Schlumberger

2021 Annual Report

Schlumberger Limited

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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 www.slb.com

Safety

2021	.74
2020	.71
2019	1.07

31% Improvement

TRIF (Total Recordable Injury Frequency) per 1 million work-hours, as per International Association of Oil & Gas Producers (IOGP)

Service Quality

33% Improvement

Catastrophic, Major, and Serious Events per million work-hours

2019	15.6
2020	10.7
2021	10.4

Financial

Adjusted EBITDA† Margin Expansion

+320 bps

2021 vs. 2020

Free Cash Flow†

FY 2021 **$3B**

Sustainability

MSCI Rating

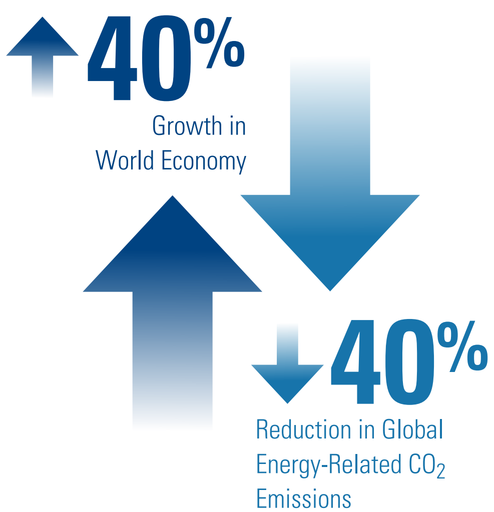
A AA

2020 **2021**

Committed to **Net Zero** by 2050 inclusive of **SCOPE 3 emissions**

†For reconciliations of (i) adjusted EBITDA to income before taxes on a GAAP basis and (ii) free cash flow to cash flow from operations, see our fourth-quarter and full-year 2021 results earnings press release at https://investorcenter.slb.com/node/23866/html (p. 23).

Olivier Le Peuch
Chief Executive Officer



A 40% reduction in global emissions by 2030 is required to meet commitments made to limit global warming to 1.5 degrees Celsius.

Source: IEA Net Zero, IHS Markit referenced to 2019

Dear Schlumberger Stakeholder,

2021 was an excellent year of performance and a turning point for our company. As an exceptional growth cycle continued to develop in oil and gas, we began to see the shape of a new Schlumberger, seizing growth and new opportunities in our core and beyond.

The entire global energy industry is being urged to help meet the dual challenge—improving the lives of billions of people with access to reliable energy, while at the same time rapidly decarbonizing to reduce the impacts of climate change. Oil and gas have a key role to play in meeting this challenge, as they will be called upon to provide a substantial portion of the global energy mix, supporting economic growth affordably across the transition. Energy demand returned broadly this year, and we anticipate returning to prepandemic peaks in the near term. Meeting that demand will require technology and execution, which we will continue to deliver for our customers.

In that context, the entire Schlumberger team generated strong financial results this year by executing our strategy and enhancing performance for customers with our innovative technology and digital solutions. I am very proud of the people of Schlumberger, who continue to be determined in their effort, precise in their execution, and thoughtful in their care for our communities and our environment. In 2021, our people created strong momentum that will underpin our success for years to come.

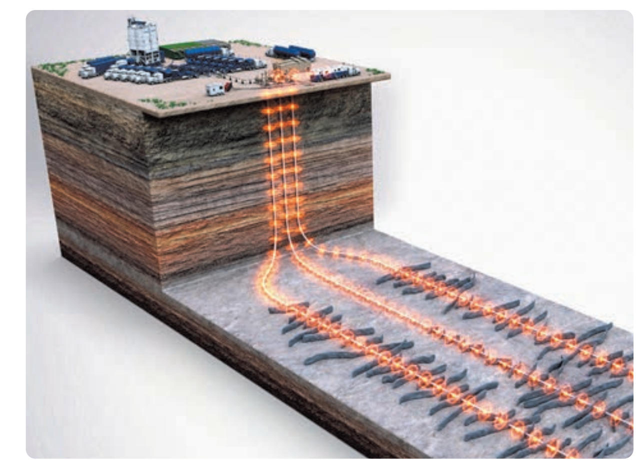
Outperforming in Our Core

As a company of people driven to make a difference with science and engineering, we believe Schlumberger plays a unique role in the world. We do that with our leading operational execution and innovation capabilities to create and deploy, at scale, technology that enhances performance and reliability for our customers. I would like to thank the entire team who navigated continuing COVID impacts and supply chain disruption to provide business continuity and improved performance for our customers. Despite the challenges, the extraordinary people of Schlumberger delivered a year of outperformance on every metric, surpassing all our targets this year.

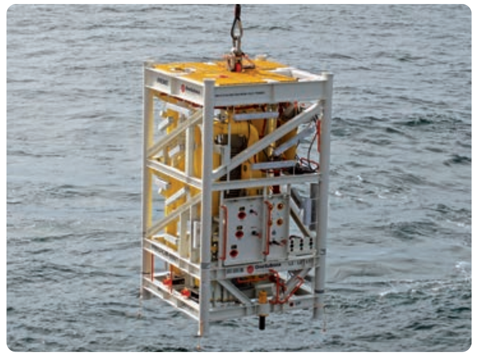
Performed by Schlumberger is the premier recognition program in the company, highlighting the most outstanding examples of how we create value: innovation, operations excellence, and customer performance. Read about this year's winning projects on page 13.

Our core business demonstrated robust results in the early stages of a multiyear growth cycle. Our sharp focus on the performance of our customers throughout the year drove outstanding financial performance. Our unique integration capabilities, industry-leading international footprint, and differentiated technology are enabling us to achieve customer performance goals.

Our new organization, which is maximizing our potential both internationally and in North America, has been instrumental in meeting customer performance goals by fostering stronger customer engagement, accelerating our fit-for-basin approach to technology development that creates solutions tailored to regional customer performance needs, and enabling our people to set new benchmarks in operational performance. Our unique capacity to integrate domain expertise, digital capabilities, and technology across our Divisions is resonating with customers as integrity and performance are increasingly critical to their success. These differentiated capabilities were recognized with enhanced market positions and significant project awards during the year.



Schlumberger was awarded a multibillion dollar integrated stimulation technology and services contract by Saudi Aramco for its unconventional gas resources. Fit-for-basin technologies will enable operational performance and efficiency in a work scope that includes the full suite of products and services for hydraulic fracturing, coiled tubing intervention, wireline services, Cameron hydraulic fracturing trees with MonoFlex dual-connection fracturing fluid delivery technology, and flow back.*



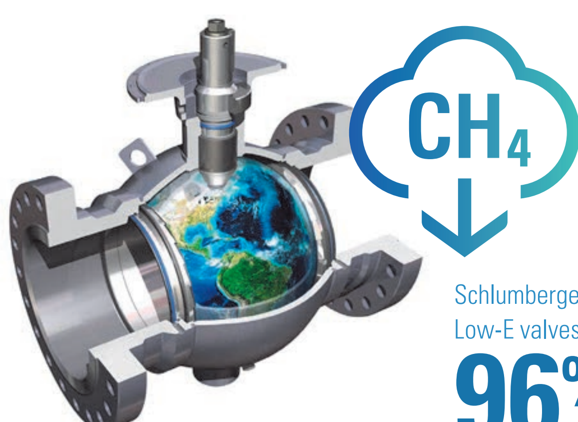
Equinor recently completed the installation of a OneSubsea® subsea multiphase boosting system, a solution that will reduce the cost and carbon impact of producing an additional 16 million barrels of oil from Vigdis Field in the North Sea. In production for more than 20 years, the Vigdis Field is producing into the existing Snorre A facility, a cost advantage over building new infrastructure. Leveraging an all-electric control system, the multiphase boosting system requires less than 50% of the energy to produce the same volume of oil as compared to gas lift, avoiding 200,000 tons of CO_2 equivalent over 10 years of operation at Vigdis and paving the way for future subsea electrification around the world.

At the same time, our new organization and high-graded portfolio have enhanced our earnings power, and we ended the year marking six consecutive quarters of pretax segment operating margin expansion even before the multiyear growth cycle has fully unfolded. During the year, we saw oil supply tighten and demand growth increase while industry activity accelerated across all geographies and environments—onshore and offshore. We see this growth expanding in 2022 and beyond, at first driven by supply tightness, which will eventually give way to demand-led industry capital spending growth, setting the foundation for a strong multiyear upcycle. Indeed, this scenario is already being established, as the number of final investment decisions increases, service pricing has begun to improve, and multiyear long-cycle capacity expansion plans have started—particularly internationally and offshore, as seen during the fourth quarter of 2021.

Against this backdrop, our core strengths will be magnified going forward by our decarbonization leadership, where we made a significant step this year with the debut of our Transition Technologies* portfolio of solutions. This technology portfolio is decarbonizing oil and gas operations, with a focus on reducing power consumption and eliminating flaring and venting. These are our largest opportunities to reduce the oil and gas industry greenhouse gas (GHG) emissions footprint, and deploying technologies in these areas will help Schlumberger and our customers work to reach our sustainability commitments, together.

Transition Technologies

Scan this code to learn how we are using technology to decarbonize oil and gas operations.



Schlumberger ISO- and API-certified Low-E valves can achieve up to **96%** reduction in fugitive emissions.

Offshore Angola, Eni was able to confirm minimum hydrocarbons in place and reservoir deliverability in just six weeks on its first 2021 well without flaring, using a combination of Schlumberger's Quanta Geo photorealistic reservoir geology service and the deep transient testing capability of the Ora* intelligent wireline formation testing platform. Compared to traditional methods, this completely eliminated flaring-related GHG emissions.*

We also announced in 2021 a bold net-zero commitment inclusive of Scope 3 emissions—the majority of which occurs for us when we deploy technology on customer projects. These Scope 3 emissions constitute 75% of our total GHG emissions. Reducing Scope 3 emissions is a goal we share with our customers as well as an enormous growth opportunity and a radical differentiator for Schlumberger, and we have already started to deploy Transition Technologies with customers around the world. We are uniquely positioned to develop and deploy these solutions and believe our opportunity to assist our customers in reducing their GHG emissions will generate significant growth and sustainability impact.

This was the year we set the foundations of our future, a future that will support our digital market ambition and our expansion into new energy as the growth cycle continues to expand.

Scope 1 is our direct emissions from the fuel we use.

Scope 2 is our indirect emissions from electricity that we purchase.

Scope 3 emissions come from everything else, including supply chain, logistics, travel, and everything related to the use of our products and services.

Nearly **90%** of our Scope 3 emissions come from the use of our technology and emissions associated with purchased goods and services in our supply chain.

DELFI GROWTH IN 2021

>160%
user growth year over year

>1,000%
growth in compute-cycle intensity

>240
commercial customers

Advancing a Digital Ecosystem for the Future

When we imagined the digital future of our industry, we were inspired to create an extensive digital platform supporting an ecosystem where innovation and collaboration at scale could unlock the full impact of digital—across the energy industry.

We built our platform on a data framework, which we contributed to the Open Subsurface Data Universe (OSDU) as the foundation of an open-source industry standard. This year, we expanded access to our platform, adding collaborators to an unmatched network of best-in-class digital partners, and unlocked market access across all basins through the most comprehensive public, hybrid, and private cloud capabilities. From this, we have seen accelerated adoption at scale—across countries, customers, and end users. The diversity and magnitude of announcements made this year by majors, independents, and national oil companies reflect the broad adoption and diverse market reach we have generated.

NEW AND EXPANDED DIGITAL PARTNERSHIPS

Implementation Partners: Microsoft; AWS; NOV *Automated drilling solutions*; IBM; AVEVA *Edge, AI, and digital solutions for oil & gas production*

Customer Deployments: Equinor *DELFI deployment*; PETRONAS *DELFI deployment*

We also formed an AI consulting and cloud operations support structure, enabling us to accompany our customers in their digital journey, from innovative workflow deployment to asset operations transformation. Furthermore, we are experiencing an increase in the breadth of adoption per customer and end user, as exemplified in the significant growth of cloud native applications being used on the platform, and the acceleration of computational intensity, as geoscientists and reservoir engineers increase their collaborative, on-demand use of modeling and simulation applications.

Through the power of our platform, we are empowering customers with AI and digital innovation, and connecting digitally enabled hardware to realize autonomous solutions.

