

2020

Modern Slavery Statement

Schlumberger

Modern Slavery Statement

FY2020

This statement constitutes the Slavery and Human Trafficking Statement (United Kingdom) and joint Modern Slavery Statement (Australia) (together, the “Statement”) with respect to the fiscal year ended 31 December 2020. The Statement summarizes the policies and goals of Schlumberger Limited and its consolidated subsidiaries (together, “Schlumberger,” “us,” “our” or “we”) with respect to the prevention of slavery and human trafficking within our own operations, value chain and business relationships, as well as relevant actions taken in 2020 in furtherance of these policies and goals. The Statement is made pursuant to Section 54(1) of the Modern Slavery Act 2015 (United Kingdom) (the “UK Modern Slavery Act”) and Section 14(b) of the Modern Slavery Act 2018 (Australia).

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Our Company

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.



Financial

We exited 2020 with adjusted **EBITDA margins**[†] **at the same level as Q4 2019** despite a **33%** drop in annual revenue

[†]For a reconciliation of adjusted EBITDA to loss before taxes on a GAAP basis, see our fourth-quarter and full-year 2020 results earnings press release at investorcenter.slb.com/node/22541/html.

Our Structure

During 2020, Schlumberger restructured its organization in order to prepare for a changing industry future. This new structure is aligned with customer workflows and is directly linked to Schlumberger's corporate strategy, a key element of which is customer collaboration.

The new organization consists of four Divisions that combine and integrate Schlumberger's technologies, enhancing the portfolio of capabilities that support the emerging long-term growth opportunities in each of these market segments.

The four Divisions are:



The role of the Divisions is to support Schlumberger in executing its customer-centric performance strategy and maintaining its industry leadership role in technology development and services integration. The Divisions are collectively responsible for driving performance throughout their respective business lines; overseeing operational processes, resource allocation and personnel; and delivering superior financial results.

Find out more about our organizational structure in our [2020 Annual Report](#).

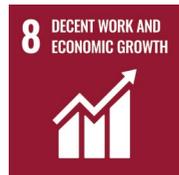
Respecting Human Rights

Schlumberger is committed to conducting business in a manner that preserves and respects human dignity, and our approach to modern slavery is embedded within our broader commitment to respecting human rights. We seek to apply this commitment to all Schlumberger operations, value chain and business relationships, including suppliers, contractors and labor agents. As a result, we prohibit any use or contracting, directly or indirectly, of child labor, forced labor, human trafficking, or any other form of modern slavery.

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 U.N. Guiding Principles Reporting Framework.



Schlumberger is 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.



“People are central to the U.N. Sustainable Development Goals, and this aligns well to Schlumberger’s corporate value of putting people first. In support of SDG 8, we are focused on promoting sustainable and inclusive economic growth and decent work for our employees and contractors and for those in our supply chain. 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 safe, secure, and inclusive working environment.”

Gwenola Boyault,

Vice President Planning and Supply Chain

Our Suppliers

As a global company with diverse product and service offerings, we have third-party suppliers and service providers throughout the world. Schlumberger’s Planning and Supply Chain organization provides our field and manufacturing locations with supplier management, strategic sourcing and logistics and inventory management. In today’s competitive global economy, we know that strong relationships with our suppliers are more important than ever to strengthen our ability to meet our own and our customers’ needs.

Our Procurement and Sourcing Policy states that we will work with our suppliers in a socially responsible and ethical manner. In return, we expect our suppliers to work in a professional, ethical, socially responsible and cost-effective manner consistent with our policies, procedures and business objectives. We believe strategic sourcing and the adoption of supplier management processes foster relationships that encourage supply chain best practices and add value for our suppliers, our customers and ourselves.

In evaluating potential suppliers, we consider delivery price, supplier reliability, operational costs and after-sales support. We procure goods and services only from financially stable, technically qualified and reliable sources. We require that our suppliers (as well as 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.

Read more at <https://www.slb.com/who-we-are/for-suppliers/sustainable-supply-chain>

Our Response to COVID-19

Schlumberger recognizes that the COVID-19 pandemic has created a new prolonged vulnerability context for many workers in our supply chain. In the very early stages of the pandemic, we put in place a comprehensive outbreak management plan that addresses, among other things, supply chain continuity and ongoing risk assessments.

We have been committed to sharing information, coordinating our approach, and acting collaboratively to promote safe working conditions in our supply chain. Information relating to our COVID-19 response and resources to help navigate the evolving situation were made available on [slb.com](https://www.slb.com).

In Europe and the United Kingdom, we completed an extensive risk assessment of our regional supplier base to gain insights into the potential impact and expected supply and demand disruptions due to the COVID-19 pandemic. We identified certain suppliers as “high-risk” due to COVID-19 capacity issues and/or extreme financial impact. Our Planning and Supply Chain organization worked collaboratively with these suppliers to develop short-term strategies to manage any major variations to supply and demand.

