

# Schlumberger Stichting Fund

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## **ANBI requirements**

1. Name: Schlumberger Stichting Fund
2. RSIN number: 8038.12.644
3. Contact info: Darryl Rigot, Parkstraat 83, 2514 JG Den Haag
4. Purpose/objectives: See Appendix 1
5. Directors: See Appendix 2
6. Remuneration policy: See Appendix 3
7. Report of activities to date: See Appendix 4
8. Financial reports: See Appendix 5

## **Appendix 1**

### **Purpose/Objectives**

The Schlumberger Foundation is a non-profit organization which operates its own educational development programs, extends grants to external organizations, and co-funds eligible Schlumberger outreach programs. The Foundation believes that education is a crucial factor in enabling individuals to fulfill their potential and, ultimately, in enabling nations to address the challenges of economic and social development.

The Foundation's gifts and contributions must be disinterested (made without regard to obtaining direct tangible or commercial benefit at any time for Schlumberger or for the Foundation or for their employees, officers and directors).

The Schlumberger Foundation must evaluate each grant request in a non-discriminatory manner to ensure that each grant is allocated fairly and appropriately in line with Foundation values.

### **Granting Activity**

The Foundation makes grants focused on two broad program areas:

Science and technology education for under-served high school students and university teachers where Schlumberger employees live and work

Local programs and projects Initiated and implemented within various Schlumberger GeoMarkets including those where employees participate or lead projects on their own time

The Foundation will not provide funding for the following:

- Unsolicited requests (until further notice)
- Individuals, unless as part of a specific Schlumberger Foundation program
- Political activities
- Religious organizations that are restricted to one religion
- Fund raising or sponsorship
- Travel bursaries, unless they are part of a specific Schlumberger Foundation program
- Private foundations
- Grant requests less than 1,000 USD

# Appendix 2

Directors





# The Netherlands Chamber of Commerce Commercial Register extract

Commercial Register No. 41167008

Page 1 (of 3)

## Legal entity

**RSIN** 803812644  
**Legal form** Foundation (Stichting)  
**Statutory name** Schlumberger Stichting Fund  
**Also known as** Schlumberger Foundation  
**Corporate seat** 's-Gravenhage  
**Visiting address** Parkstraat 83 -89, 2514JG 's-Gravenhage  
**Telephone number** +31703105400  
**Fax number** +31703105485  
**Date of deed of incorporation** 20-06-1985  
**Date of deed of last amendment to the Articles of Association** 19-03-2014

## Activities

**SBI-code:** 94995 - Umbrella organizations, cooperative and advisory bodies (not in the field of health care, welfare, sports and recreation)  
For further information on activities, see Dutch extract.

## Board members

**Name** Riyamy, Ranaa  
**Date and place of birth** 13-01-1974, Muscat, Oman  
**Date of entry into office** 05-01-2007  
**Powers** Authorised jointly (with other board member(s), see articles)

**Name** Oyinlola, Hezekiah Adesola Akande  
**Date and place of birth** 09-05-1955, Sepeteri, Nigeria  
**Date of entry into office** 05-01-2007  
**Title** Board member  
**Powers** Authorised jointly (with other board member(s), see articles)

**Name** Cox, Stephanie Lynn  
**Date and place of birth** 19-12-1968, Duitsland, Germany  
**Date of entry into office** 27-01-2011 (registration date: 21-04-2011)  
**Title** Board Member  
**Powers** Authorised jointly (with other board member(s), see articles)

**Name** Sandvold, Tore Ingebrigt  
**Date and place of birth** 26-04-1947, Stavanger, Norway  
**Date of entry into office** 01-04-2011 (registration date: 15-07-2011)  
**Title** Board member  
**Powers** Authorised jointly (with other board member(s), see articles)

**Name** Martellozo, Gerard Maximilien  
**Date and place of birth** 16-07-1955, Carcassonne, France  
**Date of entry into office** 20-03-2014 (registration date: 20-06-2014)



# The Netherlands Chamber of Commerce Commercial Register extract

Commercial Register No. 41167008

Page 2 (of 3)

**Title** Chairman  
**Powers** Authorised jointly (with other board member(s), see articles)

**Name** Colvin, Vicki Leigh  
**Date and place of birth** 12-10-1965, Louisiana, United States of America  
**Date of entry into office** 20-03-2014 (registration date: 29-12-2014)  
**Title** Board Member  
**Powers** Authorised jointly (with other board member(s), see articles)

**Name** Festa, Capella Lilian  
**Date and place of birth** 30-09-1969, Hillingdon, United Kingdom  
**Date of entry into office** 14-11-2014 (registration date: 13-02-2015)  
**Title** Board Member  
**Powers** Authorised jointly (with other board member(s), see articles)

**Name** Chapel, Roseline Elliane  
**Date and place of birth** 16-08-1960, Lyon, France  
**Date of entry into office** 17-02-2015 (registration date: 07-12-2015)  
**Title** President / Treasurer  
**Powers** Solely/independently authorised  
**Date of (present) authority** 19-03-2015

## Authorised representatives

**Name** Hardell, Eileen  
**Date and place of birth** 13-08-1968, Gadderbaum, Germany  
**Date of entry into office** 02-03-2005  
**Title** Secretaris  
**Contents of power of attorney** There are other restrictions. See Dutch extract.