We are proud of the progress we have made in digital this year and are honored to be increasingly selected as the digital partner of choice by our customers. We are confident in our ambition to lead the industry and to generate accretive growth in the upcycle with our digital offering, which we see growing beyond our core, driving further decarbonization and low-carbon opportunities.

LEADING AUTONOMOUS DRILLING WITH EXXONMOBIL

Offshore Canada, Schlumberger and ExxonMobil Canada are jointly working on the deployment of digital drilling solutions, which recently enabled ExxonMobil Canada to complete the first fully automated section drilled at the Hebron platform. This was achieved with a combination of DrillOps* on-target well delivery solution, including DrillOps Automate drilling solution, and the Cameron DrillPilot* equipment sequencing software for pipe handling automation. ExxonMobil Canada and its co-venturers on Hebron have agreed to a commercial implementation of the DrillOps Automate solution in its offshore operations. These digital solutions are expected to create a step change in procedural adherence, consistency, standardization, and operational efficiency across rig crews, and enable close integration of well construction planning and execution phases in the future.

Expanding New Energy with Partnerships

We have taken a collaborative approach to working with customers and the wider industry to achieve new levels of performance that would not be possible working in a traditional framework. This mindset has helped us overcome challenges and create more value together. We are taking this same approach in digital and new energy, where we are building visionary partnerships that are opening new markets where our innovation can make an impact.

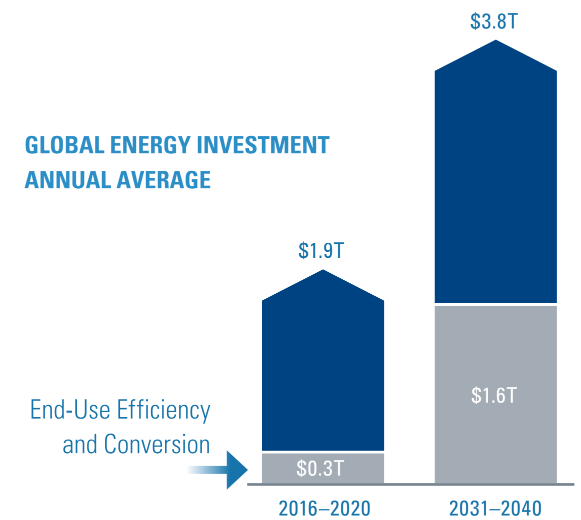
Scan this code to hear Schlumberger Chief Strategy and Sustainability Officer Dr. Katharina Beumelburg share how we are using cross-industry partnerships to drive decarbonization.

The enormous capability and flexibility of our digital platform enables us to generate new revenue streams in oil and gas and is enabling access to other industries, as well. Built on partnerships, our platform is constantly advancing and is already being used by other industries, who are also striving for higher performance from their workflows, data, and operations. The architecture of our platform and the domain knowledge it was designed to harness makes it ideal for other industries, such as carbon capture and storage (CCS), geothermal, and new energy.

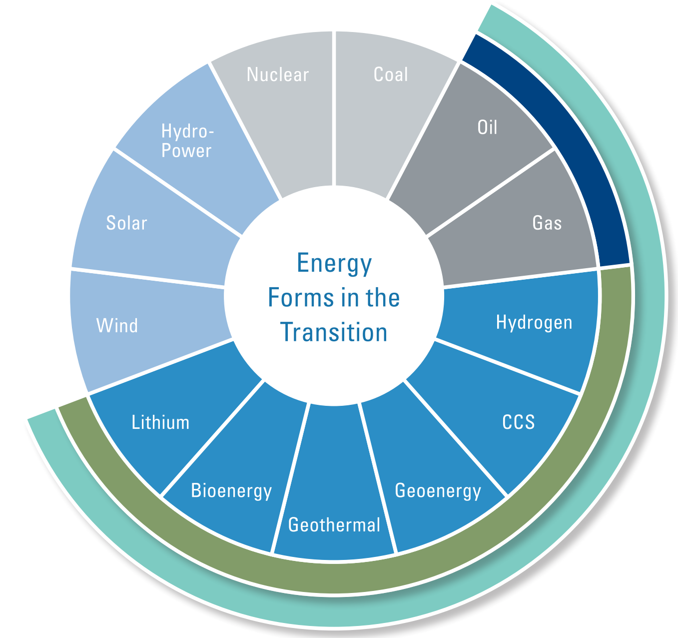
Schlumberger will deploy the DELFI cognitive E&P environment on the Norwegian CO_2 project by the Northern Lights Joint Venture (NL) to streamline subsurface workflows and longer-term modeling and surveillance of CO_2 sequestration. NL was established to develop the world's first open-source CO_2 transport and storage infrastructure, providing accelerated decarbonization opportunities for European industries, with an ambition to store up to 5 million metric tons of CO_2 per year based on market demand.*

This year, we began leveraging partnerships to bring our scale and industrialization capability to new energy, expanding our total addressable market. Unprecedented investment will occur in the energy space over the coming decades to realize energy transition. That investment has already begun, and we are participating through a portfolio of ventures in Schlumberger New Energy. We are focusing on the fastest growing sector of energy—end-use efficiency and conversion—which presents a massive market opportunity for us. For perspective, if we capture a little more than 1% of this total market sector over the next decade or so, the resulting business would equal the oil and gas business of Schlumberger as it stands today.

GLOBAL ENERGY INVESTMENT ANNUAL AVERAGE



Source: IEA World Energy Outlook, Announced Pledges Scenario



To do this, we have created ventures in low-carbon and carbon-neutral energy sectors, including green hydrogen, lithium, energy storage, CCS, geothermal, and geoenergy. This portfolio builds on three fundamental Schlumberger strengths: first, our unique subsurface domain expertise, applicable beyond oil and gas; second, our differentiated track record for innovation and industrialization—the DNA of our company; and last, our ability to deploy at scale in any region in the world with local knowledge and talent.

End-use efficiency and conversion will be the fastest growing sector of global energy investment in and beyond the next decade.

Schlumberger is expanding its addressable market to include new energy areas using a partnership and venture approach.

- *Schlumberger Core Portfolio*
- *Schlumberger New Energy*
- *Digital*

NEW ENERGY PARTNERSHIPS ADVANCED IN 2021

- **January** — Genvia (CEA and partners) *Hydrogen production*
- **February** — LafargeHolcim *CCS solutions*
- **March** — Chevron, Microsoft *Bioenergy carbon capture and storage*
- **June** — Panasonic *Lithium production*
- **September** — EnerVenue *Metal-hydrogen stationary energy storage solutions*

This year, we advanced all of our Schlumberger New Energy portfolio ventures and announced partnerships that are engaged in key projects to apply technology and digital solutions. The partnership approach brings together knowledge of energy production with industry expertise to realize projects that drive decarbonization. For example, our Genvia™ clean hydrogen production technology venture is a unique private-public partnership with the French Alternative Energies and Atomic Energy Commission (CEA) and partners in other industries. In 2021, the Genvia partnership struck agreements with leading steel and cement companies to pilot Genvia technology, setting a path to scale this decarbonization solution.

“Our commitment to join the Valuable 500 is an important milestone. Our membership in this community will help us to drive and support disability inclusion and confidence within our team, and we will be recognizing the International Day of Persons with Disabilities with the launch of our This Ability Network Employee Resource Group.”

Olivier Le Peuch
Chief Executive Officer

Empowered to apply our technology and digital solutions in new areas, our people will drive performance and sustainability around the world—just as they already make an impact for the people in our communities.

Our Exceptional People Make Us What We Are

People are always a priority in Schlumberger: the exceptional people who join us make our ambitions possible. Their meaningful engagement drives a positive employee experience that is fundamental to our talent acquisition and retention philosophy—and to sustaining our pulse and spirit.

The results of our people-first efforts this year were encouraging on multiple fronts. First, we were able to meet our aggressive recruiting targets in a highly competitive environment; and second, we maintained our solid employee engagement score from 2019—a significant achievement in light of the challenging work environment.

In a dynamic and challenging technical industry that is bridging into new areas, attracting and retaining top talent is a necessity, and diversity and development differentiate our culture as we seek to build the future of the company. For decades, people have come to work with colleagues from all over the world, because we hire and develop people from the communities where we live and work. Today, our ten-member executive team collectively represents nine nationalities.

Nationality diversity is just one aspect of diversity that is important to us. In 2021, we also continued to improve gender diversity, increasing the representation of women at all levels of the company. In terms of talent acquisition, women represented approximately 48% of new hire salaried employees with science, technology, engineering, and mathematics (STEM) backgrounds. As we strive to build a more inclusive culture, I was also pleased to commit Schlumberger to the Valuable 500—the largest network of global CEOs committed to innovating together for disability inclusion.

Reflecting a change in the way employees want to work and the success of our BlueFLEX pilot project in 2020, we introduced a flexible work policy globally in 2021 based on a hybrid working model. This is an important step in providing employees with improved flexibility to manage the demands of their work and personal lives and is key to attracting experienced professionals who will help fuel our core, digital, and new energy growth objectives.

As we expand our markets and our digital reach, our career growth opportunities and learning programs are also evolving to meet the needs of industries and develop our leaders of the future. This has never been more tangible than in 2021, when we hired and began to train the first cohort of engineers who will be remote from the start by design—a model that is adapting to customer needs while creating an environment that promotes diversity and inclusion, accelerates learning, and reduces exposure to safety incidents.

Performing with Purpose

The same people who bring their passion and commitment to their everyday work help to set us apart as a leader in energy transition. The people of Schlumberger care about the planet and its future, and they are working to deliver the best outcome for our customers and communities—today and tomorrow. Our climate action is only part of how we make a sustainability impact in the communities where we live and work.

We are committed to creating opportunity in our communities, and there are two avenues through which we make these contributions. First is our shift toward fit-for-basin solutions. Fit for basin describes not only our approach to developing discrete technologies to address regional operational challenges, but also encompasses an inherently high degree of local content—local workforce, manufacturing, and supply chain—which develops the people in the communities around our operations.

We progressed on the adoption of both **Task Force on Climate-Related Financial Disclosures (TCFD)** and **Sustainability Accounting Standards Board (SASB)** frameworks to increase the transparency of our environmental disclosures, contributing to an **upgrade of our MSCI rating to a peer-leading AA.**

EMPOWERING LOCAL TEAMS TO MAKE AN IMPACT

Schlumberger local teams use the United Nations Sustainable Development Goals (SDGs) as a framework to select and design projects focusing on local priorities. Aligned with SDG 3, Schlumberger partnered with a nonprofit organization to set up a pressure swing adsorption oxygen plant in India. The facility delivered onsite, piped oxygen to rural hospitals to cater to the needs of people in more than 190 villages in the Pune district of Maharashtra.

Schlumberger is evolving to retain and attract talent. Scan this QR code to see how we are using flexible work models for work-life balance.

The second is through the contributions of our engaged employees, who are attuned and dedicated to their local environments. Our local operating units have been tasked with developing and implementing meaningful local sustainability plans, and today we have initiatives in 95 countries. Aligning with national and customer priorities, our local teams bring projects and technology that make a relevant impact to the people and the environment around them.

The people of Schlumberger are always seeking ways to make a difference—be it on a global scale, or locally with the people they interact with every day. It is this ambition and motivation that made 2021 such a successful year, and I want to thank everyone in Schlumberger for an outstanding performance.

Our direction is clear, and I am very excited about the future of Schlumberger. We are uniquely positioned at the beginning of a growth cycle in energy unlike any before it. This period will bring us new opportunities through which—staying true to our innovative spirit and ambition to drive positive change in the world—we will make an impact while we grow our business in oil and gas and beyond. Together, we create amazing technology that unlocks access to energy for the benefit of all.

Olivier Le Peuch
Chief Executive Officer

Performing with Purpose

PERFORMED BY SCHLUMBERGER

The Performed by Schlumberger (PbS) program recognizes team members throughout the company who have demonstrated exceptional levels of teamwork, innovation, and business impact for Schlumberger and its customers. The PbS program not only encourages excellence in Schlumberger, but also recognizes and promotes cross-departmental teamwork throughout the company.

The highest honor is the CEO Award, which is presented in three categories: Innovation, Operations Excellence, and Customer Performance. These winning projects have created substantial business impact and continue to strengthen our culture of excellence.

iX ReINVENTs Intervention for a Sustainable Future

Innovation: Using intelligent, instrumented downhole technologies, our iX platform reinvents intervention, enabling operators to monitor and control progress under extreme conditions in real time, and to quickly respond to downhole challenges. The full suite of iX platform technology is the result of more than 20 years of research and engineering, 100 patents, and 150 combinable modules—designed, tested, and built by more than 300 dedicated employees across 22 engineering and support teams.

