

### Contractor Management Standard

Our Contractor Management Standard is aligned 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 establish compliance with our health and safety contractual terms and conditions, and to:

- Identify capable contractors
- Prescreen contractors for suitability based on health and safety performance
- Select contractors based on capability and scope-of-work risk assessments
- Onboard contractors, including verifying personnel have adequate technical, regulatory, and site-specific health and safety training and associated competences
- Manage contractors, including the provision of any specific training requirements needed to comply with Schlumberger and customer HSE requirements, processes, and systems.

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 the supplier is qualified to provide to Schlumberger. Our approved supplier list contained 40,200 approved suppliers (including suppliers of contracted services) with whom Schlumberger had a spend in 2020.

### Contractor HSE Performance Management

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

- We enable proactive reporting of hazardous situations (including any near-miss events) and take action where necessary to correct the situation.
- We encourage the reporting of at-risk behaviors and immediately provide coaching to correct such behaviors.
- We positively report and reinforce safe behaviors.
- We regularly hold formal meetings with the management of suppliers that provide us contracted services to discuss the contractor's performance and agree on any actions needed for continuous service improvement. We also hold informal meetings with contracted service providers. In total, we recorded more than 6,700 meetings with service providers and contractors in our online QHSE business system in 2020.

During 2020, more than 27,800 contractors contributed to Schlumberger's overall safety performance. Our contractor Lost Time Injury Frequency Rate (LTIFR) was 0.37 per million workhours, consistent with our combined employee and contractor LTIFR of 0.36 per million workhours.

As of December 2020, more than 8,600 contractors were registered to use Schlumberger's global online QHSE business system. Our contractors are required to follow all Schlumberger HSE programs while working at a Schlumberger-controlled facility unless they have an equivalent HSE program with roles and responsibilities defined in a contractual agreement with us.

### Contractor Audits

In 2020, Schlumberger recorded 363 Critical Supplier Audits. Additionally, as part of standard field inspections and audits of our operations, suppliers and contractors were included 4,966 times. As an example, we conducted 249 land transport contractor prescreening audits in alignment with the IOGP industry best practice for land transport contractor assessments (IOGP Report 365).

### Contractor Training

In 2020, Schlumberger contractors had more than 368,500 valid training certifications registered in the company's online QHSE business system. Applicable contractors are included in our New Employee Safety Training (NEST) program, which provides critical safety training to manage new employees' increased HSE risks. We also have specific NEST trainings for short-term contracted employees. Additional details about our HSE training programs are in the section of this report titled "HSE Training" (p. 38).

### Injury Prevention

Schlumberger is committed to injury prevention for employees and contractors through effective implementation of safety best practices and training. Our risk-based Injury Prevention Standard details the controls required to minimize risk of workplace injuries related to stepping, handling, manual lifting, and working with machinery, equipment, and tools. We also provide injury prevention training to new employees within the first month of employment, along with annual refresher coaching supported by 393 trainers and 29 master trainers around the globe. In 2020, more than 90,000 employees and contractors were certified at Level 1 training and more than 59,000 were certified at Level 2 training (accompanied by a Commentary Task Assessment conducted by a trained coach).

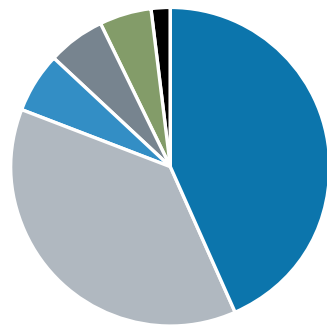
We have also implemented our global Schlumberger Warm Up to Work program across the company. Warm Up to Work was designed to improve the health and well-being of our workforce and increase awareness about the importance of injury prevention at the workplace. This program includes exercises for workshop 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 to help prevent neck, shoulder, and back discomfort. The program also has an interactive website with short videos demonstrating how to perform the exercises correctly and other resources available in nine languages.



HEALTH AND SAFETY  
continued

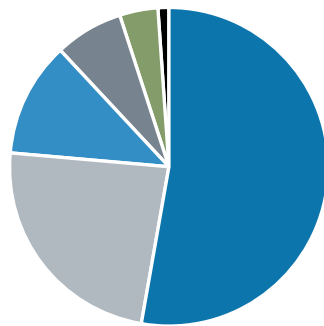
As shown in the charts at left, approximately half of our 2020 total recordable injury (TRI) and lost time injury (LTI) occurrences involved injuries to fingers, hands, and arms. To address these types of injuries, we identified various hands-free work aids to reduce direct exposure to these body parts 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. In 2020, we launched “Focused and Aware”, a new hand and finger injury prevention campaign, and by year-end more than 1,200 employees had participated in the campaign.

**LTI Employee and Contractor Injuries by Body Part Affected, 2020**



- Arm, Hand & Finger – 44%
- Leg, Foot & Toe – 37%
- Head – 6%
- Torso – 6%
- Other – 5%
- Sensory System – 2%

**Total Recordable Injuries by Body Part Affected, 2020**



- Arm, Hand & Finger – 53%
- Leg, Foot & Toe – 24%
- Head – 11%
- Torso – 7%
- Other – 4%
- Sensory System – 1%

**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 Alerts process and incorporate them into our applicable company standards, trainings, and HSE communication resources.

In 2020, mechanical lifting-related injuries accounted for 5% of our TRI. Dropped objects related to 7% of our 2020 TRI. Of the combined TRI for mechanical lifting and dropped objects, 45% of injuries involved hands, arms, and fingers, and 31% involved legs, feet, and toes.