**Name** Janssens, Wim Emiel Alice  
**Date and place of birth** 18-06-1965, Zwijndrecht, Belgium  
**Date of entry into office** 02-07-2015 (registration date: 27-11-2015)  
**Title** Controller  
**Contents of power of attorney** Limited power of attorney. Consult file for restrictions.

**Name** Trichard-Bresson, Armelle Catherine  
**Date and place of birth** 28-08-1969, Enghien-les-Bains, France  
**Date of entry into office** 01-04-2016 (registration date: 17-06-2016)  
**Contents of power of attorney** Authorised to file at the Commercial Register  
There are other restrictions. Consult file.



# The Netherlands Chamber of Commerce Commercial Register extract

Commercial Register No. 41167008

Page 3 (of 3)

Extract was made on 21-06-2016 at 14.39 hours.  
For extract

mw. Hankie van Baasbank, Raad van Bestuur





## **Appendix 3**

### **Remuneration Policy**

#### **Schlumberger Foundation**

#### **(Schlumberger Foundation, Inc and Schlumberger Stichting Fund)**

#### Remuneration Policy

Approved by the Board on 12 December 2013

1. The Board will not be remunerated for tasks/activities performed for Schlumberger Foundation as Board Members.
2. Board Members are entitled to a reimbursement of reasonable expenses and fees for the attending of meetings.
3. Fees per meeting attended shall not exceed an amount of USD 2000 per meeting, including travel time, if any.
4. Board Member who at the same time are employees of the Schlumberger group of companies are not eligible for reimbursement of expenses or fees for the attendance of meetings.
5. Services provided by Board Members to Schlumberger Foundation outside their tasks as Board Members can be remunerated subject to appropriate decision of Schlumberger Foundation as well as documentation on such tasks and related compensation.

## **Appendix 4**

### **Report of activities to date**



Report by the Board of Trustees  
**2014: Steady strides towards core goals**

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# Introduction

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In 2014, the Schlumberger Foundation continued to focus entirely on its flagship Faculty for the Future program. Steady strides are being made towards the ultimate goal of contributing to decreasing the gender gap in STEM activities by reducing barriers that prevent women from achieving their educational aspirations. The program has concentrated this year again on women coming from developing countries, by the use of the United Nation Human Development Index ranking which identifies the highest economic barriers among others. Immersing these women in top international research centers around the world ensures that they are equipped not only with strong technical skills but also with the soft skills needed to strengthen their confidence in their own abilities to promote and become part of the decision-making process in the key socio-economic developments of their home regions. The high-level academic success of these women then naturally translates into the promotion of women's influence in general, in their local communities. The Faculty for the Future program helps break down the barriers of silence, empowering women to become the influential voices that will lead to positive local impact and change while utilizing their newly acquired technical skills and tapping into a rich, international scientific network that was once just a shelved book too high to reach. With the addition of **84** new fellows admitted in 2014, the total population who has received financial support from this program stands at **405** female scientists coming from **69** developed and developing countries and studying in **25** host countries around the world.

A total of **84** new grants (25% increase YoY) and **91** renewed grants (8% increase YoY) were awarded in March 2014. Grant spend increased by **29%** YoY reaching **\$7.4M**. A total of **\$3M** was disbursed to grantees studying in universities in the **US** (vs \$2.5M last year) while **\$2.3M** was disbursed to grantees in the **UK** (vs \$1.8M last year). The remainder was disbursed to students at universities in Australia, Canada, Europe, Japan, Malaysia and South Africa.

Exceptional growth was seen in the number of new grant applications submitted in November 2014 reaching a record **1,030** applications representing an **84%** increase YoY. In addition, **137** renewal applications were submitted marking a **51%** increase from 2013. Post-Doctoral research students accounted for **13%** of the new grantee population.

With the ever expanding growth of the program, the Schlumberger Foundation continues to rely greatly on the scientific expertise of Schlumberger researchers around the world to single out those applications whose research proposals are innovating and relevant to the applicant's home region and to select profiles that best fit with the program's core objectives. A record number of **31** scientists volunteered to participate in the Selection process this year.

Past studies have shown that finding adequate child care support is often a barrier to women from developing countries to achieving their own educational aspirations. In light of this fact, in 2014 the Schlumberger Foundation introduced additional financial support for child care which has helped many grantees to contend with the challenge of finding satisfactory solutions to balancing the role of motherhood with the demands of their high level research programs.

Finally this year, the Schlumberger Foundation Board of Directors commissioned the Institute of International Education (IIE) to conduct a Longitudinal Impact Evaluation Study of the Faculty for the Future program after its 10 years in existence. The concluding remarks of the study state that: *"The Faculty for the Future program has made great strides in the past decade in providing academic opportunities to female scientists in the developing world. As this study was able to show, the program has made significant achievements in designing a program that addresses the needs of its fellows and satisfies its program goals. In considering these recommendations, the program can maintain its strong program identity while accounting for its growing impact in the developing world."*