Project representatives:
Amanda Niazi Olivio, Benjamin Durand, David Engel, Todor Sheiretov, and Xuedong Yang

M&S Prime: Solving the Complex Puzzle

Operations Excellence: Enabling the best performance from our assets anytime, anywhere required a step change in our materials and supplies (M&S) operating model to deliver both a simpler replenishment process and a reliable service-level commitment from nearby stocking points. This project focused on centralizing planning, simplifying and automating the ordering process, and optimizing our distribution network. Among the results were 45% lower lead time and a sizeable reduction in inventory—combined with the lowest instances of stockouts ever recorded.

Project representatives:
Antoine Manceron, Abhijit Singh, Glenda Renderos, John C Nguyen, and Luke Kuwertz

A Microscopic View to The Future of Energy

Customer Performance: Schlumberger collaborated with Qatargas to develop the one run logging-while-drilling solution using a combination of multiple well construction technologies and a fit-for-basin variant of MicroScope HD* resistivity- and high-definition imaging-while-drilling service that reduces drilling costs and improves the evaluation of gas-rich carbonates in the North Field.

Project representatives:
Hector Echeto, David Maggs, Guillaume Revellat, Salwan Malil, and Mauro Viandante

2021 Form 10-K

Schlumberger Limited

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-K

(Mark One)

☑ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2021

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from __________ to __________

Commission File Number 1-4601

Schlumberger N.V.
(Schlumberger Limited)
(Exact name of registrant as specified in its charter)

Curaçao	**52-0684746**
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)
42 rue Saint-Dominique Paris, France	**75007**
5599 San Felipe, 17th Floor Houston, Texas, United States of America	**77056**
62 Buckingham Gate London, United Kingdom	**SW1E 6AJ**
Parkstraat 83 The Hague, The Netherlands	**2514 JG**
(Addresses of principal executive offices)	(Zip Codes)

Registrant's telephone number in the United States, including area code, is: (713) 513-2000

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.01 per share	SLB	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. YES ☑ NO ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. YES ☐ NO ☑

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. YES ☑ NO ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files.) YES ☑ NO ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or emerging growth company. See the definitions of "large accelerated filer", "accelerated filer", "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒ Accelerated filer ☐ Non-accelerated filer ☐ Smaller reporting company ☐ Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). YES ☐ NO ☑

As of June 30, 2021, the aggregate market value of the common stock of the registrant held by non-affiliates of the registrant was approximately $44.72 billion.

As of December 31, 2021, the number of shares of common stock outstanding was 1,403,381,685.

DOCUMENTS INCORPORATED BY REFERENCE

Certain information required to be furnished pursuant to Part III of this Form 10-K is set forth in, and is incorporated by reference from, Schlumberger's definitive proxy statement for its 2022 Annual General Meeting of Stockholders, to be filed by Schlumberger with the Securities and Exchange Commission ("SEC") pursuant to Regulation 14A within 120 days after December 31, 2021 (the "2022 Proxy Statement").

SCHLUMBERGER LIMITED
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Form 10-K

PART I

Item 1. Business.

All references in this report to "Registrant," "Company," "Schlumberger," "we" or "our" are to Schlumberger Limited (Schlumberger N.V.) and its consolidated subsidiaries.

Schlumberger is a technology company that partners with customers to access energy by providing leading digital solutions and deploying innovative technologies to enable performance and sustainability for the global energy industry. Schlumberger collaborates to create technology that unlocks access to energy for the benefit of all.

Schlumberger is organized under four Divisions operating in five distinct Basins that are aligned with critical hubs of activity. These Divisions combine and integrate Schlumberger's technologies, enhancing our ability to support the emerging long-term growth opportunities in each of these market segments.

The four Divisions are:

- Digital & Integration
- Reservoir Performance
- Well Construction
- Production Systems

Digital & Integration – Combines Schlumberger's digital workflow solutions and seismic data interpretation and management businesses with its integrated offering of Asset Performance Solutions ("APS"). Through digital solutions and technologies, supported by the future of software, digital, infrastructure, connected assets, and data, this Division enhances efficiency to improve asset and enterprise-wide performance for customers. APS helps develop or redevelop fields while increasing production, improving cash flow, and extending recovery for customers by providing fit-for-purpose solutions.

The primary offerings comprising this Division are:

- *Digital solutions:* Includes proprietary software, an expanding digital ecosystem, consulting services, information management and IT infrastructure services to customers in the energy industry. Offers expert consulting services for reservoir characterization, field development planning and production enhancement, as well as industry-leading petrotechnical data services and training solutions.
- Multiclient seismic surveys and data processing: WesternGeco® is a leading geophysical services supplier, providing comprehensive worldwide reservoir interpretation and data processing services. It provides a highly efficient and scientifically advanced imaging platform and innovative and accurate subsurface imagery for multiclient surveys, also referred to as exploration data. WesternGeco offers one of the industry's most extensive multiclient libraries.
- *Asset Performance Solutions:* APS offers an integrated business model for field production projects. This model combines Schlumberger's services and products with drilling rig management and specialized engineering and project management expertise, to provide a complete solution to well construction and production improvement.

  APS creates alignment between Schlumberger and the asset holder and/or the operator utilizing a commercial model whereby Schlumberger receives remuneration in line with the value it creates. These projects are generally focused on developing and co-managing production of customer assets under long-term agreements. Schlumberger invests its services and products into the field development activities and operations and is compensated on a fee-per-barrel basis or based on cash flow generated. This includes certain arrangements whereby Schlumberger is only compensated based on incremental production that it helps deliver above a mutually agreed baseline. As of December 31, 2021, Schlumberger's APS portfolio primarily consisted of three field production projects in Ecuador and one in Canada.

Reservoir Performance – Consists of reservoir-centric technologies and services that are critical to optimizing reservoir productivity and performance. Reservoir Performance develops and deploys innovative technologies and services to evaluate, intervene, and stimulate reservoirs that help customers understand subsurface assets and maximize their value.

The primary offerings comprising this Division are:

- Wireline: Provides the information necessary to evaluate subsurface geology and fluids to plan and monitor well construction and to monitor and evaluate well production. Offers both openhole and cased-hole services, including wireline logging and perforating.
- *Testing:* Provides exploration and production pressure and flow-rate measurement services both at the surface and downhole. Testing has a network of laboratories that facilitate formation and fluid characterization.
- *Stimulation and Intervention*: Provides services used during well completions, as well as those used to maintain optimal production throughout the life of a well. Includes pressure pumping, well stimulation, and coiled tubing equipment for downhole mechanical well intervention, reservoir monitoring, and downhole data acquisition.

On December 31, 2020, Schlumberger contributed its onshore hydraulic fracturing business in the United States and Canada ("OneStim®"), including its pressure pumping, pumpdown perforating, and Permian frac sand businesses, to Liberty Oilfield Services Inc. ("Liberty"), in exchange for a 37% equity interest in Liberty. OneStim's historical results were reported as part of the Reservoir Performance Division through the closing of the transaction. As of December 31, 2021, Schlumberger had a 31% equity interest in Liberty.

Well Construction – Combines the full portfolio of products and services to optimize well placement and performance, maximize drilling efficiency, and improve wellbore assurance. Well Construction provides operators and drilling rig manufacturers with services and products related to designing and constructing a well.

The primary offerings comprising this Division are:

- *Drilling & Measurements:* Provides mud logging services for geological and drilling surveillance, directional drilling, measurement-while-drilling and logging-while-drilling services for all well profiles as well as engineering support.
- *Drilling Fluids:* Supplies individually engineered drilling fluid systems that improve drilling performance and maintain well control and wellbore stability throughout the drilling operation.
- *Drill Bits:* Designs, manufactures and markets roller cone and fixed cutter drill bits for all drilling environments.
- *Drilling Tools*: Includes a wide variety of bottom-hole-assembly and borehole enlargement technologies for drilling operations.
- *Well Cementing*: Provides products and services that secure and protect well casings while isolating fluid zones and maximizing wellbore activity.
- *Integrated Well Construction:* Provides integrated solutions to construct or change the architecture (re-entry) of wells, including well planning, well drilling, engineering, supervision, logistics, procurement and contracting of third parties, and drilling rig management.
- *Rigs and Equipment*: Provides drilling equipment and services for shipyards, drilling contractors, energy companies and rental tool companies, as well as land drilling rigs and related services. Drilling equipment falls into two broad categories: pressure control equipment and rotary drilling equipment. These products are designed for either onshore or offshore applications and include drilling equipment packages, blowout preventers, blowout preventer control systems, connectors, riser systems, valves and choke manifold systems, top drives, mud pumps, pipe handling equipment, rig designs and rig kits.

Production Systems – Develops technologies and provides expertise that enhance production and recovery from subsurface reservoirs to the surface, into pipelines, and to refineries. Production Systems provides a comprehensive portfolio of equipment and services including subsurface production systems, subsea and surface equipment and services, and midstream production systems.

The primary offerings comprising this Division are:

- *Artificial Lift:* Provides production equipment and optimization services using electrical submersible pumps, gas lift equipment, progressing cavity pumps and surface horizontal pumping systems.
- *Completions Equipment:* Supplies well completion services and equipment that include packers, safety valves and sand control technology, as well as a range of intelligent well completions technology and equipment.
- *OneSubsea®:* Provides integrated solutions, products, systems and services for the subsea market, including integrated subsea production systems involving wellheads, subsea trees, manifolds and flowline connectors, control systems, connectors and services designed to maximize reservoir recovery and extend the life of each field.
- *Surface:* Designs and manufactures onshore and offshore platform wellhead systems and processing solutions, including valves, chokes, actuators and surface trees, and provides services to operators.
- *Valves:* Serves portions of the upstream, midstream and downstream markets and provides valve products that are primarily used to control and direct the flow of hydrocarbons as they are moved from wellheads through flow lines, gathering lines and transmission systems to refineries, petrochemical plants and industrial centers for processing.
- *Processing:* Enables efficient monetization of subsurface assets using standard and custom-designed onshore, offshore and downstream processing and treatment systems, as well as unique, reservoir-driven, fit-for-purpose integrated production systems for accelerating first production and maximizing project economics.

Supporting the Divisions is a global network of research and engineering centers. Through these centers Schlumberger advances its technology programs to safely and sustainably enhance industry efficiency, lower finding and producing costs, improve productivity, maximize reserve recovery and increase asset value.

The Divisions are deployed around a geographical structure within five Basins: Americas Land, Offshore Atlantic, Middle East & North Africa, Asia, and Russia & Central Asia. The Basins are configured around common regional characteristics to deploy fit-for-purpose technologies, operating models and skills and are focused on agility, responsiveness and competitiveness. The Basins are comprised of GeoUnits, which can be a single country or made up of several countries. With a strong focus on the customers, Basins identify opportunities for local growth.

Corporate Strategy

Schlumberger's strategy is designed to adapt the Company to an evolving industry landscape shaped by emerging drivers, including capital discipline, regionalization of supply and demand, an efficiency imperative, and resilience—defined by sustainability and lower carbon footprint. This strategy is designed to magnify Schlumberger's ability to improve customer performance, which is the differentiating factor that will help our industry meet higher stakeholder expectations.

Oil and gas will remain critical to economic activity and prosperity. According to the most recent International Energy Agency Sustainable Development Scenario, oil and gas are expected to represent approximately 45% of the global energy mix through 2040. Schlumberger's role is twofold: to enable customers to produce these resources efficiently, cost effectively and with the lowest carbon footprint and to support the world's transition to a more diversified energy mix.

Schlumberger's strategy is structured around three major themes, all of which are focused on customer performance: (i) strengthen the core; (ii) go-to-market; and (iii) horizons of growth.

Strengthen the Core

The core of Schlumberger is how we work with customers and execute our business. The elements in this theme—which include customer collaboration, the integrity and efficiency of our operations, and capital stewardship—are enabled by our people and technology.

As a service company, Schlumberger has always worked closely with customers. We are exploring new ways to collaborate and help them overcome their challenges and improve performance.

Operations integrity and efficiency—core to Schlumberger's culture—are enhanced by the digitization of our operations. Just as Schlumberger is delivering digital solutions to our customers, we are advancing them in our own operations to capture value from our equipment and services businesses by integrating them into our digital structure.