In 2020, Schlumberger personnel entered nearly 142,000 proactive Risk Identification Reports (RIRs) relating to mechanical lifting and dropped objects into our global online QHSE business system. We continue to focus on effective management of dynamic dropped objects and restricted access 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 compared to other working environments. The Schlumberger Mechanical Lifting Standard sets forth various control measures to designate and delineate the parties’ responsibilities, including a Schlumberger-designated lifting crew for any operation that involves the use of a mobile crane. The lifting crew comprises a person in charge, appliance operator, and banksman or slinger or signaler, and all crew members are required to be deemed competent and appropriately trained for their roles.

Another key injury prevention focus for Schlumberger relates to contractors that supply us with mechanical lifting services and equipment. In 2020, approximately 33% 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 prescreened for safety performance and audited prior to onboarding. 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 2020, we continued various global awareness campaigns focused on 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
- Using barriers
- Inspecting slings, and assessing worksite practices for rigging and slinging
- Using hands-free lifting tools
- Using high-impact gloves.





HEALTH AND SAFETY  
*continued*

**Driving Safety**

Road traffic incidents are ranked by the World Health Organization among the top 10 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 2020, 3% of our TRI and 4% of our LTI were associated with land transport activities.

In 2020, 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, together with our Driving Policy and Driving and Journey Management Standard, consolidate 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 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.

**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. 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.

Overall feedback from Schlumberger drivers on these driver aid systems has been positive. Even where these technologies provide drivers with just a few more seconds of reaction time, their earlier awareness of potential hazards allows drivers to react more quickly 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. 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 enable 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 with a commentary drive, during which a trained assessor reviews and assesses each driver’s skills on public roads, as part of our ongoing driver training certification requirements. In 2020, we transitioned to use technology to review driver performance on an ongoing basis. In 2020, Schlumberger had more than 36,800 certified drivers globally.

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



## HEALTH AND SAFETY *continued*

### Driver Training Simulators

Hands-on sessions with qualified instructors enable 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 nonarticulated 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, and 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.

### HSE Training

We manage, monitor, and record the HSE online training certifications of all Schlumberger employees and more than 8,600 contractors through our global online QHSE business system. In 2020:

- The system recorded more than 3.1 million online certifications and logged nearly 4 million training hours, averaging approximately 34 hours of training per individual.
- Worldwide, more than 256 certified trainers of our NEST program conducted more than 1,100 NEST classes, providing training to more than 5,300 employees and contractors. Trainers began facilitating NEST classes virtually in early 2020, in response to the COVID-19 pandemic.

- More than 200 Schlumberger managers and 2,100 supervisors attended one of our two-day facilitated HSE leadership training courses, which courses transitioned to virtual attendance in response to the COVID-19 pandemic.
- Nearly 130 employees were trained in HSE event investigation and nearly 120 were trained in HSE auditing.
- Nearly 280 HSE specialists and SET leaders were trained in facilitation techniques.

### New Employee Safety Training (NEST)

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, as well as 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, microlearning videos, and mobile apps and gamification, to support some of the key training modules and cater to millennial-preferred learning styles.

### Leadership Training

Our HSE leadership training curriculum is based on employee feedback and surveys to accomplish two key objectives: first, to enable managers and supervisors to 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, as well as on-demand microlearning tools such as 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.

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

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 supporting operational compliance in an increasingly complex industry and operating environment, as well as developing talent and expanding 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 and business line-specific activities and risks. Participants are also required to complete the National Examination Board in Occupational Safety and Health (NEBOSH) International General Certificate in Occupational Health and Safety or have an equivalent HSE-related bachelor's degree. In 2020, 430 employees participated in HSEPRO across more than 50 countries.





HEALTH AND SAFETY  
*continued*

**HSE Communications**

We maintain and regularly update our global HSE Communication Toolkit, a central online repository for HSE resources in multiple languages. In 2020, we also introduced our Schlumberger SAFE Hub, an online tool to showcase our engagement materials and to communicate ongoing initiatives around HSE leadership, engagement, training and reporting, and compliance. The Schlumberger SAFE Hub and HSE Communication Toolkit contain user-friendly interactive materials to increase personnel engagement with HSE issues and to maximize learning during HSE gatherings. The online resources make more than 4,400 digital assets available to all employees and contractors with access to the internal Schlumberger network. These HSE resources include:

- HSE Nudges to help influence employee and contractor behavior
- Podcasts sharing HSE communications and best practices from around the world
- Schlumberger SAFE Moments to enhance HSE learning through short discussions
- Instructions for facilitating a Schlumberger SAFE Forum
- Videos and presentations to use in safety meetings
- Posters and other infographics to prompt HSE-focused discussions in the workplace.

More than 1,300 of these engagement pieces were added to the online platforms in 2020.

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 2020, we designed and released 29 nudges to influence healthy behaviors and safe practices, including nudges relating to the COVID-19 Life-Saving Rules, environmentally friendly practices, healthy nutrition, and health and pollution awareness.

**Health and COVID-19 Nudges**

The nudges relating to our COVID-19 Life-Saving Rules encourage informed and safe choices using visual cues, such as:

- Posters in breakrooms and communal spaces reminding personnel to adhere to the COVID-19 Life-Saving Rules
- Standard signage for facilities, including floor and elevator door stickers, posters, and other signs directing employees on handwashing techniques, physical distance and masking.

In addition, and to help our employees adapt to a new way of working from home, we released other nudges to support making healthy choices concerning nutrition and eating habits, such as:

- Printable placemats to use in self-service trays or at home that highlight healthier options for portion size and food groups
- Visual cues toward healthier snacking for posting in home kitchens or in company break and coffee rooms.

**Safety Nudges**

Safety nudges serve as safety reminders, such as:

- Posters to remind employees to double-check their PPE
- 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 help 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 API, ISO, IOGP Standards Committee, and IPIECA. Accordingly, our global HSE standards incorporate best practice guidance from such organizations as shown in the table below.