Our Policies and Governance with Respect to Slavery and Human Trafficking

Schlumberger maintains a series of applicable governance documents that support our human rights commitments, including our prohibition on the use or contracting, directly or indirectly, of any form of slavery, human trafficking, child labor, or forced labor. Schlumberger recognizes the U.N. Guiding Principles, which are reflected in our Code of Conduct, our Human Rights Position Statement, and our other policies and procedures.

1 The **Blue Print in Action – Our Code of Conduct** (our “Code of Conduct”) sets forth Schlumberger’s commitment to respecting the principles in The International Bill of Human Rights, and to conducting business in a manner that preserves and respects human dignity. Our Code of Conduct summarizes our commitment to ethical business conduct and respecting human rights, and applies to all Schlumberger directors, officers, employees, security providers and contractors. All suppliers, contractors and agents (including labor agents) must be approved and managed in accordance with our Code of Conduct and internal requirements.

2 Our **Human Rights Position Statement** provides additional details about how Schlumberger demonstrates our respect for human rights in our operations, value chain and business relationships. It focuses on five key human rights areas relevant to our global operations: in the workplace; in local communities; with indigenous peoples; around security arrangements; and in our supply chain.

3 In line with the labor principles of the U.N. Global Compact, Schlumberger’s **Working Condition Requirements** provide a common baseline for the expected treatment of all employees, contractors, temporary workers, trainee workers and migrant workers. The Working Conditions Requirements, first published in 2005, promote respect for the rights and welfare of our employees and those working within our supply chain by setting forth the following principles:

Our Working Conditions Principles

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

4

Schlumberger recognizes that there are serious human rights abuses associated with the extraction, transportation, and trade of minerals in some countries, including the Democratic Republic of the Congo and its adjoining countries. We support responsible sourcing of materials from suppliers that share our values and we commit to avoid contributing to the conflict through our sourcing activity, as outlined in our [Conflict Minerals Policy](#).

Any supplier entering into a contract with Schlumberger must agree to promote and abide by our Code of Conduct, Human Rights Position Statement and Working Conditions Requirements. Any such supplier also is required to inform us of any act or omission, actual or potential, that does not comply with the foregoing. Failure to comply with our Code of Conduct, Human Rights Position Statement and Working Conditions Requirements is deemed a material breach, entitling us to immediately terminate our agreement with the supplier. Where Schlumberger identifies a nonconformance event with a link to human rights issues, we look to provide for or cooperate in the remedy of the event in a fair and transparent manner. We expect our suppliers to implement, throughout their supply chains, human rights obligations similar to those in our agreements with them.

Responding to Modern Slavery

In 2018, Schlumberger published its Human Rights Position Statement and formed a cross-functional human rights working group led by senior leadership, consisting of representatives from our legal, supply chain, human resources, health, safety and environment (“HSE”) and sustainability functions, to oversee our efforts to identify and prevent exploitative work practices and modern slavery in our operations, value chain and business relationships.

In 2019, we commissioned an independent risk analytics firm, Verisk Maplecroft, to complete a high-level risk assessment across our global operations, to identify the primary human rights risks in our supply chain in an effort to prevent the indirect use of modern slavery. We also revised our working conditions requirements, standard business conduct clauses in supplier contracts, and supplier information kit, consistent with our commitment to continuously work to improve the respect for human rights across our company.

In 2020, we began to use the findings of the high-level risk assessment to improve our risk identification and assessment processes. We launched a pilot project in four regions, including Australia and the UK, to strengthen our approach to supplier screening.

Other key activities in 2020 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, which has been approved for rollout in 2021;
- 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 manpower and recruitment agencies to complete the industry-standard human rights due diligence self-assessment questionnaire;
- Refreshing our compliance audit tool for remote and on-site core audits, in line with our procedures as well as guidance relating to on-site labor rights assessments from IPEICA, the global oil and gas industry association for advancing environmental and social performance;
- Developing an internal compliance audit tool for onsite self-assessments of Schlumberger facilities, piloted in Brazil, to identify specific indicators of human rights risk; and
- Establishing an anti-human trafficking working group in North America, to increase awareness of the issues and mobilize employees to combat human trafficking.

Assessing Risk in Our Supply Chain

Understanding where our key supply chain risks lie is the starting point for taking action. In 2019, we commissioned an independent risk analytics firm, Verisk Maplecroft, to complete a high-level risk assessment across our global operations, to identify the primary human rights risks in our supply chain and help us prioritize activities. This assessment covered all of our active direct suppliers—meaning those suppliers who provide goods and services directly to Schlumberger—across various purchasing categories and countries in which our suppliers do business. Key findings are included in Appendix 1.