Capital stewardship is a crucial factor for our industry. Schlumberger has implemented a capital allocation framework that governs all investments, whether related to capital expenditures, mergers and acquisitions, or research and engineering. The underlying principle behind this framework is that investment opportunities are prioritized based on returns and cash flow. Our focus on capital stewardship also includes evolving certain businesses into innovative, less capital-intensive commercial models.

Go-to-Market

Industry markets have evolved into multiple, diverse regional markets that are increasingly competing with each other to meet global, regional, and domestic oil and gas demand. Each of these regions has a set of resource plays—or basins—with localized economics and operational drivers. As a result, the industry is witnessing a decoupling of the activity characteristics of each major region, resulting in a unique set of dynamics for each oil and gas basin across the world. This presents Schlumberger with opportunities that can be optimally addressed with a basin-specific approach.

A key differentiator for Schlumberger is its "fit-for-basin" approach and ability. Fit-for-basin describes the mindset Schlumberger has adopted toward technology development, in-country value, and market access. Schlumberger is developing and deploying basin-specific technology that helps its customers overcome the challenges of their respective regions. At the same time, in-country value enables regional efficiency and performance, while creating opportunity and aligning with the strategic priorities of our clients.

In addition, technology access and performance models are highly strategic elements of our go-to-market strategy. Technology access is fundamentally about making the right decisions with respect to our technology portfolio and how we go to market. Performance models are focused on commercial and contractual innovations.

The elements of our go-to-market strategy enable Schlumberger to develop deeper partnerships with customers, expanding on their needs and challenges from a basin-specific perspective to provide technology and business models tailored to regional or individual customer requirements. These elements allow us to share in the performance improvement we deliver for customers and partners.

Horizons of Growth

The third strategic element positions Schlumberger to increase its share in existing markets and expand into new long-term markets in digital, production and recovery, and energy transition, including Schlumberger New Energy and Transition Technologies.

Digital capabilities are crucial to long-term performance and resilience. Through its industry-leading digital platform, Schlumberger will enable digital transformation at scale, unlocking significant value, and leading innovation across the digital domain in the industry.

Schlumberger seeks to define the future of digital technology in the energy industry and has designed and built a secure and flexible digital industry platform centered around differentiated digital technologies. Enabled by key partnerships with companies such as Google, IBM, Microsoft, Amazon Web Services, AVEVA and NOV, Schlumberger provides an open digital platform that takes advantage of on-demand, high-performance computing and makes digital capabilities such as embedded artificial intelligence or machine learning readily accessible to customers.

The application of digital technology across the entire E&P value chain—from subsurface to drilling to production—has the potential to deliver a step-change in operational workflows that will significantly elevate our customers' performance sustainably. Digital technology can move technical workflows from the desktop to the cloud, creating data structures that enable artificial intelligence and machine learning to provide insights at scale across our customers' operations.

Production and recovery is about positioning Schlumberger to take advantage of two key trends shaping the market. The first trend relates to accelerating gas discovery, development and production, as Schlumberger expects to see significant growth in gas demand over the next two decades as the world seeks to decarbonize its energy mix. The second trend relates to operators' increased focus on improving recovery from their existing wells, fields and infrastructure—ultimately achieving the most capital efficient production. As a result and based on our deep domain knowledge from the subsurface to midstream production facilities, we are positioning our technology portfolio to participate and lead in these growing markets.

Finally, Schlumberger recognizes that its future will expand beyond oil and gas with energy transition, and the Company is positioning itself for long-term growth opportunities. In this regard, in 2020 the Company created Schlumberger New Energy to develop businesses in low-carbon or carbon-neutral energy technologies, and in 2021 it announced its commitment to reach net-zero emissions by 2050 and launched its Transition Technologies portfolio to reduce emissions from oil and gas operations.

Schlumberger New Energy is using partnership models and Schlumberger's experience in technology industrialization to expand into energy verticals beyond oil and gas. Schlumberger's approach is to apply its domain expertise in areas adjacent to its existing activities where it can use its global footprint and execution platform to deliver at scale.

The Schlumberger New Energy portfolio consists of ventures in the domains of hydrogen, lithium, energy storage, carbon capture and sequestration ("CCS"), geothermal power and geoenergy for heating and cooling buildings. While many of these investments are in new energy emerging sectors, Schlumberger New Energy has leveraged Schlumberger's extensive experience in both the CCS and geothermal sectors. For more than two decades, Schlumberger has participated in CCS projects providing consulting, technology services and project management. In geothermal, Schlumberger provides the full spectrum of geothermal resource development services through GeothermEx, a consulting and services company we acquired in 2010. Schlumberger New Energy has extended Schlumberger's geothermal reach by exploring opportunities in the development of geothermal power projects.

Schlumberger New Energy activities currently include the following ventures and strategic partnerships:

- Celsius Energy is a Schlumberger start-up that combines in-house technology, proprietary design optimization and modern digital control systems to offer a fit-for-purpose solution that uses low-heat geothermal energy for heating and cooling buildings. Celsius Energy reduces overall building energy consumption from conventional sources, resulting in reduced carbon emissions.
- Genvia is a clean hydrogen production technology venture with the French Alternative Energies and Atomic Energy Commission and partners. This unique private-public partnership aims to deliver the most efficient and cost-effective technology for producing clean hydrogen, a versatile energy carrier and key component of the energy transition.
- NeoLith Energy is a Schlumberger New Energy venture to enable a sustainable, efficient and flexible lithium production ecosystem using a differentiated direct lithium extraction process. NeoLith Energy has a strategic collaboration agreement with Panasonic Energy of North America for the validation and optimization of its pilot plant in Nevada.
- In CCS, Schlumberger New Energy is developing capabilities and forging partnerships to provide integrated solutions and technologies to CCS projects in selected markets and geographies where existing policies and regulations can make projects attractive. Schlumberger New Energy has partnered with Chevron, Microsoft and Clean Energy Systems to utilize biomass fuel that consumes CO_2 over its lifetime to produce power and then safely and permanently sequestrates the produced CO_2. This process results in net-negative carbon emissions, effectively removing greenhouse gas from the atmosphere.
- Schlumberger invested in EnerVenue and entered into a collaboration agreement to deploy EnerVenue's uniquely differentiated nickel-hydrogen battery technology, which is a key enabler of stationary energy storage solutions. Schlumberger New Energy and EnerVenue will work together to progress large-scale deployment of nickel-hydrogen battery technology across selected global markets.

In June 2021, Schlumberger announced its commitment to achieve net-zero greenhouse gas ("GHG") emissions by 2050. Guided by climate science and GHG Protocol, Schlumberger spent 18 months conducting extensive analysis and working with experts to produce its decarbonization plan, which is aligned with the Paris Agreement ambition of limiting global warming to 1.5 degrees Celsius. Schlumberger was the first energy services company to set a net-zero target inclusive of all three emission scopes. By setting targets with respect to the Company's total 2019 baseline GHG footprint of approximately 54 million metric tons of CO_2 equivalent (which consisted of 52 million metric tons of Scope 3 emissions and two million metric tons of Scope 1 and Scope 2 emissions), and not just its Scope 1 and 2 footprint, Schlumberger's comprehensive emissions reduction roadmap addresses the entire oil and gas value chain.

Schlumberger's 2050 net zero target is supported by the following interim milestones, using 2019 as the baseline year:

- by 2025, a 30% reduction in Scope 1 and Scope 2 emissions;
- by 2030, a 50% reduction in Scope 1 and Scope 2 emissions; and
- by 2030, a 30% reduction in Scope 3 emissions.

There are three key components to Schlumberger achieving its net-zero target: reducing operational emissions, reducing customer emissions that occur while using Schlumberger technology, and taking carbon-negative actions of sufficient scale to offset any residual operational and technology emissions that the Company may have in 2050.

Schlumberger's Scope 1 and 2 emissions primarily come from its fuel use and electricity consumption, whereas its Scope 3 emissions are indirect, such as customer emissions related to the use of Schlumberger technology and operational emissions related to purchased goods and services. In 2021, Schlumberger launched its Transition

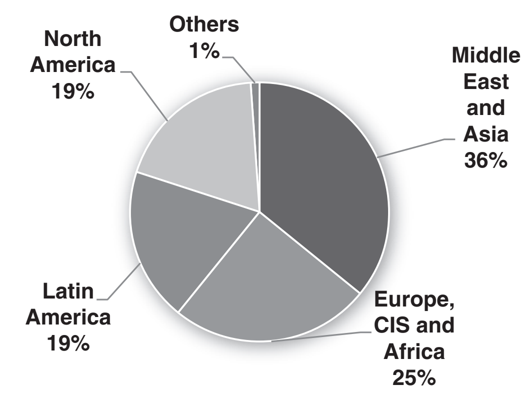
Technologies portfolio. This portfolio is focused on addressing fugitive emissions, flaring reduction, electrification, well construction emissions, and full field development solutions. Comprised of proprietary technologies and solutions, the Transition Technologies portfolio will help reduce direct and indirect emissions along with other environmental attributes, while simultaneously driving efficiency, reliability and performance for our customers.

Human Capital

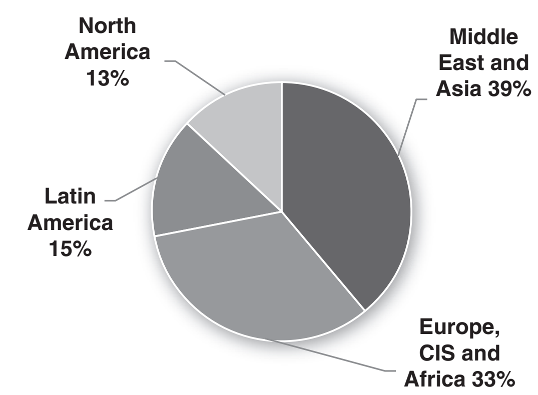
At December 31, 2021, Schlumberger's workforce consisted of approximately 92,000 people representing more than 160 nationalities.

Schlumberger believes that the diversity of its workforce is one of its greatest strengths and its ambition is to maintain a workforce nationality mix that is aligned to its geographical revenue mix.

2021 Revenue Contribution



2021 Nationality Mix



Schlumberger recognizes that its ability to attract, develop, motivate and retain a highly competent and diverse workforce has been key to its success for many decades. As a global company focused on creating and optimizing value for its customers, Schlumberger believes it is critical for its people to communicate with customers in their native languages and to share the values of the people in the countries where it works. Furthermore, Schlumberger's diverse workforce positions the Company to effectively deliver services and products that meet the unique expectations and requirements of, its stakeholders, including customers, suppliers and shareholders. Schlumberger's long-standing commitment to national and cultural diversity fosters a culture that is global in outlook, yet local in practice, which permeates every layer of the Company.

In addition to national and cultural diversity, gender balance is another important pillar of our diversity and inclusion strategy. Schlumberger is committed to lead our industry in gender diversity. Schlumberger has made significant progress towards achieving its gender balance goal of having women comprise 25% of the Company's salaried workforce by 2025. In this regard, in 2021, Schlumberger set its next goal which is for women to comprise 30% of the Company's salaried workforce by 2030. As of December 31, 2021, women made up approximately 23% of the Company's salaried workforce. Additionally, approximately 22% of management roles were held by women in 2021 and women represented approximately 48% of our 2021 new hires of salaried employees with science, technology, engineering and mathematics backgrounds.

Schlumberger is proud to provide a career platform that enables a culture of lifelong learning for all employees. Schlumberger is committed to offering borderless careers and making career decisions based on merit. Schlumberger's borderless careers philosophy is powered by its internal mobility practices, which offer employees multiple, flexible, career paths to help them acquire the required skills to reach their ambition. We seek to provide continuous growth opportunities through a combination of training and experience. Schlumberger strives to identify talent early and to provide opportunities for those employees who demonstrate exceptional performance and potential to progress to higher levels within the organization. These opportunities accelerate career development while fostering an agile workforce and the next generation of business leaders.

Competition

The principal methods of competition within the energy services industry are technological innovation, quality of service and price differentiation. These factors vary geographically and are dependent upon the different services and products that Schlumberger offers. Schlumberger has numerous competitors, both large and small.