Schlumberger Standard	➔	Best Practice Guidance
COVID-19 Management Standard	aligns with	IOGP COVID-19 testing and vaccination position papers IOGP-IPIECA Report 605, Pandemic Management in the Oil and Gas Industry
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 (those applicable 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, HSE Management Guidelines for Working Together in a Contract Environment, with geophysical operations conducted in accordance with IOGP Report 432
Mechanical Lifting Standard	incorporates	IOGP Report 376, Lifting & 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 435 and 452 and others on human factors and IOGP Report 459, Life-Saving Rules
Schlumberger Aviation Guidelines	adopts	IOGP Report 690, Offshore Helicopter Recommended Practices
Schlumberger Design for HSE program	incorporates	IOGP 454, Human Factors Engineering in Projects



HEALTH AND SAFETY  
*continued*

Schlumberger also has a long-standing commitment to sharing best practices and our HSE technical expertise through industry organizations. In 2020, Schlumberger employees served as vice chairs of IOGP’s standing committees for the environment and safety and as chairs, vice chairs, and active participants of several subcommittees and task forces. Also in 2020, Schlumberger had several panel speakers and technical papers presented at the 2020 SPE International Conference and Exhibition on HSE and Sustainability, some of which were coauthored 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 (SPE)
- IOGP
- International Association of Drilling Contractors (IADC)
- International Association of Geophysical Contractors
- the Center for Offshore Safety (US)
- Step Change in Safety (UK)
- ARPEL (Latin America and Caribbean region)
- Australian Petroleum Production & Exploration Association (APPEA)
- Norwegian Oil and Gas Association
- Netherlands Oil and Gas Exploration and Production Association (NOGEPa).

**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 Schlumberger standards where regulations are not in place
- designed to continuously to improve our HSE management system and HSE performance.

We measure these nonzero HSE performance 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 line-specific objectives. These objectives, as shown in the table at right, 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 Schlumberger line managers. The purpose of these personal objectives is to ensure that managers demonstrate high and visible HSE leadership and promote HSE compliance. For 2020, these objectives were set as follows, with specific targets varying depending on a manager’s level of operational responsibilities:

- between one and four HSE leadership engagement visits per quarter
- between six and 12 RIRs completed per quarter
- overall training completion rate exceeding 95%.

**Examples of Schlumberger Non-Zero 2020 HSE Performance Objectives and Applicable Achievement Levels for Employees and Contractors**

HSE Indicator	Objectives	Achievement <sup>(1)</sup>
<b>Total Recordable Incident Rate per million work hours (internal)<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 with prior year’s performance	• 2020 objective: 27% reduction ✓ <b>ACHIEVED</b>
<b>Automotive Accident Rate per million miles (internal)<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 with prior year’s performance	• 2020 objective: 12% 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	• 2020 objective: Compliance level exceeding 95% overall ✓ <b>ACHIEVED</b>
<b>Risk Identification Report 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	• 2020 objective: more than 48 RIRs per person ✓ <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> Internal TRIR and AARm metrics 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). As a result, these internal performance metrics do not match our industry-recognized TRIR and AARm figures in the performance data table.  
<sup>3</sup> “Applicable contractors” refers to the 27,800 contractors whose performance was included in our global QHSE business system as of December 31, 2020. 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 “Contractor Management” section of this report (p. 54 – 55).





HEALTH AND SAFETY  
*continued*

**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 RIRs and observation and 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 2020, our workforce submitted an average of more than 55 HSE reports per person (12% increase from 2019) into our global QHSE system, totaling more than 6.6 million proactive QHSE 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 industry-recognized 2020 Total Recordable Incident Rate of 0.73 per million work hours and 2020 Total Recordable Injury Rate of 0.71 per million work hours were each the lowest that Schlumberger has ever recorded. Our industry-recognized AARm improved by 23% year-over-year, from 0.30 in 2019 to 0.23 in 2020. Land transport-related injuries accounted for 3% of all employee and contractor total recordable injuries and 4% of lost time injuries.

In 2020, Schlumberger automotive accidents resulted in one contractor fatality, four lost workday cases and three other recordable injuries to our employees and contractors. Schlumberger continues to focus considerable efforts on improving driving performance, including through the implementation of new safety technologies. We analyze all motor vehicle crashes to evaluate the effectiveness of the technologies we have implemented.

**2020 Incident, Injury, and Illness Rates (industry-recognized)**

Employees and Contractors	Per Million Workhours (IOGP)	Per 200,000 Workhours (OSHA)
Total Recordable Incident Rate	0.73	0.146
Total Recordable Injury Rate	0.71	0.142
Total Recordable Illness Rate	0.0158	0.0032

Employees and Contractors	Per Million Workhours (IOGP)	Per 200,000 Workhours (OSHA)
Lost Time Incident Rate	0.37	0.075
Lost Time Injury Rate	0.36	0.073
Lost Time Illness Rate	0.0095	0.0019

The 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 2020 and verified a selected subset of our 2020 data. Health and safety data audited for 2020 includes the number of fatalities, employee and contractor lost time injuries and illnesses, and the associated workhours to determine frequencies and rates. PwC has expressed a limited assurance that our data are, in all material respects, fairly presented and in accordance with Schlumberger procedural guidelines.



## The Blue Print in Action

### Our Code of Conduct

Schlumberger

#### Corporate Governance

Schlumberger is committed to strong corporate governance, which we believe is critical to achieving our performance goals and to maintaining the trust and confidence of our stakeholders. Schlumberger's Board and executive management are committed to maintaining ethical corporate behavior throughout the organization.

Learn more about Schlumberger's corporate governance [Corporate Governance](#) section of our website [2021 Proxy Statement](#).

