

Schlumberger UK Limited and Subsidiaries

Tax Strategy

Year ended 31 December 2017

Published in accordance with paragraph 19 of Schedule 19 Finance Act 2016 for Schlumberger UK Limited and in accordance with paragraph 22 of Schedule 19 Finance Act 2016 in respect of the following companies;

Pathfinder Energy Services Limited

Cameron Flow Control Technology GmbH (UK Permanent Establishment)

One Subsea Holdings Limited (UK Permanent Establishment)

Schlumberger N.V. (UK Permanent Establishment)

Schlumberger Offshore Services Limited (Deemed UK Permanent Establishment)

Our Approach to Tax Policy and Strategy

Schlumberger has a long-standing commitment to compliance and accountability and, as stated in our Blue Print in Action-Our Code of Conduct, we take our obligations to comply with the laws and regulations of all the countries where we operate very seriously. We aim for this to be embodied in the mindset of all our employees. This mindset underpins the way we do business with each other and with our external stakeholders. We recognize that our stakeholders include our shareholders, employees, the various governments of the countries in which we operate, and the public as a whole. The tax policies and strategy of our company are specifically formulated to reflect this mindset.

Our tax policy, simply stated, is to ensure that we adopt clear and transparent compliance processes directed at collecting and paying all taxes relevant to our operations in all countries in which we operate in both a complete and timely manner.

Responsible Taxation

As a multinational company, Schlumberger conducts business in approximately 85 countries. Our business is structured in locations that are relevant to our business needs. We pay a significant amount of tax each year in the jurisdictions in which we operate, including taxes on business profits, withholding taxes, employment, property and other indirect taxes such as VAT, sales, customs and excise taxes.

Tax Risk Management

We recognize tax laws are constantly and rapidly changing across the world. As such, we can be exposed to various tax uncertainties in any of the countries in which we do business. Our philosophy is to manage this risk in the best long-term interest of our

stakeholders, taking into account not only the financial impact, but also our reputation. Ensuring that we comply with the intention of all such tax laws and recognizing the associated changes thereto as they occur, ensures we pay the right amount of tax to the country in which we operate – this is key to our overall approach to tax risk.

Given the geographical spread and size of our business, we experience regular audits in many of the jurisdictions in which we operate, including the UK. We aim to resolve each audit in a professional and transparent manner, clarifying our position to give additional certainty for ongoing compliance.

Our global training programs are developed to cover tax issues arising not only in our day to day operations, but also in more exceptional situations, such as mergers and acquisitions where we engage in thorough due diligence and systematically rectify any identified issues, where necessary.

Roles and Responsibilities / Governance

Our tax approach is closely aligned with our business strategy and processes and we seek to manage our tax affairs in a proactive and professional manner.

Schlumberger employs highly trained finance professionals located around the globe, supported by centralized compliance teams committed to protecting shareholder value, while minimizing overall risk and ensuring compliance across the various jurisdictions in which we operate.

We also routinely draw upon external expertise to ensure that our financial teams are kept abreast of all relevant tax laws and regulations, which are constantly changing.

We believe that having a strong and decentralized financial function, operating under clear centrally enforced policies and guidelines, ensures that we are focused on the variety of regulations with which our businesses need to be compliant.

We engage with external professional service providers as considered appropriate, to provide support in respect of any technical or tax compliance issues.

Our centralized policies are supplemented by training and compliance programs, which are applied consistently throughout Schlumberger. The Audit and Finance Committees of Schlumberger's Board of Directors regularly review our tax and other financial policies and strategy.

Approach to Tax Authorities

We believe that building strong, cooperative and mutually respectful relationships with the tax authorities based on transparency and trust, produces sustainable long-term tax outcomes. As a matter of course we engage in open dialogue and ongoing regular communication with tax authorities.

Tax Planning

Our approach to tax planning is consistent and aligned to the underlying business processes and organizational structure. We do not adopt tax planning which may be viewed as artificial or inconsistent with the underlying business processes and organizational structures. Where there may be uncertainty, we aim to be fully transparent with the relevant tax authorities, and seek where applicable advance agreements on such matters as intercompany pricing. We are fully cooperative with any enquiry from a relevant tax authority.

Tax Reporting

Schlumberger is required to comply with the requirements of the Sarbanes-Oxley Act of 2002. In the UK, Schlumberger also complies with the requirements of the Senior Accounting Officer legislation.