Intellectual Property

Schlumberger owns and controls a variety of intellectual property, including but not limited to patents, proprietary information, trade secrets and software tools and applications that, in the aggregate, are material to Schlumberger's business. While Schlumberger seeks and holds numerous patents covering various products and processes, no particular patent or group of patents is material to Schlumberger's business.

Seasonality

Seasonal changes in weather and significant weather events can temporarily affect the delivery of Schlumberger's products and services. For example, the spring thaw in Canada and consequent road restrictions can affect activity levels, while the winter months in the North Sea, Russia and China can produce severe weather conditions that can temporarily reduce levels of activity. In addition, hurricanes and typhoons can disrupt coastal and offshore operations. Furthermore, customer spending patterns for multiclient data, software and other products may result in higher activity in the fourth quarter of the year as clients seek to fully utilize their annual budgets. Conversely, customer budget constraints in North America may lead to lower demand for our services and products in the fourth quarter of the year.

Customers

Schlumberger's primary customers are national oil companies, large integrated oil companies and independent operators. No single customer exceeded 10% of Schlumberger's consolidated revenue during each of 2021, 2020 and 2019.

Governmental Regulations

Schlumberger is subject to numerous environmental and other governmental and regulatory requirements related to its operations worldwide. For additional details, see "Item 1(a). Risk Factors – Legal and Regulatory Risks", which is incorporated by reference in this Item 1.

Corporate Information

Schlumberger was founded in 1926. The Company is incorporated under the laws of Curaçao and has executive offices in Paris, Houston, London and The Hague.

Available Information

The Schlumberger website is www.slb.com. Schlumberger uses its Investor Relations website, www.slb.com/ir, as a routine channel for distribution of important information, including news releases, analyst presentations, and financial information. Schlumberger makes available free of charge through its Investor Relations website at

www.slb.com/ir, access to its Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, proxy statements and Forms 3, 4 and 5 filed on behalf of directors and executive officers, and amendments to each of those reports, as soon as reasonably practicable after such material is filed with or furnished to the SEC. Alternatively, you may access these reports at the SEC's website at www.sec.gov. Copies are also available, without charge, from Schlumberger Investor Relations, 5599 San Felipe, 17th Floor, Houston, Texas 77056. Unless expressly noted, the information on its website or any other website is not incorporated by reference in this Form 10-K and should not be considered part of this Form 10-K or any other filing Schlumberger makes with the SEC.

Information About Our Executive Officers

The following table sets forth, as of January 26, 2022, the names and ages of the executive officers of Schlumberger, including all offices and positions held by each for the past five years.

Name	Age	Current Position and Five-Year Business Experience
Olivier Le Peuch	58	Chief Executive Officer and Director, since August 2019; Chief Operating Officer, February 2019 to July 2019; Executive Vice President, Reservoir and Infrastructure, May 2018 to February 2019; President, Cameron Group, February 2017 to May 2018; and President, Completions, October 2014 to January 2017.
Khaled Al Mogharbel	51	Executive Vice President, Geographies, since July 2020; Executive Vice President, Operations, April 2019 to June 2020; Executive Vice President, Eastern Hemisphere, February 2019 to March 2019; President, Eastern Hemisphere, May 2017 to January 2019; and President, Drilling Group, July 2013 to April 2017.
Ashok Belani	63	Executive Vice President, Schlumberger New Energy, since February 2020; and Executive Vice President, Technology, January 2011 to January 2020.
Stephane Biguet	53	Executive Vice President and Chief Financial Officer, since January 2020; Vice President, Finance, December 2017 to January 2020; and Vice President, Treasurer, December 2016 to November 2017.
Hinda Gharbi	51	Executive Vice President, Services and Equipment, since July 2020; Executive Vice President, Reservoir and Infrastructure, February 2019 to June 2020; Vice President, Human Resources, May 2018 to January 2019; President, Reservoir Characterization Group, June 2017 to May 2018; and President, Wireline, July 2013 to May 2017.
Abdellah Merad	48	Executive Vice President, Performance Management, since May 2019; President NAL Production Group, May 2018 to April 2019; President, Production Group, October 2017 to May 2018; and Vice President, Controller, Operations, December 2016 to September 2017.
Katharina Beumelburg	45	Chief Strategy and Sustainability Officer, since May 2021; Senior Vice President, Transmission Service, Siemens Energy, Siemens AG (a multinational industrial manufacturing company), April 2020 to May 2021; Executive Vice President, Strategy, Siemens Gas and Power, Siemens AG, November 2016 to April 2020.

Name	Age	Current Position and Five-Year Business Experience
Demosthenis Pafitis	54	Chief Technology Officer, since February 2020; Senior Vice President, Schlumberger 4.0 Platforms, from December 2017 to January 2020; and Vice President, Engineering, Manufacturing and Sustaining, September 2014 to December 2017.
Dianne Ralston	55	Chief Legal Officer, since December 2020; and Executive Vice President, Chief Legal Officer and Secretary, TechnipFMC plc (a global oilfield services company), January 2017 to October 2020.
Gavin Rennick	47	Vice President, Human Resources, since February 2019; and President, Software Integrated Solutions, January 2017 to February 2019.
Pierre Chereque	67	Vice President and Director of Taxes, since June 2017; and Director of Taxes, Operations, July 2004 to May 2017.
Kevin Fyfe	48	Vice President and Controller, since October 2017; and Controller, Cameron Group, April 2016 to October 2017.
Howard Guild	50	Chief Accounting Officer, since July 2005.
Claudia Jaramillo	49	Vice President and Treasurer, since December 2017; ERM and Treasury Projects Manager, July 2017 to November 2017; and Controller, North America Area, July 2014 to July 2017.
Vijay Kasibhatla	58	Director, Mergers and Acquisitions, since January 2013.

Item 1A. Risk Factors.

The following discussion of risk factors known to us contains important information for the understanding of our "forward-looking statements," which are discussed immediately following Item 7A. of this Form 10-K and elsewhere. These risk factors should also be read in conjunction with Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations, and the *Consolidated Financial Statements* and related notes included in this Form 10-K.

We urge you to consider carefully the risks described below, which discuss the material factors that make an investment in our securities speculative or risky, as well as in other reports and materials that we file with the SEC and the other information included or incorporated by reference in this Form 10-K. Additional risks and uncertainties not currently known to us or that we currently deem immaterial may also materially adversely affect our business, reputation, financial condition, results of operations, cash flows and prospects.

Business and Operational Risks

Demand for our products and services is substantially dependent on the levels of expenditures by our customers. Recent oil and gas industry downturns have resulted in reduced demand for oilfield products and services and lower expenditures by our customers, which has in the past had, and may in the future have, a material adverse effect on our financial condition, results of operations and cash flows.

Demand for our products and services depends substantially on expenditures by our customers for the exploration, development and production of oil and gas reserves. These expenditures are generally dependent on our customers' views of future demand for oil and gas and future oil and gas prices, as well as our customers' ability to access capital. In addition, the transition of the global energy sector from primarily a fossil fuel-based system to renewable energy sources could affect our customers' levels of expenditures.

Actual and anticipated declines in oil and gas prices have in the past resulted in, and may in the future result in, lower capital expenditures, project modifications, delays or cancellations, general business disruptions, and delays in payment of, or nonpayment of, amounts that are owed to us. These effects have had, and may in the future have, a material adverse effect on our financial condition, results of operations and cash flows.

Historically, oil and gas prices have experienced significant volatility and can be affected by a variety of factors, including:

- changes in the supply of and demand for hydrocarbons, which are affected by general economic and business conditions;
- the costs of exploring for, producing and delivering oil and gas;
- the ability or willingness of the Organization of Petroleum Exporting Countries and the expanded alliance known as OPEC+ to set and maintain production levels for oil;
- the level of oil and gas exploration and production activity;
- the level of excess production capacity;
- the level of oil and gas inventories;
- access to potential resources;
- political and economic uncertainty and geopolitical unrest;
- governmental laws, policies, regulations and subsidies, including initiatives to promote the use of renewable energy sources;
- speculation as to the future price of oil and the speculative trading of oil and gas futures contracts;

- technological advances affecting energy consumption; and
- extreme weather conditions, natural disasters, and public health or similar issues, such as pandemics and epidemics.

The oil and gas industry has historically experienced periodic downturns, which have been characterized by diminished demand for our products and services and downward pressure on the prices that we are able to charge. Sustained market uncertainty can also result in lower demand and pricing for our products and services. A significant industry downturn, sustained market uncertainty, or increased availability of economical alternative energy sources could result in a reduction in demand for our products and services, which could adversely affect our business, financial condition, results of operations, cash flows and prospects.

Disruptions in the political, regulatory, economic, and social environments of the countries in which we operate could adversely affect our financial condition, results of operations and cash flows.

We generate revenue in more than 120 countries across the world. Our non-US operations accounted for approximately 85% of our consolidated revenue in 2021, 81% in 2020 and 72% in 2019. Instability and unforeseen changes in any of the markets in which we operate could result in business disruptions that may have an adverse effect on the demand for our products and services or our financial condition, results of operations or cash flows. These factors include, but are not limited to, the following:

- uncertain or volatile political, social and economic conditions;
- exposure to expropriation, nationalization, deprivation or confiscation of our assets or the assets of our customers, or other governmental actions;
- social unrest, acts of terrorism, war or other armed conflict;
- public health crises and other catastrophic events, such as the COVID-19 pandemic;
- confiscatory taxation or other adverse tax policies;
- theft of, or lack of sufficient legal protection for, proprietary technology and other intellectual property;
- deprivation of contract rights;
- trade and economic sanctions or other restrictions imposed by the European Union, the United States or other regions or countries that could restrict or curtail our ability to operate in certain markets;
- unexpected changes in legal and regulatory requirements, including changes in interpretation or enforcement of existing laws;
- restrictions on the repatriation of income or capital;
- currency exchange controls;
- inflation; and
- currency exchange, rate fluctuations and devaluations.

Failure to effectively and timely address the energy transition could adversely affect our business, results of operations and cash flows.

Our long-term success depends on our ability to effectively address the energy transition, which will require adapting our technology portfolio to potentially changing government requirements and customer preferences, as well as engaging with our customers to develop solutions to decarbonize oil and gas operations. If the energy transition landscape changes faster than anticipated or in a manner that we do not anticipate, demand for our products and services could be adversely affected. Furthermore, if we fail or are perceived to not effectively implement an energy transition strategy, or if investors or financial institutions shift funding away from companies in fossil fuel-related industries, our access to capital or the market for our securities could be negatively impacted.

We operate in a highly competitive environment. If we are unable to maintain technology leadership, this could adversely affect any competitive advantage we hold.

The energy industry is highly competitive. Our business may be adversely affected if we fail to continue developing and producing innovative technologies in response to changes in the market, including customer and government requirements, or if we fail to deliver such technologies to our customers in a timely and cost-competitive manner. If we are unable to maintain technology leadership in our industry, our ability to maintain market share, defend, maintain or increase prices for our products and services, and negotiate acceptable contract terms with our customers could be adversely affected. Furthermore, if competing technology accelerates the obsolescence of any of our products or services, the value of our intellectual property may be reduced, which could adversely affect our financial condition, results of operations and cash flows.

Limitations on our ability to obtain, maintain, protect or enforce our intellectual property rights, including our trade secrets, could cause a loss in revenue and any competitive advantage we hold.

There can be no assurance that the steps we take to obtain, maintain, protect and enforce our intellectual property rights will be adequate. Some of our products or services, and the processes we use to produce or provide them, have been granted patent protection, have patent applications pending, or are trade secrets. Our business may be adversely affected when our patents are unenforceable, the claims allowed under our patents are not sufficient to protect our technology, our patent applications are denied, or our trade secrets are not adequately protected. Patent protection on some types of technology, such as software or machine learning processes, may not be available in certain countries in which we operate. Our competitors may also be able to develop technology independently that is similar to ours without infringing on our patents or gaining access to our trade secrets, which could adversely affect our financial condition, results of operations and cash flows.

Third parties may claim that we have infringed upon or otherwise violated their intellectual property rights.

The tools, techniques, methodologies, programs and components we use to provide our services and products may infringe upon or otherwise violate the intellectual property rights of others or be challenged on that basis. Regardless of the merits, any such claims generally result in significant legal and other costs, including reputational harm, and may distract management from running our business. Resolving such claims could increase our costs, including through royalty payments to acquire licenses, if available, from third parties and through the development of replacement technologies. If a license to resolve a claim were not available, we might not be able to continue providing a particular service or product, which could adversely affect our financial condition, results of operations and cash flows.