## ETHICS AND COMPLIANCE

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 Sustainability program. Furthermore, 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.

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. Our Blue Print documents 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 full-time and part-time employees and contract workers, are required to complete E&C training on an annual basis or more frequently as appropriate. In 2020, 88% of our workforce completed Code of Conduct and anticorruption training.

Schlumberger E&C training materials are regularly updated to maintain effectiveness and include relevant lessons from internal investigations or audits. The training materials are also modified to target the risks and needs of a specific audience.

For more detail, refer to [www.integrity.slb.com](http://www.integrity.slb.com)

September 2019





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.

### **Antibribery and Anticorruption**

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.

Bribery is defined as giving or receiving an undue reward to influence the behavior or decision of a government official, client, or contractor. A facilitation payment is defined as giving anything of value to a government official to secure or expedite routine (nondiscretionary) government action for something to which the payor is legitimately entitled.

Schlumberger's anticorruption program includes a well-defined anticorruption policy, as outlined in our Code of Conduct, as well as supporting internal controls, and applies to all of our operating locations and geographies as well as our employees, contractors, suppliers, and agents. Our E&C function manages enforcement of the policy and related internal controls, with oversight from the Board and its Nominating & Governance Committee. We review the governance and effectiveness of our anticorruption program at least annually.

Our E&C function is led by our global Legal Director, Governance and Integrity, and staffed by a team of E&C professionals dedicated to specific subject matter and business units relevant to our global operations, facilitating a cohesive approach to mitigating corruption risk. Our E&C team uses training, communications, audits, and risk management tools to effectively implement our anticorruption program in the countries where we operate. The E&C team leverages our internal systems to identify real-time anticorruption red flags by applying a risk-based approach. Schlumberger uses a well-established accountability program to identify and remediate in a timely manner any anticorruption policy deviations. By identifying, tracking and mitigating these policy deviations, we gain valuable lessons learned and are able to focus on continuous improvement of our best practices.

Schlumberger also maintains a robust allegation and incident review program, consisting of a confidential and anonymous EthicsLine hotline (including online reporting options), which supports independent review of employee grievances, as outlined in our Code of Conduct and in our Human Rights Position Statement. Our E&C function investigates any corruption allegations, and following any such investigation, corrective measures, disciplinary actions, or both may be taken, in order to apply established and consistent accountability and discipline, as appropriate. Additionally, lessons learned are identified from the investigations and are communicated within the company.

Revenue generated from the 20 countries identified by Transparency International as having the lowest rankings in its 2020 Corruption Perceptions Index represented (on a combined basis) less than 5% of Schlumberger's consolidated worldwide 2020 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 and our anticorruption policies. All suppliers, contractors,

and agents must be approved and managed in accordance with internal requirements, including through denied party screening. Agents are processed using a risk-based approach through compliance due diligence using the Dow Jones' Risk Center Third Party Platform, both before they can be approved for use and through continuous monitoring. 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.

### **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 by reporting to their manager, to another person in the human resources, legal, finance, E&C or other appropriate function, or anonymously by reporting through our third-party administered EthicsLine or online portal. Schlumberger prohibits retaliation for good faith reporting of known and suspected violations of our Code of Conduct, our internal requirements, and applicable laws. Reporting options and the prohibition against retaliation are consistently emphasized in E&C training, and managers are regularly trained on the proper manner to receive and handle employee complaints. Any employee who intentionally reports false information will be subject to disciplinary action.

### **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 employees put Schlumberger business interests first, disclose all potential conflicts of interest, and avoid situations that create even the appearance of a conflict of interest. Where conflicts arise, employees are required to disclose the potential conflicts and obtain written approval from an appropriate Schlumberger controller.



### 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. Employees are further restricted from buying or selling stocks and options of other companies with which Schlumberger does business, if the employee is in possession of material, nonpublic information about such other companies.

### 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. This includes meals, entertainment, or tickets to sporting events, to or from any individual or organization that does or seeks to do business with Schlumberger. Gifts and entertainment are closely monitored to avoid even the perception of improper influence over business decisions.

### 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, as 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. See [Lobbying and Political Contributions](#) for additional information.

In 2020, the Center for Political Accountability, a nonprofit, nonpartisan 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. We achieved a perfect score of 100% in the 2020 CPA-Zicklin Index.

Like other large 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 avoid these associations from using 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 as disclosed [here](#).

### 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 reexport 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.

### 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.





## INFORMATION SECURITY

### Managing Information Security Risks

Schlumberger has developed and implemented a comprehensive risk-based global cybersecurity management program that is reasonably designed to identify, assess, manage, and mitigate information security risks facing the company. The underlying controls of this program are based on industry cybersecurity and information technology best practices and standards, such as International Organization for Standardization 27001 (ISO 27001) and National Institute of Standards and Technology (NIST) SP 800-53. We verify and drive improvements by performing an annual external maturity assessment of our cybersecurity program against the NIST Cybersecurity Framework (CSF). In addition, our DELFI\* cognitive E&P environment has obtained System and Organization Controls (SOC) 2 Type 2 certification.

All Schlumberger employees and contractors are required to complete annual trainings and certifications in information security best practices, phishing, software compliance, and data protection. We also conduct periodic phishing scenario learning experiences and cybersecurity awareness campaigns during the year. Depending on their specific job functions, certain Schlumberger personnel may be required to take additional security awareness training.

The Audit Committee of the Board is responsible for oversight of the company's cybersecurity risk exposures and steps taken by management to monitor and mitigate such exposures. Senior leadership briefs the Audit Committee on information security matters, including cyber audits performed by Schlumberger's internal audit function. In addition, cybersecurity risks are reviewed by the Board at least annually as part of the company's annual corporate risk mapping exercise.