Evaluating and Managing Suppliers

We continue to evaluate and evolve how we manage modern slavery risk through our sourcing and contractor management processes, in order to have the greatest impact in preventing exploitative work practices and modern slavery in our supply chain.

The diagram below provides an overview of our approach to supplier human rights due diligence.



In 2020, we launched a pilot project in four regions to strengthen our approach to screening higher risk suppliers. The project's objective is to help local managers (1) systematically identify higher risk suppliers, and (2) conduct screening desktop assessments using the industry-standard human rights due diligence self-assessment questionnaire (SAQ), which is designed to identify suppliers' management processes and controls. In 2021, findings from the project will be used to develop a global framework for human rights due diligence in our supply chain.

We use a risk-based approach to monitoring our suppliers. Our supplier audit procedure includes multiple criteria for determining the criticality of, and assessing the potential risk of, each supplier. In order to seek adherence to our [Code of Conduct](#), [Human Rights Position Statement](#) and [Working Conditions Requirements](#), the supplier audit procedure sets out guidelines for a risk-based audit plan of our suppliers. Local managers within our Planning and Supply Chain organization oversee the implementation of these guidelines. In 2020, we refreshed our compliance audit tool for remote and on-site core audits, in line with our supplier audit procedure and IPIECA guidance.

Although the COVID-19 pandemic curtailed our ability to conduct on-site audits of critical suppliers in 2020, our Planning and Supply Chain organization adapted and conducted remote audits in 2020 and 2021. In the ordinary course of our operations, our audit procedures include site visits to identify gaps in our suppliers' processes and reviews of their management systems, including regulatory compliance, HSE concerns, and ethics and compliance issues such as violations of our **Working Condition Requirements**. These audits include questions regarding our suppliers' processes and policies with respect to ethical employment, as well as their audit procedures of the companies that supply materials to them. The questions relate to human rights, local and international labor laws, child labor laws, and whether the commitments of our suppliers are formally documented.

The findings of each supplier audit are documented and used by our supply chain team in order to resolve areas of risk or, where necessary or appropriate, modify our supplier relationships in order to mitigate or remove risks that have been identified.

We continue to explore, where appropriate, the commissioning of independent auditors to undertake on-site supplier human rights audits. We expect to complete our first independent audit of a targeted supplier in 2021.

Training and Awareness

Members of our workforce, including employees and full-time, part-time and contract workers, are required to complete ethics and compliance training on at least an annual basis, or more frequently as their careers progress. This training includes annually reviewing, and providing a certification acknowledging receipt and agreement of, our Code of Conduct, including the human rights commitments discussed above.

We began integrating human rights moments into supplier performance reviews and supplier forums in 2020, to better engage with our suppliers and communicate to them our expectations on human rights.

A human rights moment was one of the main focuses of our 2020 annual supplier forum for our European and UK supplier base, with over 100 suppliers participating in the session.

In 2020, we also developed a company-wide human rights training plan, which has been approved for rollout in 2021. The purpose of this training is to ensure that Schlumberger employees have a general understanding of human rights and modern slavery and key processes designed to implement our human rights commitments. Additional on-line management training is expected to be made available to employees identified as having touchpoints to human rights risks.

In 2020, IPIECA and the oil and gas contractor members of Building Responsibly began developing training materials for member employees and their contractor and subcontractor staffs, to build awareness and improve the management of labor rights issues in the oil and gas industry supply chain. These training materials, which Schlumberger is actively involved in reviewing, will focus on the risks associated with the construction of large projects in sensitive geographies with vulnerable workers.

Labor rights issues that will be covered by the training, which is expected to be rolled out in 2021, include forced labor, responsible recruitment, child labor, working hours and overtime, wages, freedom of association, non-discrimination, worker accommodation, and worker grievance mechanisms.

Working with Others

We continue to explore ways we can promote meaningful stakeholder engagement with individuals, workers and communities that are or could be affected by our operations, value chain and business relationships. For example, we meet regularly with investors, join industry initiatives and partnerships, participate in academic forums and, in consultation with our customers, we often participate in local community meetings. Among our recent human-rights focused partnerships:

- Schlumberger is 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.
- Recognizing the importance of industry collaboration, in 2017, Schlumberger became the first associate member of [IPIECA](#), the global oil and gas industry association for advancing environmental and social performance. In 2019, we became the chair of IPIECA's Human Rights Working Group, working to promote industry collaboration and develop tools and [guidance to address human rights risks](#).
- Since 2017, we have been a member of the Oil and Gas Trafficking Advocacy Group, a group of operators and service companies that are committed to raising awareness about human trafficking and educating companies in North America about the role they can play in ending it.

Our Effectiveness in Combating Slavery and Human Trafficking

Currently, we track our effectiveness in combating slavery and human trafficking through: biannual reviews of our human rights program by Schlumberger's cross-functional human rights working group; feedback provided by customers associated with social audits; ongoing dialogue with our suppliers through supplier forums and performance reviews; reviews of findings through our supplier audit processes; and investigation and analysis of complaints related to our **Working Conditions Requirements**.