Legal and Regulatory Risks

Our operations require us to comply with numerous laws and regulations, violations of which could have a material adverse effect on our financial condition, results of operations or cash flows.

Our operations are subject to international, regional, national, and local laws and regulations in every place where we operate, relating to matters such as environmental protection, health and safety, labor and employment, import/export controls, currency exchange, bribery and corruption, data privacy and cybersecurity, intellectual property, immigration, and taxation. These laws and regulations are complex, frequently change, and have tended to become more stringent over time. In the event the scope of these laws and regulations expands in the future, the incremental cost of compliance could adversely affect our financial condition, results of operations, or cash flows.

Our operations are subject to anti-corruption and anti-bribery laws and regulations, such as the Foreign Corrupt Practices Act, the U.K. Bribery Act and other similar laws. We are also subject to trade control regulations and trade sanctions laws that restrict the movement of certain goods to, and certain operations in, various countries or with certain persons. Our ability to transfer people, products and data among certain countries is subject to maintaining required licenses and complying with these laws and regulations.

The internal controls, policies and procedures, and employee training and compliance programs we have implemented to deter prohibited practices may not be effective in preventing employees, contractors or agents from violating or circumventing such internal policies or from material violations of applicable laws and regulations. Any determination that we have violated or are responsible for violations of anti-bribery, trade control, trade sanctions or anti-corruption laws could have a material adverse effect on our financial condition. Violations of international and US laws and regulations or the loss of any required licenses may result in fines and penalties, criminal sanctions, administrative remedies or restrictions on business conduct, and could have a material adverse effect on our business, operations and financial condition. In addition, any major violations could have a significant effect on our reputation and consequently on our ability to win future business and maintain existing customer and supplier relationships.

Existing or future laws, regulations, court orders or other initiatives to limit greenhouse gas emissions or relating to climate change may reduce demand for our products and services.

Continuing political and social attention to the issue of climate change has resulted in both existing and proposed international agreements and national, regional and local legislation and regulatory measures to limit GHG emissions. The implementation of these agreements, including the Paris Agreement, the Europe Climate Law, and other existing or future regulatory mandates, may adversely affect the demand for our products and services, impose taxes on us or our customers, require us or our customers to reduce GHG emissions from our technologies or operations, or accelerate the obsolescence of our products or services.

In addition, increasing attention to the risks of climate change has resulted in an increased possibility of litigation or investigations brought by public and private entities against oil and gas companies in connection with their GHG emissions. As a result, we or our customers may become subject to court orders compelling a reduction of GHG emissions or requiring mitigation of the effects of climate change.

There is also increased focus by governments and our customers, investors and other stakeholders on climate change, sustainability and energy transition matters. Negative attitudes toward or perceptions of our industry or fossil fuel products and their relationship to the environment have led governments, non-governmental organizations, and companies to implement initiatives to conserve energy and promote the use of alternative energy sources, which may reduce the demand for and production of oil and gas in areas of the world where our customers operate, and thus reduce future demand for our products and services. In addition, initiatives by investors and financial institutions to limit funding to companies in fossil fuel-related industries may adversely affect our liquidity or access to capital. Any of these initiatives may, in turn, adversely affect our financial condition, results of operations and cash flows.

Environmental compliance costs and liabilities arising as a result of environmental laws and regulations could have a material adverse effect on our business, financial condition and results of operations.

We are subject to numerous laws and regulations relating to environmental protection, including those governing air and GHG emissions, water discharges and waste management, as well as the importation and use of hazardous materials, radioactive materials, chemicals and explosives. The technical requirements of these laws and regulations are becoming increasingly complex, stringent and expensive to implement. These laws sometimes provide for "strict liability" for remediation costs, damages to natural resources or threats to public health and safety. Strict liability can render us liable for damages without regard to our degree of care or fault. Some environmental laws provide for joint and several strict liability for remediation of spills and releases of hazardous substances, and, as a result, we could be liable for the actions of others.

We use and generate hazardous substances and wastes in our operations. In addition, many of our current and former properties are, or have been, used for industrial purposes. Accordingly, we could become subject to material liabilities relating to the investigation and cleanup of potentially contaminated properties, and to claims alleging personal injury or property damage as a result of exposures to, or releases of, hazardous substances. In addition, stricter enforcement or changing interpretations of existing laws and regulations, the enactment of new

laws and regulations, the discovery of previously unknown contamination or the imposition of new or increased requirements could require us to incur costs or become the basis for new or increased liabilities that could have a material adverse effect on our business, operations and financial condition.

We could be subject to substantial liability claims, including as a result of well incidents, which could adversely affect our reputation, financial condition, results of operations and cash flows.

The technical complexities of our operations expose us to a wide range of significant health, safety and environmental risks. Our operations involve production-related activities, radioactive materials, chemicals, explosives and other equipment and services that are deployed in challenging exploration, development and production environments. Accidents or acts of malfeasance involving these services or equipment, or a failure of a product (including as a result of a cyberattack), could cause personal injury, loss of life, damage to or destruction of property, equipment or the environment, or suspension of operations, which could materially adversely affect us. Any well incidents, including blowouts at a well site or any loss of containment or well control, may expose us to additional liabilities, which could be material. Generally, we rely on contractual indemnities, releases, and limitations on liability with our customers and insurance to protect us from potential liability related to such events. However, our insurance may not protect us against liability for certain kinds of events, including events involving pollution, or against losses resulting from business interruption. Moreover, we may not be able to maintain insurance at levels of risk coverage or policy limits that we deem adequate. Any damages caused by our services or products that are not covered by insurance or are in excess of policy limits or subject to substantial deductibles, could adversely affect our financial condition, results of operations and cash flows.

General Risk Factors

The COVID-19 pandemic and resulting adverse economic conditions have had, and may to continue to have, a material adverse effect on our financial condition, results of operations and cash flows.

The COVID-19 pandemic caused a significant and swift reduction in global economic activity during 2020, which significantly weakened demand for oil and gas, and in turn, for our products and services. Other effects of the pandemic included, and may continue to include, significant volatility and disruption of the global financial markets; adverse revenue and net income effects; disruptions to our operations, including suspension or deferral of drilling activities; customer shutdowns of oil and gas exploration and production; downward revisions to customer budgets; limitations on access to sources of liquidity; supply chain disruptions; limitations on access to raw materials; employee impacts from illness, school closures and other community response measures; and temporary closures of our facilities or the facilities of our customers and suppliers. The pandemic is continuously evolving, and the extent to which our operating and financial results will continue to be affected will depend on various factors beyond our control, such as the ultimate duration, severity and sustained geographic resurgence of the virus; the emergence of new variants and strains of the virus; and the success of actions to contain the virus and its variants, or treat its impact, such as the availability and acceptance of vaccines. COVID-19, and the volatile regional and global economic conditions stemming from the pandemic, could also aggravate our other risk factors described in this Form 10-K.

Our operations are subject to cyber incidents that could have a material adverse effect on our business, financial condition and results of operations.

We are highly dependent on digital technologies and services to conduct our business. We use these technologies for internal purposes, including data storage, processing and transmission, as well as in our interactions with our business associates, such as customers and suppliers. In addition, we develop software and other digital products and services that store, retrieve, manipulate and manage our customers' information and data, external data, personal data, and our own data. Our digital technologies and services, and those of our business associates, are subject to the risk of cyberattacks and, given the nature of such attacks, some incidents can remain undetected for a period of time despite efforts to detect and respond to them in a timely manner. There can be no assurance that the systems we have designed to prevent or limit the effects of cyber incidents or attacks will be sufficient to prevent or detect material consequences arising from such incidents or attacks, or to avoid a material adverse impact on our systems after such incidents or attacks do occur. We have experienced and will continue to experience varying degrees of cyber incidents in the normal conduct of our business, including attacks resulting from phishing emails and ransomware infections. Even if we successfully defend our own digital technologies and services, we also rely on third-party business associates, with whom we may share data and services, to defend their digital technologies and services against attack.

We could suffer significant damage to our reputation if a cyber incident or attack were to allow unauthorized access to or modification of our customers' data, other external data, personal data, or our own data, or if the services we provide to our customers were disrupted, or if our digital products or services were reported to have or were perceived as having security vulnerabilities. This could lead to fewer customers using our digital products and services, which could have a material adverse impact on our financial condition and results of operations. In addition, if our systems, or our third-party business associates' systems, for protecting against cybersecurity risks prove to be insufficient, we could be adversely affected by, among other things, loss of or damage to intellectual property, proprietary or confidential information, or customer, supplier, or employee data; breach of personal data; interruption of our business operations; increased legal and regulatory exposure, including fines and remediation costs; and increased costs required to prevent, respond to, or mitigate cybersecurity attacks. These risks could harm our reputation and our relationships with our employees, business associates and other third parties, and may result in claims against us. The occurrence of any of these risks could have a material adverse effect on our business, financial condition and results of operations.

Our aspirations, goals, and initiatives related to sustainability and emissions reduction, and our public statements and disclosures regarding them, expose us to numerous risks.

We have developed, and will continue to develop and set, goals, targets, and other objectives related to sustainability matters, including our net-zero target and our energy transition strategy. Statements related to these goals, targets and objectives reflect our current plans and do not constitute a guarantee that they will be achieved. Our efforts to research, establish, accomplish, and accurately report on these goals, targets, and objectives expose us to numerous operational, reputational, financial, legal, and other risks. Our ability to achieve any stated goal, target, or objective, including with respect to emissions reduction, is subject to numerous factors and conditions, some of which are outside of our control.

Our business may face increased scrutiny from investors and other stakeholders related to our sustainability activities, including the goals, targets, and objectives that we announce, and our methodologies and timelines for pursuing them. If our sustainability practices do not meet investor or other stakeholder expectations and standards, which continue to evolve, our reputation, our ability to attract or retain employees, and our attractiveness as an investment or business partner could be negatively affected. Similarly, our failure or perceived failure to pursue or fulfill our sustainability-focused goals, targets, and objectives, to comply with ethical, environmental, or other standards, regulations, or expectations, or to satisfy various reporting standards with respect to these matters, within the timelines we announce, or at all, could adversely affect our business or reputation, as well as expose us to government enforcement actions and private litigation.

Failure to attract and retain qualified personnel could impede our operations.

Our future success depends on our ability to recruit, train, and retain qualified personnel. We require highly skilled personnel to operate and provide technical services and support for our business. Competition for the personnel necessary for our businesses intensifies as activity increases and technology evolves. In periods of high utilization, it is often more difficult to find and retain qualified individuals. This could increase our costs or have other material adverse effects on our operations.

Severe weather, including extreme weather conditions associated with climate change, has in the past and may in the future adversely affect our operations and financial results.

Our business has been, and in the future will be, affected by severe weather in areas where we operate, which could materially affect our operations and financial results. Extreme weather conditions such as hurricanes, flooding and landslides have in the past resulted in, and may in the future result in, the evacuation of personnel, stoppage of services and activity disruptions at our facilities, in our supply chain, or at well-sites, or result in disruptions of our customers' operations. Particularly severe weather events affecting platforms or structures may result in a suspension of activities. In addition, acute or chronic physical impacts of climate change, such as sea level rise, coastal storm surge, inland flooding from intense rainfall and hurricane-strength winds may damage our facilities. Any such extreme weather events may result in increased operating costs or decreases in revenue, which could adversely affect our financial condition, results of operations and cash flows.

Item 1B. Unresolved Staff Comments.

None.

Item 2. Properties.

Schlumberger owns or leases numerous manufacturing facilities, administrative offices, service centers, research centers, data processing centers, mines, and other facilities throughout the world, none of which are individually material.

Item 3. Legal Proceedings.

The information with respect to this Item 3. Legal Proceedings is set forth in Note 14—*Contingencies*, in the accompanying *Consolidated Financial Statements*.

Item 4. Mine Safety Disclosures.

Information concerning mine safety violations or other regulatory matters required by section 1503(a) of the Dodd-Frank Wall Street Reform and Consumer Protection Act and Item 104 of Regulation S-K is included in Exhibit 95 to this Form 10-K.