We also maintain information security risk coverage in connection with certain assets and facilities. We self-insure against all other cybersecurity and information security risks.

### Data Protection and Privacy

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.

Furthermore, 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.

### 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 nondisclosure 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.

# 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	63
	Description of the management system for prevention of corruption and bribery throughout the value chain	EM-SV-510a.2	62–64
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	62–64
Critical Incident Risk Management	Description of management systems used to identify and mitigate catastrophic and tail-end risks	EM-SV-540a.1	24, 26–27
<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	11, 22
	Discussion of strategy or plans to address air emissions-related risks, opportunities, and impacts	EM-SV-110.a.2	5–11; 16–23
	Percentage of engines in service that meet Tier 4 compliance for non-road diesel engine emissions	EM-SV-110.a.3	28
Water Management Services	(1) Total volume of fresh water handled in operations, (2) percentage recycled	EM-SV-140a.1	25
	Discussion of strategy or plans to address water consumption and disposal-related risks, opportunities, and impacts	EM-SV-140a.2	25
Chemicals Management	Volume of hydraulic fracturing fluid used, percentage hazardous	EM-SV-150a.1	26
	Discussion of strategy or plans to address chemical-related risks, opportunities, and impacts	EM-SV-150a.2	26
Ecological Impact Management	Average disturbed acreage per (1) oil and (2) gas well site	EM-SV-160a.1	28
	Discussion of strategy or plan to address risks and opportunities related to ecological impacts from core activities	EM-SV-160a.2	24–29
<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	47, 52, 72
	Description of management systems used to integrate a culture of safety throughout the value chain and project lifecycle	EM-SV-320a.2	47–61
<b>Activity Metric</b>			
Number of active rig sites		EM-SV-000.A	28
Number of active well sites		EM-SV-000.B	28
Total amount of drilling performed		EM-SV-000.C	28
Total number of hours worked by all employees		EM-SV-000.D	72

<sup>1</sup> All page numbers refer to the 2020 Sustainability Report unless otherwise noted.








## TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD)

	Disclosures	Information Location <sup>1</sup>
Governance	a) Describe the board's oversight of climate-related risks and opportunities.	16–17
	b) Describe management's role in assessing and managing climate-related risks and opportunities.	16–17
Strategy	a) Describe the climate-related risks and opportunities the organization has identified over the short, medium and long term.	17–20
	b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	17–20
	c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	17–20
Risk Management	a) Describe the organization's processes for identifying and assessing climate-related risks.	20
	b) Describe the organization's processes for managing climate-related risks.	20
	c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	20
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.	22–23
	b) Disclose Scope 1, 2 and, if appropriate, Scope 3 GHG emissions, and the related risks.	22–23
	c) Describe targets used by the organization to manage climate-related risks and opportunities and performance against targets.	22–23

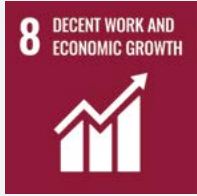





<sup>1</sup> All page numbers refer to the 2020 Sustainability Report unless otherwise noted.

## UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (UN SDGs) MAPPING

Goal	IPIECA Focus Area	Schlumberger Focus Area	
 <p><b>3</b> GOOD HEALTH AND WELL-BEING</p>	Health Impact Assessments Road Safety Worker & Community Protection	COVID-19 Response Crisis Management HSE Management System Fatality Goal Health & Safety Performance Data HSE Training Schlumberger Active Campaigns Contractor & Supplier Management	Stakeholder Engagement Local Investments Employee Benefits & Compensation Veterans Program Permian Strategic Partnership Life-Saving Rules Global Driver Monitoring Program Third-Party Assurance Report
 <p><b>4</b> QUALITY EDUCATION</p>	Local Content Strategy Workforce Education Technology Training	Schlumberger Excellence in Education Development (SEED) Schlumberger Foundation – Faculty for the Future HSE for Youth University Collaborations	Knowledge Management Permian Strategic Partnership In-Kind Giving
 <p><b>5</b> GENDER EQUALITY</p>	Gender-Sensitive Policies Inclusive Decision-Making Women’s Employment Opportunities	Employee Affinity Groups Diversity & Inclusion Program and Training Gender Balance Goal Gender-Pay Gap Disclosures Schlumberger Foundation – Faculty for the Future	
 <p><b>6</b> CLEAN WATER AND SANITATION</p>	Water Strategy Water Use Efficiency Water Risk Management	HSE Management System Water Use Water Recycling Integrated Water Solutions	
 <p><b>7</b> AFFORDABLE AND CLEAN ENERGY</p>	Natural Gas Energy Efficiency Alternative Energies	Transition Technologies Schlumberger New Energy Solar Impulse Foundation Partnership Fleet Electric/Hybrid Conversion Project Science-Based Target Commitment	



UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (UN SDGs) MAPPING  
continued