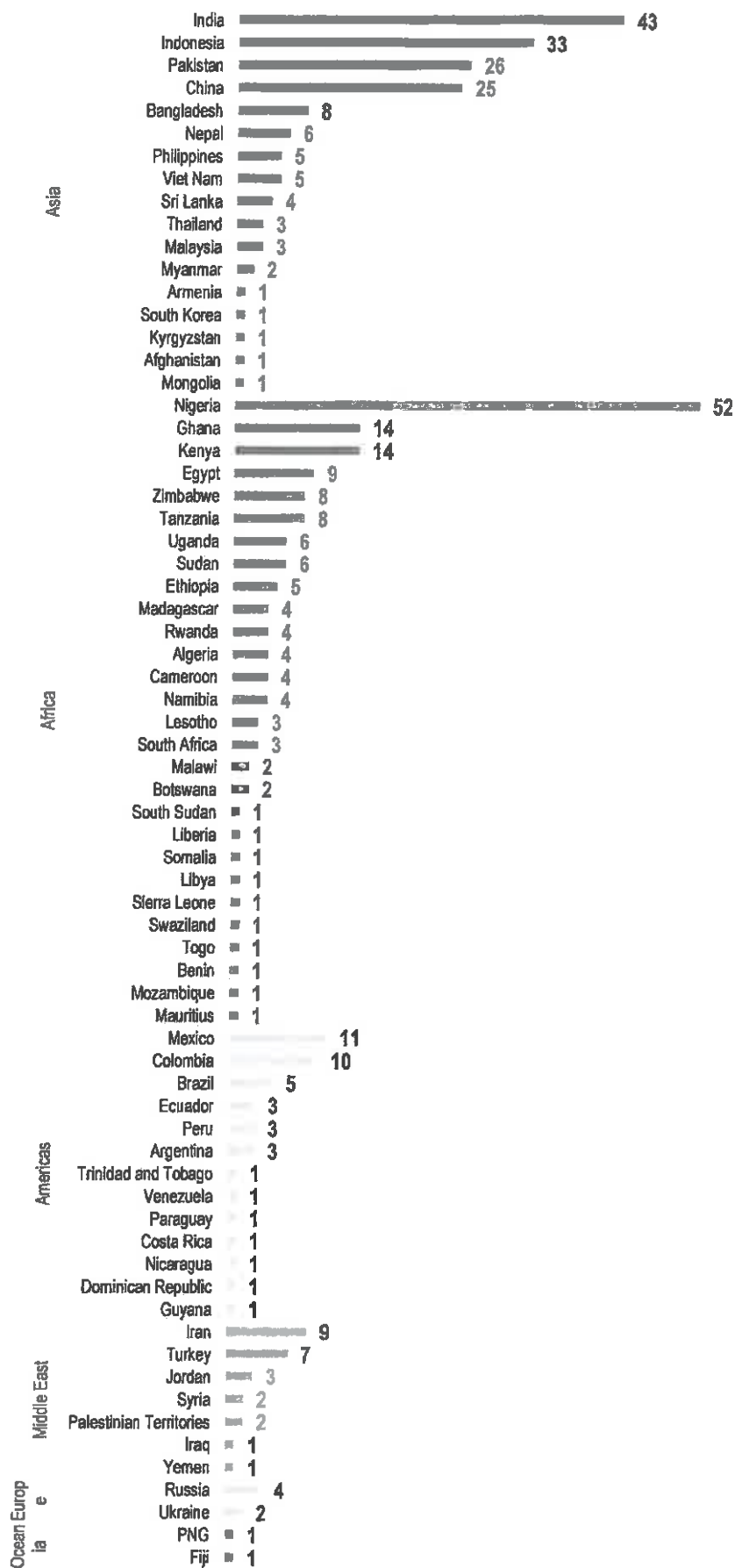
# Status of the Faculty for the Future Community in 2014

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**Where do the Faculty for the Future Fellows come from?**

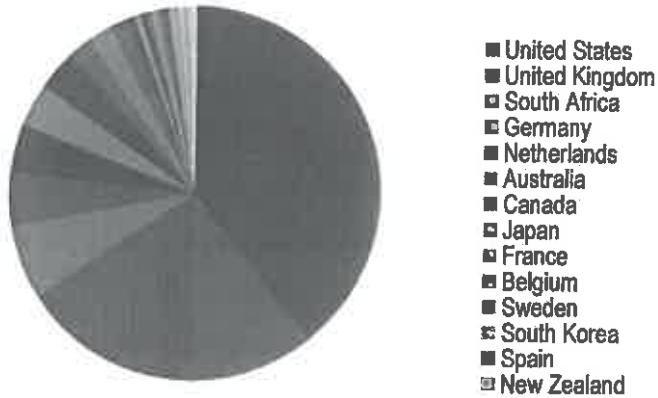
**With the 2014 awards, the Faculty for the Future Community now totals 405 women from 69 Countries.**