In 2020, 6.5% of our customer tenders that were processed through our Western Hemisphere commercial center included questions related to human rights. We also completed one desktop assessment, involving management and deep-dive interviews, with a customer in Brazil as part of the tender process. Additionally, two customer-initiated on-site assessments of our operations in Mexico and Nigeria have been delayed until 2021.

The Nominating and Governance Committee of the Schlumberger Limited Board of Directors oversees our sustainability program, initiatives and reporting efforts. Schlumberger's sustainability organization leads our human rights strategy, working in close collaboration with the legal, ethics and compliance, planning and supply chain and business operations teams to support effective risk management throughout our global operations. The sustainability organization also monitors and reports our performance implementing policies and procedures to manage the risks of modern slavery and human trafficking.

In 2021, our human rights initiatives will focus on:

- Rolling out our company-wide human rights training plan to employees and suppliers;
- Finalizing a global framework for human rights due diligence in our supply chain, supported by our human rights toolkit;
- Increasing awareness of our 24-hour, anonymous EthicsLine phone reporting system, in order to reach at-risk populations to report labor issues at Schlumberger facilities and in our supply chain; and
- Developing new Key Performance Indicators, to help us measure our performance and the effectiveness of sourcing and contractor management processes related to human rights risks.

Consultation

This statement has been prepared in consultation with our key teams that collaborate to execute our human rights program. This includes the cross-functional human rights working group, consisting of representatives from our legal, supply chain, human resources, HSE and sustainability functions.

This statement is made on June 2nd 2021.

Appendix 1

In fiscal year 2019, Schlumberger Limited and its consolidated subsidiaries (together, “Schlumberger”) commissioned an independent risk analytics firm, Verisk Maplecroft, to conduct a high-level risk assessment across our global operations, to identify the primary human rights risks in our supply chain in an effort to prevent the indirect use of modern slavery.

This assessment covered all of our active direct suppliers—meaning those suppliers who provide goods and services directly to Schlumberger—across various purchasing categories and countries in which our suppliers do business. We refer to these suppliers as “tier 1” suppliers. The assessment also provided deep dive analysis into specific supplier categories and markets where we are developing or planning to develop enhanced supplier due diligence processes.

We used two key indicators—country risk and category risk—to analyze key supplier categories and markets for use of enhanced supplier due diligence processes.

- **Country risk** refers to the relative risk exposure of our suppliers based on each supplier’s invoicing or service delivery location. Country risks are based on the strength of national legal frameworks related to human rights, country-level implementation and enforcement capabilities, and the prevalence and severity of human rights violations and modern slavery within the country.
- **Category risk** refers to the relative risk exposure of our suppliers based on the materiality of human rights and modern slavery risks for each industry, operation-type or other “category” to which they are assigned.

Below are some of the key findings related to modern slavery from this high-level supplier risk assessment.

- **Overall supplier risk exposure distribution:** The company's supply chain has a relatively low risk exposure from a labour rights perspective – this is because it has a skilled supplier base which mostly operates in countries with high levels of respect for human rights.
- **Highest risk supplier categories:** Based on our supplier risk assessment and expert opinion, we have identified the following as the tier 1 supplier categories with the highest exposure to modern slavery risks:
 - Cabins, camps and cargo
 - Crew transportation
 - Facilities – engineering and construction
 - Maintenance and repair operations
 - Trucking

These findings are being used to inform a variety of risk mitigation measures, including enhanced due diligence for suppliers exposed to the highest risk, local supplier engagement activities in certain countries, and training for internal procurement teams. Furthermore, we will continue to review and strengthen how we prevent, identify and manage modern slavery risks in our supply chain.

Cautionary Statement Regarding Forward-Looking Statements

This statement, as well as other statements we make, contain “forward-looking statements” within the meaning of the U.S. federal securities laws — that is, any statements that are not historical facts. Such statements often contain words such as “aim,” “goal,” “ensure,” “expect,” “may,” “believe,” “predict,” “plan,” “estimate,” “intend,” “commit,” “pledge,” “anticipate,” “think,” “should,” “would,” “could,” “will,” “see,” “likely,” and other similar words. Forward-looking statements address matters that are, to varying degrees, uncertain, such as statements about our goals, plans and projections with respect to human rights, corporate responsibility and other sustainability matters; and performance and operational targets and other goals. These statements are subject to risks and uncertainties, including, but not limited to, our inability to achieve our human rights performance targets and other forecasts and expectations; our inability to meet workforce expectations and perform at desired environmental, social, governance and stewardship standards; challenges in our supply chain; 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 June 2nd 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.

For more information, please visit
www.slb.com/sustainability