Goal	IPIECA Focus Area	Schlumberger Focus Area
 <p>8 DECENT WORK AND ECONOMIC GROWTH</p>	<p>Skills Assessment Local Employment Workforce &amp; Supplier Development</p>	<p>In-Country Value Schlumberger Foundation – Faculty for the Future Responsible Supply Chain Knowledge Management Training &amp; Development</p> <p>Veterans Program Permian Strategic Partnership Local Technology Access Strategic Initiative Cross-Functional Human Rights Working Group People Analytics</p>
 <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	<p>Efficient Waste Management Supply Chain Sustainability Product Stewardship</p>	<p>Supply Chain Management Lean &amp; Green Program Research &amp; Innovation</p> <p>Solar Impulse Foundation Transition Technologies</p>
 <p>13 CLIMATE ACTION</p>	<p>Resilience &amp; Adaptive Capacity Emissions Mitigation Strategic Planning</p>	<p>Getting to Net Zero Carbon Emissions Reduction Goal Science-Based Target Commitment TCFD Support Country Climate Assessments Facilities Management Third-Party Assurance Report</p> <p>Environmental Performance Data Supply Chain Management Schlumberger New Energy Global Sea-Level Rise Risk Assessment Solar Impulse Foundation Transition Technologies</p>
 <p>14 LIFE BELOW WATER</p>	<p>Accident Prevention &amp; Response Environmental Assessments Ocean Acidification Minimization</p>	<p>HSE Management System Biodiversity Focus Chemicals Management Environmental Performance Data</p> <p>TNFD Support Third-Party Assurance Report Transition Technologies</p>
 <p>15 LIFE ON LAND</p>	<p>Ecosystem Management Mitigation Hierarchy Biodiversity Offsets</p>	<p>HSE Management System Biodiversity Focus Chemicals Management Environmental Performance Data</p> <p>TNFD Support Third-Party Assurance Report Transition Technologies</p>
 <p>17 PARTNERSHIPS FOR THE GOALS</p>	<p>Dialogue &amp; Coordination Government Capacity Sustainable Energy</p>	<p>IPIECA Solar Impulse Foundation UK Carbon Capture &amp; Storage Association GHGSat SeekOps Global CCS Institute Energy Workforce and Technology Council</p> <p>National Petroleum Council (NPC) Stanford University Natural Gas Initiative American Petroleum Institute (API) International Oil and Gas Producers (IOGP) French Alternative Energies and Atomic Energy Commission (CEA) SDG-Aligned Local Sustainability Plans</p>

## PERFORMANCE DATA TABLE

Metric	Units	Year			Reference	
General		2018	2019	2020	Page Number <sup>1</sup>	
Number of Employees Worldwide, approximately	—	100,000	105,000	86,000	1	
Countries Where We Generate Revenue	—	120+	120+	120+	1	
Nationalities Represented in Our Workforce	—	140+	170+	160+	1	
Nationality Mix	Latin America	percentage	13	9	9	13
	North America	percentage	23	24	23	13
	Middle East, Asia	percentage	30	33	36	13
	Europe, CIS, Africa	percentage	34	34	32	13
Revenue Contributions	Latin America	percentage	11	13	15	13
	North America	percentage	37	33	23	13
	Middle East, Asia	percentage	29	30	36	13
	Europe, CIS, Africa	percentage	22	23	25	13
	Other	percentage	1	1	1	13
Revenue	in millions of dollars	32,815	32,917	23,601	—	
Net Income Attributable to Schlumberger	in millions of dollars	2,138	-10,137	-10,518	—	
Cash Dividends Declared	dollars per share	2.00	2.00	0.88	—	
Cash Flow from Operations	in millions of dollars	5,713	5,431	2,944	—	
Environmental Performance		2018	2019	2020	Page Number <sup>1</sup>	
CO <sub>2</sub> e Emitted (Scope 1) <sup>2</sup>	thousands of metric tonnes	1,422	1,386	1,125	22	
CO <sub>2</sub> e Emitted (Scope 2) <sup>2</sup>	thousands of metric tonnes	642	631	511	22	
CO <sub>2</sub> e Emitted (Scope 1 + 2) <sup>2</sup>	thousands of metric tonnes	2,065	2,017	1,636	22	
CO <sub>2</sub> e Emitted (Scope 3) <sup>2</sup>	thousands of metric tonnes	1,185	52,135	38,127	23	
Total Energy Consumption	thousands of MWh	6,814	7,121	5,839	—	

<sup>1</sup> All page numbers refer to the 2020 Sustainability 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 Fifth Assessment Report (AR5 - 20 year and 100 year). 2019 Scope 1 and 2 greenhouse gas estimates have been restated to exclude emissions associated with our North American fracturing business, which was sold at the end of 2020. Emissions related to fuel and electricity provided to Schlumberger by our customers at remote work sites have also been added to our 2019 Scope 1 and 2 greenhouse gas estimates and is included for 2020. Our Scope 3 inventory was expanded for 2019 and 2020 to include the 15 Categories defined in GHG Protocol's Corporate Standard. The calculation method is consistent for years 2019 and 2020 in this report, which is aligned to our long term decarbonization goals. 2018 emissions data was not re-calculated.



PERFORMANCE DATA TABLE  
continued

Metric	Units	Year			Reference
		2018	2019	2020	
<b>Environmental Performance</b>					
					<b>Page Number <sup>1</sup></b>
Electricity Use	thousands of MWh	1,284	1,248	1,008	23
Fuel Used - Natural Gas	thousands of MWh	514	1,523	1,472	—
Fuel Used - Oil/Diesel	thousands of MWh	5,016	4,350	3,359	—
Water Use	thousands of cubic meters	4,933	5,602	4,651	28
Total Water Recycled	thousands of cubic meters	134	131	187	28
Total Waste Water	thousands of cubic meters	Not calculated	464	487	28
% Water Recycled <sup>3</sup>	percentage	3	28	38	28
Total Waste Generated	thousands of metric tonnes	503	639	140	28
Waste Recycled	thousands of metric tonnes	182	185	31	28
Number of Incidents >1 bbl of Oil	—	44	28	26	28
Hydrocarbon Bulk Fluids Spilled <sup>4</sup>	barrels	522	536	353	28
ISO 14001 Certified Sites	number of sites	113	53	62	26–27
Sites Subject to Environmental Audit Requirement	number of sites	753	739	609	26
% Sites Subject to Environmental Audit Requirement	percentage	15	7	10	26
CO <sub>2</sub> e Per \$B Revenue Per Year <sup>2</sup>	metric tonnes	62,929	68,034	73,150	—
CO <sub>2</sub> e Per Employee Per Year <sup>2</sup>	metric tonnes	20.6	20.2	19.5	—