**Country of Citizenship 2014 Inception to date**



## Where do the Faculty for the Future Fellows Study?

### Host Countries of Study 2014 Inception to date: Top 15 Countries of Study

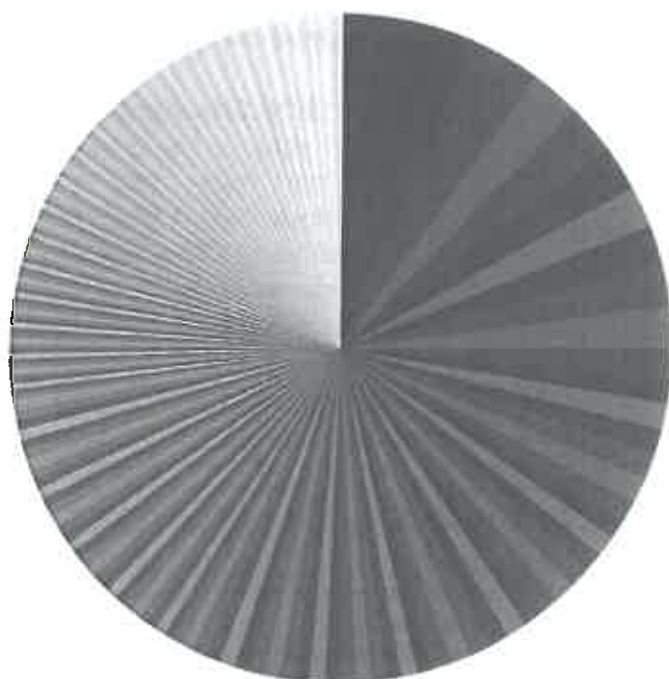


The Fellows study in 26 advanced/OECD countries.

In 2014, 39% of grantees have opted to study in top universities in the United States; 26% in the United Kingdom; 6% in South Africa and the remaining 29% in Australia, Canada, Asia and Europe.

## Fellows study in 186 Top Universities around the World...

### Host Universities 2014 Inception to date: Top 25 Host Universities

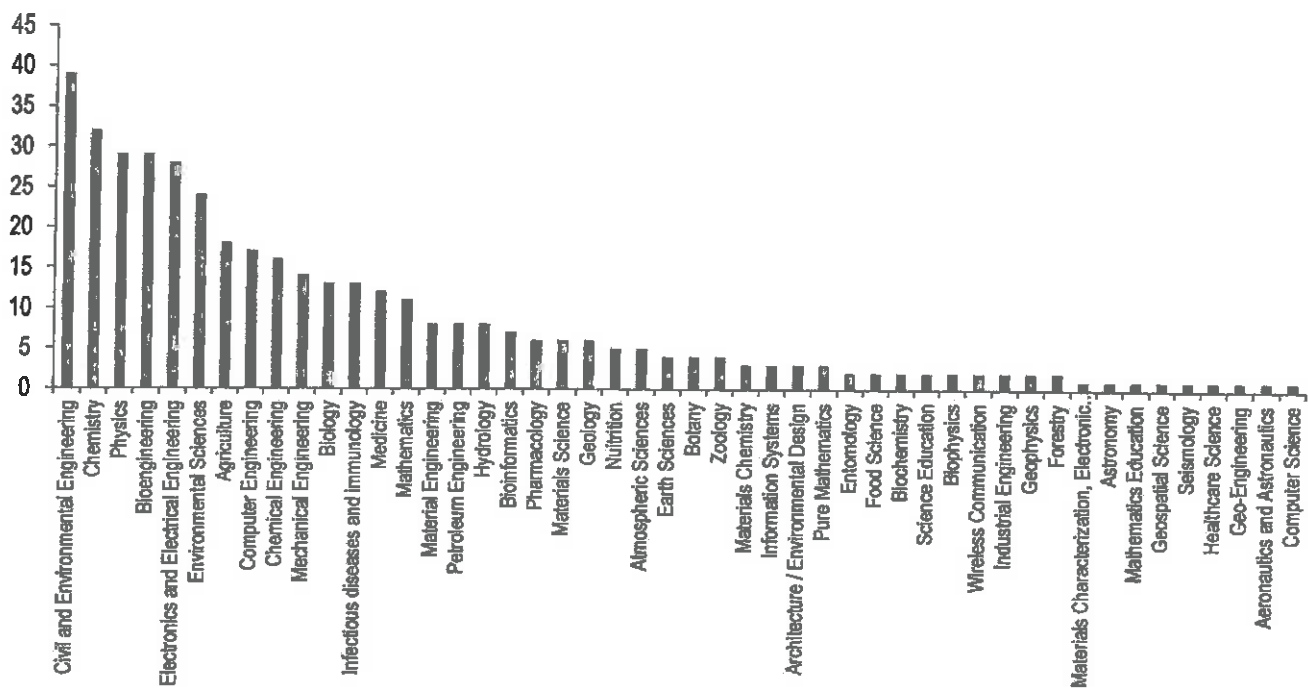


- University of Cambridge
- Massachusetts Institute of Technology
- Texas A&M University
- University of Nottingham
- Georgia Institute of Technology
- Harvard University
- University of Cape Town
- University of Manchester
- University of Texas at Austin
- Imperial College London
- University of Florida
- Ghent University
- University of Oxford
- Pennsylvania State University
- University of the Witwatersrand
- University College London
- University of Queensland
- University of Leeds
- California Institute of Technology
- UNESCO-IHE Institute for Water Education
- Purdue University
- University of Illinois
- University of York
- Delft University of Technology



## Focusing on STEM (Science, Technology, Engineering & Mathematics) domains

Disciplines 2014 Inception to date



In 2013 the choice of disciplines continued to embrace the core scientific domains (chemistry, physics and mathematics) while the civil & environmental engineering became prominent. Agriculture, bioengineering, environmental sciences, computer engineering, biology, earth science, hydrology, nutrition and medicine fields were also noticeable with research projects directly focused on home country related issues.