PART II

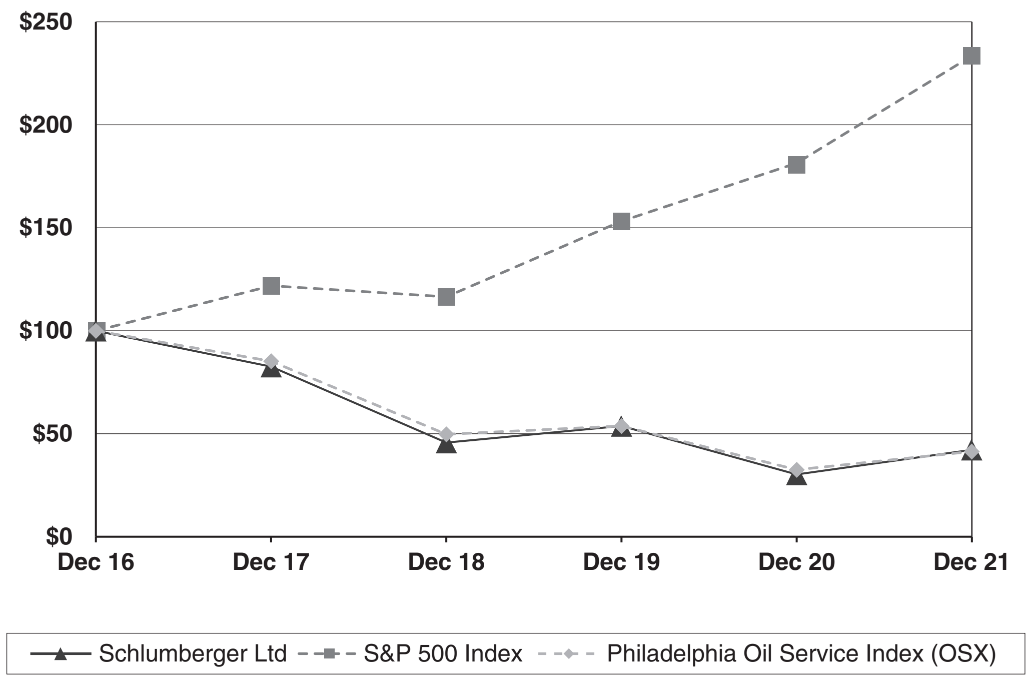
Item 5. Market for Schlumberger's Common Stock, Related Stockholder Matters and Issuer Purchases of Equity Securities.

As of December 31, 2021, there were 23,753 stockholders of record. The principal US market for Schlumberger's common stock is the New York Stock Exchange ("NYSE"), where it is traded under the symbol "SLB."

The following graph compares the cumulative total stockholder return on Schlumberger common stock with the cumulative total return on the Standard & Poor's 500 Index ("S&P 500 Index") and the cumulative total return on the Philadelphia Oil Service Index. It assumes $100 was invested on December 31, 2016 in Schlumberger common stock, in the S&P 500 Index and in the Philadelphia Oil Service Index, as well as the reinvestment of dividends on the last day of the month of payment. The stockholder return set forth below is not necessarily indicative of future performance. The following graph and related information shall not be deemed "soliciting material" or to be "filed" with the SEC, nor shall such information be incorporated by reference into any future filing under the Securities Act of 1933 or the Securities Exchange Act of 1934, except to the extent that Schlumberger specifically incorporates it by reference into such filing.

Comparison of Five-Year Cumulative Total Return Among Schlumberger Common Stock, the S&P 500 Index and the Philadelphia Oil Service Index

Comparison of Cumulative Five-Year Total Return



Share Repurchases

On January 21, 2016, the Schlumberger Board of Directors approved a $10 billion share repurchase program for Schlumberger common stock. Schlumberger had repurchased $1.0 billion of its common stock under this program as of December 31, 2021. Schlumberger did not repurchase any of its common stock during 2021.

Unregistered Sales of Equity Securities

None.

Item 6. [Reserved].

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.

The following discussion and analysis contains forward-looking statements, including, without limitation, statements relating to our plans, strategies, objectives, expectations, intentions and resources. Such forward-looking statements should be read in conjunction with our disclosures under "Item 1A. Risk Factors" of this Form 10-K.

This section of the Form 10-K generally discusses 2021 and 2020 items and year-to-year comparisons between 2021 and 2020. Discussions of 2019 items and year-to-year comparison between 2020 and 2019 that are not included in this Form 10-K can be found in "Management's Discussion and Analysis of Financial Condition and Results of Operations" in Part II, Item 7 of Schlumberger's Annual Report on Form 10-K for the fiscal year ended December 31, 2020.

2021 Executive Overview

Continuing a broad recovery that began in 2020, oil markets were generally positive throughout the year, with Brent oil price starting 2021 at the year's low of $51 per barrel, reaching a high of $85 in November. Sentiment in oil markets was largely positive as global demand recovered and supply was managed by a combination of the reassurance of continued intervention from OPEC+, and ongoing capital discipline by publicly traded operators in North America.

Within the context of strengthening fundamentals across the year, there were several instances where the potential impact of COVID-19 variants raised concerns regarding demand growth. However, these periods were shorter lived than the prolonged decline in 2020, which was characterized by economic lockdowns, and oil prices soon rebounded. Pricing was initially supported by OPEC+ production agreements that had come into effect in 2020 and remained resilient as those production targets were gradually increased in the second half of 2021, as crude and product stocks continued a multiyear downward trend.

International activity grew broadly across geographies in the second half of the year, including offshore and deepwater, with operators investing in projects to meet long-term objectives and regional demand growth.

Activity in North America land also rebounded, albeit from a very low base in 2020, but did not return to prepandemic levels, as investment and production were subdued as a result of continued capital discipline on the part of larger producers.

International natural gas pricing, while following the traditional seasonal pattern, was volatile, swinging from pandemic-driven lows in 2020 to record highs around the world. Domestically, US Henry Hub natural gas prices rose dramatically, averaging $3.91 per million British thermal units on a monthly basis—as compared to $2.04 in 2020—and reaching a peak of $5.87 in October before ending the year at $3.73.

Against this backdrop, Schlumberger's full-year 2021 revenue of $22.9 billion decreased 3% year-on-year as a result of the divestitures of the OneStim pressure pumping business and the North America low-flow artificial lift business during the fourth quarter of 2020. These divestitures were consistent with Schlumberger's strategy to focus on expanding margins, minimizing earnings volatility and focusing on less capital-intensive businesses by high-grading and rationalizing its business portfolio. The divested businesses accounted for approximately 25% of Schlumberger's North America revenue in 2020. Excluding the impact of these divestitures, which generated $1.3 billion of revenue during 2020 (all of which was in North America), full-year 2021 global revenue grew 3% year-on-year, driven by an 8% increase in North America and a 2% increase in international revenue.

Financial performance in 2021 was driven by global oil and gas activity growth in the second half of the year as investment spending experienced double-digit growth year-on-year. Consequently, Schlumberger's revenue in the second half of 2021 grew 12% compared to the same period of 2020, and increased 18% when adjusted for

the effects of the divestitures. International revenue increased 12% year-on-year during the second half of 2021, and North America revenue increased 10%, or 44% when adjusted for the effects of the divestitures (which generated $0.5 billion of revenue during the second half of 2020).

Looking ahead into 2022, we believe the industry macro fundamentals are very favorable, due to the combination of projected steady demand recovery, an increasingly tight supply market, and supportive oil prices. Schlumberger expects this to result in a material step up in industry capital spending with double-digit growth in both the international and North American markets. Absent any further significant COVID-related disruption, oil demand is expected to exceed prepandemic levels before the end of the year and further strengthen in 2023. We believe these favorable market conditions are similar to those experienced during the last industry supercycle, suggesting that resurgent global demand-led capital spending will result in an exceptional multiyear growth cycle.

Throughout 2021, Schlumberger continued to strengthen its core portfolio, enhanced its sustainability leadership, successfully advanced its digital journey, and expanded its new energy portfolio. Schlumberger is well prepared to fully seize this growth ahead. Schlumberger is entering this cycle in a position of strength, having reset its operating leverage, expanded peer-leading margins across multiple quarters, and aligned its technology and business portfolio with the new industry imperatives.

Fourth Quarter 2021 Results

(Stated in millions)

	Fourth Quarter 2021		Third Quarter 2021	
	Revenue	**Income Before Taxes**	Revenue	Income Before Taxes
Digital & Integration	**$ 889**	**$ 335**	$ 812	$ 284
Reservoir Performance	**1,287**	**200**	1,192	190
Well Construction	**2,388**	**368**	2,273	345
Production Systems	**1,765**	**159**	1,674	166
Eliminations & other	**(104)**	**(76)**	(104)	(77)
		986		908
Corporate & other [(1)]		**(140)**		(145)
Interest income [(2)]		**14**		8
Interest expense [(3)]		**(123)**		(127)
Charges & credits [(4)]		**18**		47
	$ 6,225	**$ 755**	$ 5,847	$ 691

(1) Comprised principally of certain corporate expenses not allocated to the segments, stock-based compensation costs, amortization expense associated with certain intangible assets, certain centrally managed initiatives and other nonoperating items.

(2) Excludes interest income included in the segments' income (fourth quarter 2021: $1 million; third quarter 2021: $- million).

(3) Excludes interest expense included in the segments' income (fourth quarter 2021: $4 million; third quarter 2021: $3 million).

(4) Charges and credits are described in detail in Note 3 to the *Consolidated Financial Statements*.

Fourth-quarter revenue of $6.22 billion increased 6% sequentially as a result of broad-based growth across all geographies and Divisions.

International revenue of $4.90 billion grew 5% sequentially, driven primarily by strengthening activity, increased digital sales, and early benefits of pricing improvements. The sequential revenue increase was led by growth in Europe/CIS/Africa largely due to strong offshore activity in Africa. This growth was complemented by project startups and activity gains in the Middle East & Asia and sustained activity growth in Latin America.

In North America, revenue of $1.28 billion grew 13% sequentially, outperforming the rig count growth. The sequential growth was driven by strong offshore and land drilling activity and increased exploration data licensing.

Fourth-quarter pretax segment operating margin of 16% increased 31 basis points (bps) sequentially, reaching its highest quarterly level since 2015, largely as a result of the accretive effect of accelerating digital sales.

Digital & Integration

Fourth-quarter revenue of $889 million increased 10% sequentially, propelled by accelerated digital sales internationally, particularly in Europe/CIS/Africa and Middle East & Asia, and increased exploration data licensing sales in North America offshore and the Permian. These increases, however, were partially offset by the effects of a temporary production interruption in the APS projects in Ecuador due to pipeline disruption.

Digital & Integration pretax operating margin of 38% expanded 268 bps sequentially, primarily due to higher digital and exploration data licensing sales.

Reservoir Performance

Fourth-quarter revenue of $1.3 billion increased 8% sequentially, primarily due to higher intervention activity across the international offshore markets and activity gains in the Middle East & Asia.

Reservoir Performance pretax operating margin of 16% was essentially flat sequentially.

Well Construction

Fourth-quarter revenue of $2.4 billion increased 5% sequentially, driven by higher measurements and drilling fluids activity and increased drilling equipment sales. North America revenue increased 15% due to higher rig count on land and increased well construction activity in the US Gulf of Mexico. International revenue growth of 3% was driven by growth in Latin America.

Well Construction pretax operating margin of 15% was essentially flat sequentially.

Production Systems

Fourth-quarter revenue of $1.8 billion increased 5% sequentially driven by a 6% increase in international revenue. This growth was mainly in Europe/CIS/Africa as a result of strong project progress.

Production Systems pretax operating margin of 9% declined 85 bps sequentially due to an unfavorable mix and the impact of delayed deliveries due to global supply and logistics constraints.

Full-Year 2021 Results

(Stated in millions)

	2021		2020	
	Revenue	**Income Before Taxes**	Revenue	Income (Loss) Before Taxes
Digital & Integration	**$ 3,290**	**$ 1,141**	$ 3,067	$ 727
Reservoir Performance	**4,599**	**648**	5,602	353
Well Construction	**8,706**	**1,195**	8,614	870
Production Systems	**6,710**	**634**	6,650	623
Eliminations & other	**(376)**	**(253)**	(332)	(172)
		3,365		2,401
Corporate & other [1]		**(573)**		(681)
Interest income [2]		**31**		31
Interest expense [3]		**(514)**		(534)
Charges & credits [4]		**65**		(12,515)
	$ 22,929	**$ 2,374**	$ 23,601	$ (11,298)

(1) Comprised principally of certain corporate expenses not allocated to the segments, stock-based compensation costs, amortization expense associated with certain intangible assets, certain centrally managed initiatives and other nonoperating items.