Social Performance		2018	2019	2020	Page Number <sup>1</sup>	
<b>Community and Education</b>						
					—	
SEED	Engagements <sup>5</sup>	—	151	1,107	1,416	41–42
	Teachers	—	811	322	2,264	42
	Students	—	18,465	112,967	102,884	42
	Volunteers	—	1,655	1,389	359	42
HSE for Youth	Workshops	—	206	169	1,100	42
	HSE Topics	—	10	9	8	42
	Attendees	—	4,000+	4,300+	2,400+	42
	Countries	—	50	50	58	42

<sup>1</sup> All page numbers refer to the 2020 Sustainability 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 Fifth Assessment Report (AR5 - 20 year and 100 year). 2019 Scope 1 and 2 greenhouse gas estimates have been restated to exclude emissions associated with our North American fracturing business, which was sold at the end of 2020. Emissions related to fuel and electricity provided to Schlumberger by our customers at remote work sites have also been added to our 2019 Scope 1 and 2 greenhouse gas estimates and is included for 2020. Our Scope 3 inventory was expanded for 2019 and 2020 to include the 15 Categories defined in GHG Protocol's Corporate Standard. The calculation method is consistent for years 2019 and 2020 in this report, which is aligned to our long term decarbonization goals. 2018 emissions data was not re-calculated.

<sup>3</sup> Starting in 2020, we have expressed recycled wastewater data as a percentage of total wastewater.

<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.

PERFORMANCE DATA TABLE  
continued

Metric		Units	Year			Reference
Community and Education			2018	2019	2020	Page Number <sup>1</sup>
Faculty for the Future	New Fellowships Awarded	—	50	19	38	42
	Fellowships Renewed	—	111	77	93	42
	Alumnae Home Countries <sup>6</sup>	—	81	82	80	42
	Fellows and Alumnae <sup>6</sup>	—	683	739	721	42
	Host Universities of Study <sup>6</sup>	—	261	282	276	42
Corporate Giving	Commercial Initiatives (In Kind)	in millions of dollars	2,630	2,260	3,082	—
	Community Initiatives	in millions of dollars	9	9	9	—
Social Risk Assessments (2009-2020)	Total Assessments	—	44	48	52	45–46
	Yearly Assessments	—	4	4	4	45–46
	Countries Covered (Total)	—	22	22	26	45–46
Number of Social and Environmental Baseline Studies			13	1	—	—
Health & Safety			2018	2019	2020	Page Number <sup>1</sup>
Company's health & safety system certified to OHSAS 18001 or ISO 45001		percentage	1	1	1	—
Fatalities	Employee	—	1	2	1	—
	Contractor	—	2	1	2	—
	Company Total	—	3	3	3	52
	Third Party	—	3	3	3	—
	Fatal Accident Rate	per 100 million work hours	0.79	0.75	0.95	—
Combined Lost Time Injury Frequency (CLTIF) (Fatality + LWDC + RDWC) Employees + Contractors <sup>7</sup>		per million work hours	1.09	0.83	0.56	—
Automotive Accident Rate (Employees + Contractors)		per million miles	0.34	0.30	0.23	—
% 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	61
Total Hours Worked	Employees	—	263,364,700	281,135,730	230,078,830	—
Total Recordable Incidents (Injuries and Illnesses) (Fatality + LWDC + RDWC + MTC) Employees + Contractors						
Total Recordable Incidents	Workforce (Employees + Contractors)	—	564	438	232	—
Total Recordable Incident Rate (Frequency) <sup>7</sup>	Workforce (Employees + Contractors)	per million work hours	1.48	1.10	0.73	61

<sup>1</sup> All page numbers refer to the 2020 Sustainability 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.



PERFORMANCE DATA TABLE  
continued

Metric		Units	Year			Reference
Health & Safety			2018	2019	2020	Page Number <sup>1</sup>
<b>Lost Time Incidents (Injuries and Illnesses) (Fatality + LWDC) Employees + Contractors</b>						
Total Lost Work Time	Workforce (Employees + Contractors)	hours	61,296	46,000	29,240	—
Lost Time Incident Rate (Frequency) <sup>7</sup>	Workforce (Employees + Contractors)	per million work hours	0.68	0.52	0.37	61
<b>Total Recordable Injuries (Fatality + LWDC + RDWC + MTC)</b>						
Total Recordable Injury Rate (Frequency) <sup>7</sup>	Workforce (Employees + Contractors)	per million work hours	1.46	1.07	0.71	61
<b>Lost Time Injuries (Fatality + LWDC)</b>						
Lost Time Injury Rate (Frequency) (LTIFR) <sup>7</sup>	Employees	per million work hours	0.71	0.52	0.36	61
Lost Time Injury Rate (Frequency) (LTIFR) <sup>7</sup>	Contractors	per million work hours	0.57	0.50	0.37	61
Lost Time Injury Events (Lost Work Day Cases + Fatalities)	Employees	—	255	145	83	—
Total Lost Work Time (Injury)	Employees	days	5,628	4,554	2,726	—
Lost Time from Accidents (Injury)	Employees	hours	45,024	36,432	21,808	—
Lost Time Severity Rate <sup>7</sup>	Employees	lost days per million work hours	21	16	12	—
<b>Lost Time Illnesses (Fatality + LWDC)</b>						
Lost Time Illness Rate (Frequency) (OIFR) <sup>7</sup>	Employees	per million work hours	0.015	0.007	0.013	—
<b>Supply Chain</b>						
			2018	2019	2020	Page Number <sup>1</sup>
Supplier Statistics	Critical suppliers with spend	absolute number	2,257	2,712	759	33
	% of total spend on critical suppliers	percentage	32	48	10	33
	SM Level 1 suppliers with spend	absolute number	—	—	1,555	33
	% of total spend on SM Level 1 suppliers	percentage	—	—	36	33
	Total suppliers with spend	absolute number	42,218	44,389	40,200	33
Critical Suppliers for which more than 40% of their revenue comes from SLB	—	percentage	9	5	5	—
	—	absolute number	195	229	36	—
Spend analysis covers 100% of suppliers	—	percentage	100	100	100	—
	—	absolute number	42,218	44,389	40,200	—
% of spend is covered in risk analysis	—	percentage	78	68	90	—
% of suppliers considered high risk <sup>8</sup>	—	percentage	<1	<1	<1	—
Critical supplier audits conducted	—	absolute number	568	387	363	—
% of audited suppliers with a documented development plan	—	percentage	35	37	54	—