## Status of the Faculty for the Future Fellows and Alumni

### Status of the Full Community (405 Fellows & Alumni)

As of July 2014, 48% of the grantees (196 Fellows) are still on grant, while the other 52% (209 Alumni) have stopped receiving grants from the Schlumberger Foundation.



### Status of the Alumni (209)

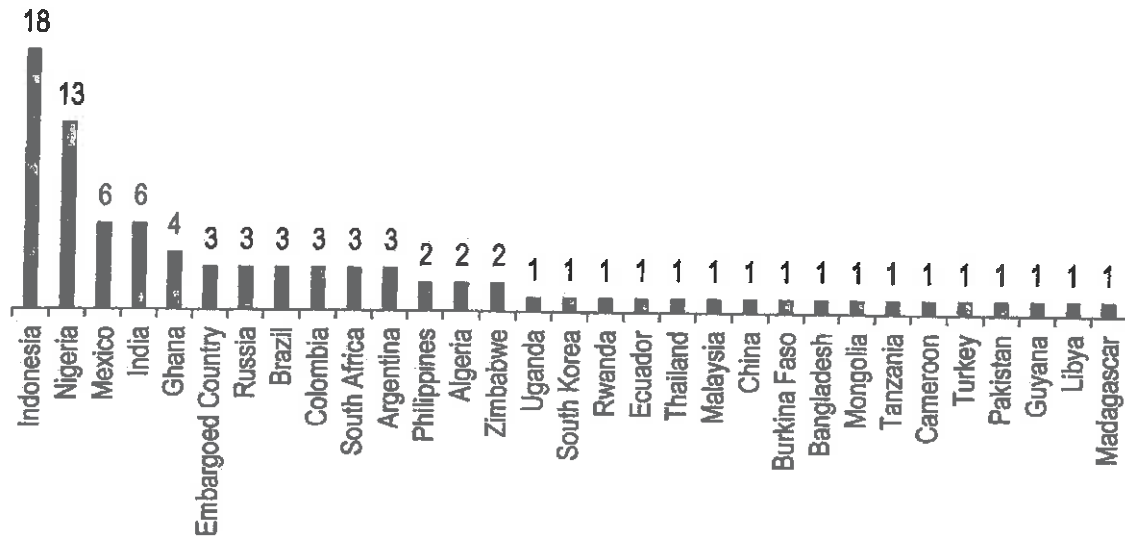
Amongst the 209 Alumni who are not receiving funds anymore from the Schlumberger Foundation:

Status	Number of Alumni (not funded by the Schlumberger Foundation anymore)
Home, Academia	72
About to Graduate	36
Non Return, Continuing to Study Abroad	32
No Communications	13
Non Return, Industry	12
Non Return, Academia	11
Home, Looking for a Position	6
Preparing to Return	4
Dropped-Out Studies	3
Home, Industry	3
Non Return, Research	3
Non Return, Unemployed	3
Home, International Organization	2
Home, Policy Maker	2
Non Return	2
Home, Continuing to Study	1
Non Return, Science Organization	1
Non Return, International Organization	1
Home, Academia & Policy Maker	1
Home, Research	1
<b>Total</b>	<b>209</b>

## Alumni Who Returned Home (88)

Status	Alumni who Returned Home
Home, Academia	72
Home, Academia & Policy Maker	1
Home, Continuing to Study	1
Home, Industry	3
Home, International Organization	2
Home, Looking for a Position	6
Home, Policy Maker	2
Home, Research	1
<b>Grand Total</b>	<b>88</b>

## Countries where Alumni Returned



# Regional Forum Cambridge, United States

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In November 2014, 60 Faculty for the Future Fellows and Alumni from 31 developing countries gathered together in Cambridge, United States for the 12<sup>th</sup> community event hosted by the Schlumberger Foundation in collaboration with the Massachusetts Institute of Technology (MIT). This university hosts the highest number of Faculty for the Future Fellows studying in the United States (14 Fellows).

From home countries as varied as Thailand, Philippines, Nepal, Ecuador, Zimbabwe, Botswana and Jordan, participants came together to address the theme of how to plan and manage one's career after graduating while having a positive impact on the development of one's home region.

During the event the women shared their research and life experiences as women in STEM. Throughout the three-day session, the Faculty for the Future Fellows had the opportunity to collaborate, to share their research and learn from each other, and to network with prominent scientists and other accomplished invited speakers who might act as career mentors.

The agenda covered topics such as:

- What could still be keeping women out of the STEM fields?
- Women in STEM begins with girls in STEM: what are the ways to support the new generation?
- Can STEM help to cure the major ailments of the modern world?
- And more, as seen on the full agenda.

Faculty for the Future Fellow Unaiza Ahsan, who is from Pakistan and is working toward a PhD in Computer Science at the Georgia Institute of Technology, was inspired by the event. "The organizers made sure to select speakers who could serve as great role models and who shared inspirational personal stories. I started believing in myself more and got motivated for my research. I hope we inspire more women to join the sciences and cultivate their talents in this growing community," Ahsan said.

Through learning sessions, panel discussions and breakout meetings, participants heard from leaders in the field, including Dr. Monica G. Williams-Davis, Managing Director, Southwest Region U.S. Fund for UNICEF; Ms. Aparna Prabhakar, Technology Innovation Program Manager, IBM; Dr. Harvey Lodish, Member, Whitehead Institute and MIT professor of Biology and Bioengineering; Mr. Calestous Juma, Professor of the Practice of International Development and Director of the Science,



*Faculty for the Future Fellow during the Poster Session in the Schlumberger premises (SDR)*



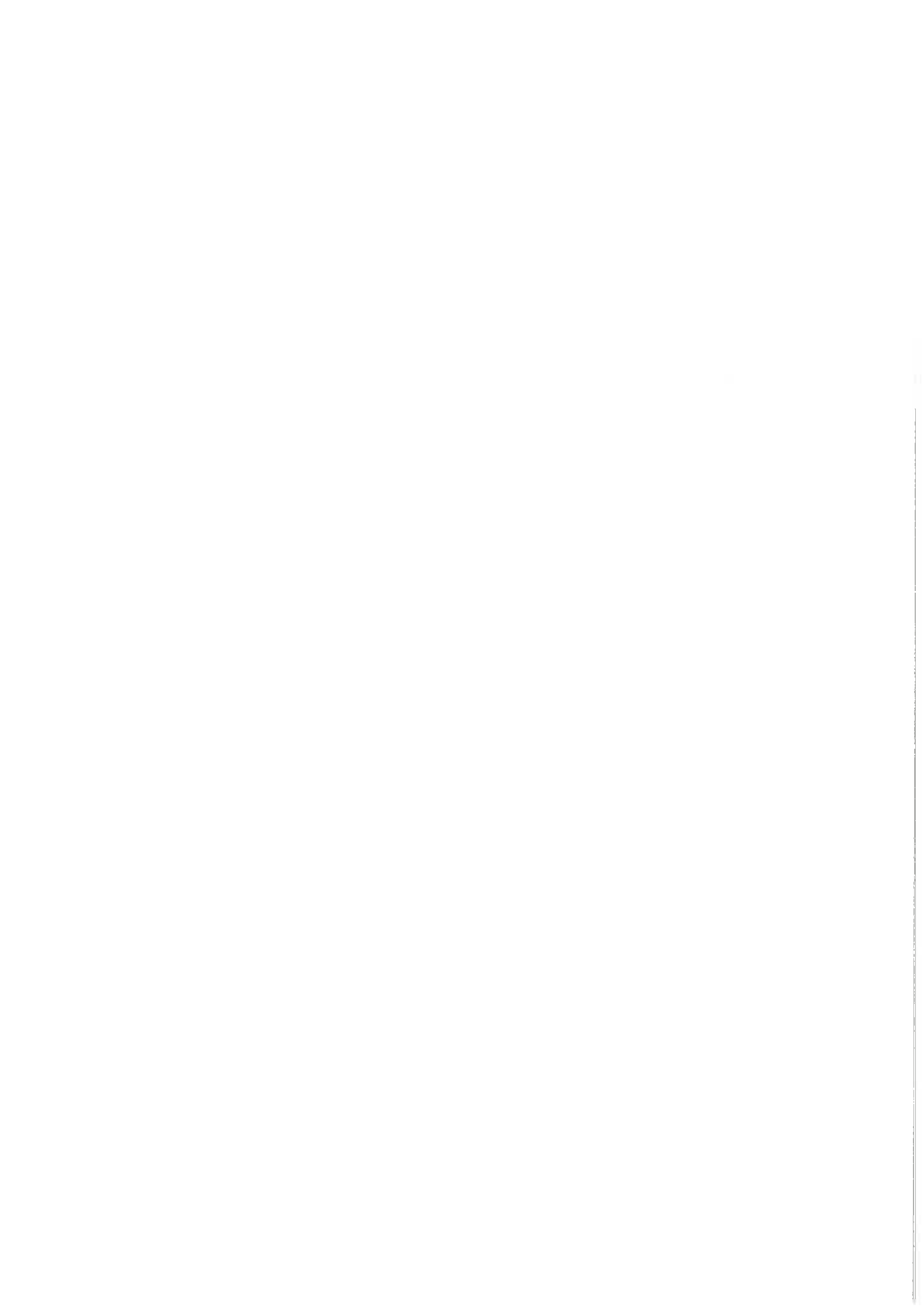
*Faculty for the Future Fellows gathering at SDR*

Technology, and Globalization Project at the Harvard Belfer Center for Science and International Affairs; Victor Serrat, MIT D-Lab Co-Director; and Dr. Nina Dudnick, Founder and CEO of Seeding Labs.

In addition, a number of Schlumberger and Schlumberger Foundation leaders spoke at the Forum, including Schlumberger Foundation President Sola Oyinlola. In his keynote speech, he urged the women to make STEM relevant in their societies by using their diverse skills to help solve the problems of the communities wherever they lived, stressing that STEM applications are everywhere around them.

The Faculty for the Future is building an international community of women leaders in science, who are prepared to make an impact in their home countries.

Faculty for the Future Fellow Eloise Marais, who is from South Africa and is doing postdoctoral research in Atmospheric Chemistry at Harvard University, was buoyed by the Forum, saying, "The accomplished fellow female scientists I met is a reminder of the tremendous talent in emerging countries and that more needs to be done by developing country governments and private companies to tap into this underutilized resource."