<sup>1</sup> All page numbers refer to the 2020 Sustainability Report unless otherwise noted.

<sup>7</sup> To convert from per million work hours to per 200,000 work hours, divide by 5.

<sup>8</sup> Supplier risk is evaluated based on probability of failure; supplier organization (conglomerate, public, private, family owned, individually owned); dependency on Schlumberger; type of contract; visibility to supplier performance; and dependency on supplier

PERFORMANCE DATA TABLE  
continued

Metric	Units	Year			Reference
		2018	2019	2020	
<b>Recruiting and University Collaboration</b>					
					<b>Page Number<sup>1</sup></b>
University Interns	—	1,000+	900+	231	38
Approximate Number of Recruiting Job Applications	—	254,000	151,000	108,000	39
Number of Countries Recruited In	—	70	69	58	39
Number of Universities Recruited At	—	621	601	363	39
Disciplines Recruited	—	55+	55+	67+	39
Management on University Advisory Boards	Schlumberger senior leaders	29	18	20	39
	number of universities	22	11	13	39

Training		2018	2019	2020	Page Number <sup>1</sup>	
Investment for Operations Engineers, Petrotechnical Experts, and Specialists	Average Time per Position	hours	212	207	181	—
	Average Spend per Position	US dollars	8,400	8,807	7,219	—
	Training Days	days	244,000	277,100	187,350	—
	Centers	centers	7	7	4	—
NExT Training	Professionals Trained	—	16,000+	19,000+	13,000+	—
	Instructors	—	3,000+	3,000+	3,000+	39
	Classes Held Worldwide	—	1,650+	1,500+	1,250+	39
	Practical Courses & Programs	—	750+	700+	700+	39
	Dedicated Subject Matter Experts	—	19	16	16	—

Diversity		2018	2019	2020	Page Number <sup>1</sup>
Women in Company <sup>9</sup>	percentage	Not disclosed	Not disclosed	18.5	—
Women in Salaried Positions	percentage	20.0	20.9	22.6	37
Overall Women in Management Positions	percentage	18.8	19.7	21.2	—
Women in Junior Management Positions	percentage	20.0	21.1	23.4	37
Women in Middle Management Positions	percentage	Not disclosed	16.3	17.2	37
Women in Senior Management Positions	percentage	13.3	13.2	17.3	37
Hires with a STEM Background, % Women	percentage	Not disclosed	40	45	37

<sup>1</sup> All page numbers refer to the 2020 Sustainability Report unless otherwise noted.

<sup>9</sup> Includes salaried and non-salaried positions. Non-salaried positions refer to hourly-based.



## Schlumberger Limited

42 rue Saint-Dominique  
75007 Paris  
France

5599 San Felipe  
Houston, Texas 77056  
United States

62 Buckingham Gate  
London SW1E 6AJ  
United Kingdom

Parkstraat 83  
2514 JG The Hague  
The Netherlands

[www.slb.com](http://www.slb.com)



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.

### 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,” “ambition,” “expect,” “may,” “can,” “believe,” “predict,” “plan,” “potential,” “projected,” “projections,” “forecast,” “estimate,” “intend,” “commit,” “pledge,” “target,” “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 sustainability and environmental matters; financial and performance targets and other forecasts or expectations regarding, or dependent on, our business outlook; growth for Schlumberger as a whole and for each of its Divisions (and for specified business lines, geographic areas, or technologies within each Division); forecasts or expectations regarding the energy transition and global climate change; improvements in operating procedures and technology; our business strategies and the strategies of our customers, including their respective decarbonization strategies; our response to the COVID-19 pandemic and preparedness for other widespread health emergencies; future global economic and geopolitical conditions; future liquidity; and future results of operations, such as margin levels. These statements are subject to risks and uncertainties, including, but not limited to, changing global economic conditions; the results of operations and financial condition of our customers and suppliers; our inability to achieve our financial and performance targets and other forecasts and expectations; our inability to achieve net-zero carbon emissions goals or interim emissions reduction goals; our inability to meet workforce expectations and perform at desired ESG and stewardship standards; general economic, geopolitical, and business conditions in key regions of the world; foreign currency risk; inflation; 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 efficiencies and other intended benefits from our business strategies and initiatives, such as digital or Schlumberger 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, 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. 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 1, 2021, 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.

\*Mark of Schlumberger or a Schlumberger company. Other company, product, and service names are the properties of their respective owners.



Aligned with our environmental efforts, this report is available in PDF format only.

On the cover: *In December 2020, Celsius Energy completed the first installation of its building heating and cooling solution at the Schlumberger Riboud Product Center in France. Occupying only 4 m<sup>2</sup> of surface footprint, the new space highlights the center’s commitment to a more sustainable future. Read more on page 5.*

# Schlumberger