# Appendix 5

Financial Reports





# **Schlumberger Stichting Fund**

**Financial Statements  
and Supplemental Material  
Years Ended December 31, 2014 and 2013**

<b>Independent Auditors' Report</b>	<b>3</b>
<b>Financial Statements:</b>	
Statements of Financial Position as of December 31, 2014 and 2013	4
Statements of Activities for the Years Ended December 31, 2014 and 2013	5
Statements of Functional Expenses for the Years Ended December 31, 2014 and 2013	6
Statements of Cash Flows for the Years Ended December 31, 2014 and 2013	7
Notes to Financial Statements	8-17
<b>Independent Auditors' Report on Supplemental Material</b>	<b>18</b>
<b>Supplemental Material:</b>	
Investments at Fair Value at December 31, 2014	19
Grants at December 31, 2014	20

**Independent Auditors' Report**

<i>December 31,</i>	<b>2014</b> USD	<b>2013</b> USD
<b>Assets</b>		
Cash and cash equivalents (Note XX)	375,178	87,435
Investments at market or fair value (Notes XX and XX)	40,596,229	44,117,023
<b>Total Assets</b>	<b>40,971,407</b>	<b>44,204,458</b>
<b>Liabilities and Reserves</b>		
<b>Liabilities:</b>		
Grants payable (Note XX)	151,381	736,105
Accrued expenses (Note XX)	9,399	64,399
<b>Reserves</b>	<b>0</b>	<b>0</b>
Reserves (Note XX)	40,810,627	43,403,954
<b>Total Liabilities</b>	<b>40,971,407</b>	<b>44,204,458</b>

*See accompanying notes to financial statements.*

<i>Year ended December 31,</i>	2014 USD	2013 USD
<b>Revenues:</b>		
Contributions (Note XX)	0	0
Investment income:		
Net realized gain on sale of investments	0	0
Net change in unrealized gain (loss) on investments	1,935,636	6,355,590
Interest	0	0
Dividends	0	0
Equity in net income of investments in limited partnerships	0	0
<b>Total Investment Income</b>	<b>1,935,636</b>	<b>6,355,590</b>
<b>Total Revenues</b>	<b>1,935,636</b>	<b>6,355,590</b>
<b>Expenses:</b>		
Program expenses:		
Grants	(3,803,983)	(3,145,816)
SF INC	0	(10,000,000)
Operating and administrative expenses	(698,025)	(376,543)
<b>Total Program Expenses</b>	<b>(4,502,008)</b>	<b>(13,577,304)</b>
Other expenses:		
Investment management fees (Note XX)	0	0
Federal excise tax (Notes XX and XX)	0	0
Other expenses	(24,212)	(12,645)
<b>Total Other Expenses</b>	<b>(24,212)</b>	<b>(12,645)</b>
<b>Total Expenses</b>	<b>(4,526,220)</b>	<b>(13,589,949)</b>
<b>Change in Net Assets</b>	<b>(2,593,327)</b>	<b>(7,235,896)</b>
<b>Net Assets, Beginning of Year</b>	<b>43,403,954</b>	<b>50,639,850</b>
<b>Net Assets, End of Year</b>	<b>40,810,627</b>	<b>43,403,954</b>

*See accompanying notes to financial statements.*

<i>Year ended December 31,</i>	<b>2014</b> USD	<b>2013</b> USD
Conferences and meetings	(6,484)	(8,594)
Accounting fees	(24,733)	(32,267)
Management/Advisor fees	(543,047)	(246,333)
Other expenses	(123,761)	(89,349)
<b>Total Operating and Administrative Expenses</b>	<b>(698,025)</b>	<b>(376,543)</b>

*See accompanying notes to financial statements.*

<i>Year ended December 31,</i>	<b>2014</b> USD	<b>2013</b> USD
<b>Cash Flows From Operating Activities:</b>		
Change in net assets	(2,593,327)	(7,235,896)
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation and amortization	0	0
Net unrealized gains on investment	3,520,794	7,207,339
New investment	0	0
Grants payable	(584,724)	16,515
Accrued expenses payable	(55,000)	(33,702)
<b>Net Cash Used In Operating Activities</b>	<b>287,743</b>	<b>(45,744)</b>
<b>Cash Flows From Investing Activities:</b>		
Proceeds from sale of investments	0	0
Purchases of investments	(0)	(0)
<b>Net Cash Provided By Investing Activities</b>	<b>0</b>	<b>0</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>287,743</b>	<b>(45,744)</b>
<b>Cash and Cash Equivalents, Beginning of Year</b>	<b>87,435</b>	<b>133,179</b>
<b>Cash and Cash Equivalents, End of Year</b>	<b>375,178</b>	<b>87,435</b>

*See accompanying notes to financial statements.*

## **1. Description of the Organization**

Schlumberger Stichting Fund is a charitable trust established by Schlumberger Limited (the "Company") to provide grants for charitable, scientific, literary and educational purposes. The Foundation's flagship program is Faculty for the Future, which was established for awarding fellowships and supporting women academics in science and engineering from developing and emerging countries for their advanced graduate study at top universities abroad.

The statutory objective of the Schlumberger Stichting Fund is to support scientific, educational and charitable programs and projects. During the last 10 years this effort has led to the development of a flagship program (Faculty of the Future) that is designed to encourage women from emerging economies to pursue academic careers in science and technology. The long-term goal of the program is to foster a generation of women with advanced degrees in physical sciences who in their home countries serve as role models to many other young women.

Schlumberger Stichting Fund receives support for program activities primarily from cash contributions from the Company or affiliates of the Company.

## **2. Summary of Significant Accounting Policies**

### ***(a) Basis of Presentation***

The financial statements have been prepared on Dutch GAAP basis. In the statement of financial position, assets are presented in order of liquidity or conversion to cash and liabilities are reflected in order of their maturity resulting in the use of cash.

### ***(b) Financial Statement Presentation***

The classification of Schlumberger Stichting Fund net assets and its support, revenue and expenses is based on the existence or absence of donor-imposed restrictions. It requires that the amounts for each of three classes of net assets, permanently restricted, temporarily restricted, and unrestricted, be displayed in a statement of financial position and that the amounts of change in each of those classes of net assets be displayed in a statement of activities.

These classes are defined as follows:

**Permanently Restricted** - Net assets resulting from contributions and other inflows of assets whose use by the Schlumberger Stichting Fund is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of Schlumberger Stichting Fund.

**Temporarily Restricted** - Net assets resulting from contributions and other inflows of assets whose use by Schlumberger Stichting Fund is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of Schlumberger Stichting Fund pursuant to those stipulations.

**Unrestricted** - The part of net assets that is neither permanently nor temporarily restricted by donor-imposed stipulations.

**(c) *Cash and Cash Equivalents***

Schlumberger Stichting Fund considers all cash and highly liquid debt instruments purchased with an original maturity of three months or less at time of purchase to be cash equivalents.



**(d) Securities Transactions and Portfolio Valuations**

Securities transactions and related income and expenses are recorded on a trade date basis. The Schlumberger Stichting Fund's investments in securities are valued at market value on the financial statement date based upon the last reported sales price on the largest recognized exchange on which they are traded or, if no trading took place on that date, at the last quoted "bid" price for investments in securities owned. The resulting unrealized gains and losses are included in the statements of activities.

**(e) Investments in Investment Partnerships and Investment Companies**

Schlumberger Stichting Fund investments in investment partnerships and investment companies are accounted for under the equity method. These investments are stated at fair value based upon the Schlumberger Stichting Fund's equity interest reported by the investment entities.

### 3. Investments

(a) Investments at fair value categorized by investment category are as follows:

December 31,

Investment category	2014			2013		
	% of Total Fair Value	Fair Value USD	Cost	% of Total Fair Value	Fair Value USD	Cost
Fixed Income	0.0%			0.0%		
Ultra short bonds	0.0%	1,927	0	0.0%	1,925	0
Global bonds	12.46%	5,058,013	0	23.20%	10,233,944	0
Equity	0.0%	0		0.0%	0	
Global Stock Index.	87.54%	35,538,216	0	76.80%	33,881,154	0
Non-U.S.	0.0%	0	0	0.0%	0	0
	100.0%	40,598,156	\$0	100.0%	44,117,023	\$0

Schlumberger Stichting Fund (SSF) has an investment brokerage agreement with Vanguard Investments Series PLC, Ireland (Ultra short bonds and Global bonds) and Pimco Fund Services, Ireland (Global stock index). Both investment companies were not able to produce an investment result/costs breakdown, as required by US GAAP. Both investment companies, only provide accounting data as required by Irish GAAP and tax laws.

Schlumberger Stichting Fund assets and liabilities recorded at fair value have been categorized based upon a fair value hierarchy. A description of the valuation techniques applied to the Foundation's major categories of assets and liabilities measured at fair value are as follows:

**Cash, Deposits & Money Market Funds**

Deposits and money market funds consist primarily of a bank deposit of an affiliated bank of the custodian and are reflected at amortized cost, which approximates fair value.

### *Equities*

For its investments with asset managers that hold public common and preferred stocks, the Schlumberger Stichting Fund has position-level transparency into individual holdings. These investments are priced by the Foundation's custodian using nationally recognized pricing services based on observable market data and are classified as Level 1.

### **4. Grants Payable**

Of the grants approved by the Board of Directors through December 31, 2014 and 2013, USD 151,381 and USD 736,105, respectively, are payable to grantees and are subject to satisfaction of certain conditions by the grantees before payment is made. Any noncompliance with the grant requirements will result in the return of funds by the grantees.

### **5. Related Parties**

Some of Schlumberger Stichting Fund directors also serve as directors on the boards of directors of the Company's affiliates.

### **6. Broker Agreements**

Through its brokerage agreement with Vanguard Investments and Pimco Funds Services Ireland, Schlumberger Stichting Fund has agreements to carry its accounts through a passive investment management approach.

The advantage of this approach is that it spreads risk widely within a market, avoiding the losses that can follow a dramatic decline in any one specific company or industry sector. However, risk is spread rather than avoided. The passive approach cannot protect against broad market declines, as it follows the market.

### **7. Subsequent Events**

The Schlumberger Stichting Fund has evaluated subsequent events through May 2014, which is the date these financial statements were available to be issued.