(2) Excludes interest income included in the segments' income (2021: $2 million; 2020: $2 million).

(3) Excludes interest expense included in the segments' income (2021: $15 million; 2020: $28 million).

(4) Charges and credits are described in detail in Note 3 to the *Consolidated Financial Statements*.

Full-year 2021 revenue of $22.9 billion decreased 3% year-on-year primarily as a result of the divestitures of the OneStim pressure pumping business and the low-flow artificial lift business during the fourth quarter of 2020. Excluding the impact of these divestitures, which generated $1.3 billion of revenue (all of which was in North America) during 2020, global revenue increased 3% year-on-year.

In North America revenue declined 18% year-on-year; however, excluding the impact of the previously described divestitures, full-year revenue increased 8%. International revenue also increased 2%.

The growth in 2021 was driven by strong global oil and gas activity in the second half of the year. Schlumberger's revenue in the second half of 2021 grew 12% compared to the same period of 2020 and increased 18% when adjusted for the effects of the divestitures. This growth was pervasive across all geographies and Divisions.

Full-year 2021 pretax operating margin of 15% was 450 bps higher compared to 2020, primarily due to the divestiture of certain businesses in North America, which were previously dilutive to margins, combined with reduced depreciation and amortization expense following the asset impairment charges recorded during 2020 and the effects of cost reduction measures.

Digital & Integration

Full-year 2021 revenue of $3.3 billion increased 7% year-on-year, primarily driven by robust APS project revenue from higher production and improved oil prices.

Year-on-year, pretax operating margin increased 11 percentage points to 35%. Operating margin increased due to improved profitability from APS projects as a result of higher oil prices and reduced amortization expense following the asset impairment charges that were recorded during 2020 relating to certain APS investments.

Reservoir Performance

Full-year 2021 revenue of $4.6 billion decreased 18% year-on-year, largely reflecting the effects of the OneStim divestiture, which generated $1.2 billion of revenue during 2020. Excluding the impact of the OneStim divestiture, revenue increased 5% year-on-year primarily driven by strong activity in Latin America.

Year-on-year, pretax operating margin increased by 779 bps to 14% despite the significant drop in revenue, primarily due to the divestiture of the OneStim business, which was previously dilutive to margins.

Well Construction

Full-year 2021 revenue of $8.7 billion increased 1% year-on-year.

Year-on-year, pretax operating margin increased 363 bps to 14% despite the relatively flat revenue, largely as a result of the implementation of cost control measures.

Production Systems

Full-year 2021 revenue of $6.7 billion increased 1% year-on-year, primarily driven by improved international activity that was largely offset by a decline in completions activity in North America as a result of the pandemic.

Year-on-year, pretax operating margin was essentially flat at 9%.

Interest and Other Income

Interest & other income consisted of the following:

(Stated in millions)

	2021	2020
Earnings of equity method investments	**$ 40**	$ 91
Interest income	**33**	33
Unrealized gain on marketable securities	**47**	39
Gain on sale of Liberty shares	**28**	-
	$ 148	$ 163

The decrease in earnings of equity method investments in 2021 as compared to 2020 is primarily attributable to Schlumberger's share of net losses associated with Schlumberger's investment in Liberty. Schlumberger records its share of Liberty's net income or loss on a one-quarter lag.

During the fourth quarter of 2021 Schlumberger sold 9.5 million of its shares of Liberty and recognized a gain of $28 million. See Note 3 to the *Consolidated Financial Statements*.

During the third quarter of 2021, a start-up company that Schlumberger previously invested in was acquired. As a result of this transaction, Schlumberger's ownership interest was converted into shares of a publicly traded company. Schlumberger recognized an unrealized pretax gain of $47 million to increase the carrying value of this investment to its estimated fair value of approximately $55 million. See Note 3 to the *Consolidated Financial Statements*.

During the fourth quarter of 2020, a start-up company that Schlumberger previously invested in completed an initial public offering. As a result, Schlumberger recognized an unrealized gain of $39 million to increase the carrying value of this investment to its fair value of $43 million as of December 31, 2020. See Note 3 to the *Consolidated Financial Statements*. Schlumberger sold this investment during 2021, which did not result in a material gain or loss.

Interest Expense

Interest expense of $539 million in 2021 decreased $24 million compared to 2020 primarily as a result of the $2.7 billion year-on-year reduction in total debt outstanding.

Other

Research & engineering and *General & administrative* expenses, as a percentage of *Revenue*, were as follows:

	2021	2020
Research & engineering	**2.4%**	2.5%
General & administrative	**1.5%**	1.5%

Income Taxes

The Schlumberger effective tax rate is sensitive to the geographic mix of earnings. When the percentage of pretax earnings generated outside of North America increases, the Schlumberger effective tax rate generally decreases. Conversely, when the percentage of pretax earnings generated outside of North America decreases, the Schlumberger effective tax rate generally increases.

The Schlumberger effective tax rate was 19% in 2021 as compared to 7% in 2020. The increase in the effective tax rate was primarily due to the charges and credits described in Note 3 to the *Consolidated Financial Statements*. These charges and credits reduced the effective tax rate in 2020 by 12 percentage points as a significant portion of these charges were not tax-effective.

Charges and Credits

Schlumberger recorded charges and credits during 2021 and 2020. These charges and credits, which are summarized below, are more fully described in Note 3 to the *Consolidated Financial Statements*.

The following is a summary of the 2021 charges and credits.

(Stated in millions)

	Pretax	Tax	Net
Third quarter:			
Unrealized gain on marketable securities	$ (47)	$ (11)	$ (36)
Fourth quarter:			
Gain on sale of Liberty shares	(28)	(4)	(24)
Early repayment of bonds	10	-	10
	$ (65)	$ (15)	$ (50)

The following is a summary of the 2020 charges and credits.

(Stated in millions)

	Pretax	Tax	Net
First quarter:			
Goodwill	$ 3,070	$ -	$ 3,070
Intangible assets impairments	3,321	815	2,506
Asset Performance Solutions investments	1,264	(4)	1,268
North America pressure pumping impairment	587	133	454
Workforce reductions	202	7	195
Other	79	9	70
Valuation allowance	-	(164)	164
Second quarter:			
Workforce reductions	1,021	71	950
Asset Performance Solutions investments	730	15	715
Fixed asset impairments	666	52	614
Inventory write-downs	603	49	554
Right-of-use asset impairments	311	67	244
Costs associated with exiting certain activities	205	(25)	230
Multiclient seismic data impairment	156	2	154
Repurchase of bonds	40	2	38
Postretirement benefits curtailment gain	(69)	(16)	(53)
Other	60	4	56
Third quarter:			
Facility exit charges	254	39	215
Workforce reductions	63	-	63
Other	33	1	32
Fourth quarter:			
Gain on sale of OneStim	(104)	(11)	(93)
Unrealized gain on marketable securities	(39)	(9)	(30)
Other	62	4	58
	$ 12,515	$ 1,041	$ 11,474

As a result of the first quarter 2020 impairment charges, commencing with the second quarter of 2020, depreciation and amortization expense was reduced by approximately $95 million on a quarterly basis. Approximately $33 million of this quarterly reduction is reflected in the Digital & Integration Division and $12 million is reflected in the Reservoir Performance Division. The remaining $50 million is reflected in the "Corporate & other" line item.

As a result of the second quarter 2020 restructuring and impairment charges, commencing with the third quarter of 2020, depreciation and amortization expense was reduced by approximately $80 million and lease expense was reduced by $25 million on a quarterly basis. Approximately $51 million of this quarterly reduction is reflected in the Digital & Integration Division and $31 million is reflected in the Reservoir Performance Division, with the remaining $23 million reflected among the Well Construction Division and Production Systems Division.

As a result of the third quarter 2020 restructuring charges, commencing with the fourth quarter of 2020, depreciation and lease expense was reduced by $15 million on a quarterly basis. This quarterly reduction is reflected among all of the Divisions.

Liquidity and Capital Resources

Details of the components of liquidity as well as changes in liquidity follow:

(Stated in millions)

Components of Liquidity:	**Dec. 31, 2021**	Dec. 31, 2020
Cash	**$ 1,757**	$ 844
Short-term investments	**1,382**	2,162
Short-term borrowings and current portion of long-term debt	**(909)**	(850)
Long-term debt	**(13,286)**	(16,036)
Net debt [1]	**$ (11,056)**	$ (13,880)

Changes in Liquidity:	**2021**	2020
Net income (loss)	**$ 1,928**	$ (10,486)
Impairments and other charges and credits	**(65)**	12,515
Depreciation and amortization (2)	**2,120**	2,566
Deferred taxes	**(31)**	(1,248)
Earnings of equity method investments, less dividends received	**10**	(28)
Stock-based compensation expense	**324**	397
Increase in working capital (3)	**(45)**	(833)
US Federal tax refund	**477**	-
Other	**(67)**	61
Cash flow from operations	**4,651**	2,944
Capital expenditures	**(1,141)**	(1,116)
APS investments	**(474)**	(303)
Multiclient seismic data capitalized	**(39)**	(101)
Free cash flow (4)	**2,997**	1,424
Dividends paid	**(699)**	(1,734)
Stock repurchase program	**-**	(26)
Proceeds from employee stock plans	**137**	146
Proceeds from sale of Liberty shares	**109**	-
Net proceeds from divestitures	**-**	434
Business acquisitions and investments, net of cash acquired plus debt assumed	**(103)**	(33)
Repayment of finance lease obligations	**-**	(188)
Other	**(105)**	(181)
Change in net debt before impact of changes in foreign exchange rates on net debt	**2,336**	(158)
Impact of changes in foreign exchange rates on net debt	**488**	(595)
(Increase) decrease in Net Debt	**2,824**	(753)
Net Debt, Beginning of period	**(13,880)**	(13,127)
Net Debt, End of period	**$ (11,056)**	$ (13,880)

(1) "Net debt" represents gross debt less cash and short-term investments. Management believes that Net debt provides useful information regarding the level of Schlumberger's indebtedness by reflecting cash and investments that could be used to repay debt. Net debt is a non-GAAP financial measure that should be considered in addition to, not as a substitute for or superior to, total debt.

(2) Includes depreciation of property, plant and equipment and amortization of intangible assets, multiclient seismic data costs and APS investments.

(3) Includes severance payments of $248 million and $843 million during 2021 and 2020, respectively.

(4) "Free cash flow" represents cash flow from operations less capital expenditures, APS investments and multiclient seismic data costs capitalized. Management believes that free cash flow is an important liquidity measure for the company and that it is useful to investors and management as a measure of our ability to generate cash. Once business needs and obligations are met, this cash can be used to reinvest in the company for future growth or to return to shareholders through dividend payments or share repurchases. Free cash flow does not represent the residual cash flow available for discretionary expenditures. Free cash flow is a non-GAAP financial measure that should be considered in addition to, not as a substitute for or superior to, cash flow from operations.

Key liquidity events during 2021 and 2020 included:

- In April 2020, in light of the uncertainty of the depth and extent of the contraction in oil demand due to the COVID-19 pandemic combined with the weaker commodity price environment at the time, Schlumberger announced a 75% reduction to its quarterly cash dividend. The revised dividend supports Schlumberger's value proposition through a balanced approach of shareholder distributions and organic investment, and provided flexibility to address the uncertain environment. This decision reflected the Company's focus on its capital stewardship program as well as its commitment to maintain both a strong liquidity position and a strong investment grade credit rating that provides privileged access to the financial markets. Dividends paid during 2021 and 2020 were $0.7 billion and $1.7 billion, respectively.
- Cash flow from operations was $4.7 billion in 2021 and $2.9 billion in 2020. The increase in cash flow from operations in 2021 as compared to 2020 was driven by the sharp increase in earnings excluding non-cash charges and credits and depreciation and amortization expense as a result of the improved business conditions in 2021, as well as the receipt of the $0.5 billion US federal tax refund described below and a $0.6 billion year-on-year reduction in severance payments.
- On January 21, 2016, the Schlumberger Board of Directors approved a $10 billion share repurchase program for Schlumberger common stock. Schlumberger had repurchased $1.0 billion of Schlumberger common stock under this program as of December 31, 2021. Schlumberger did not repurchase any of its common stock during 2021, and repurchased $26 million of its common stock during 2020.
- Capital investments (consisting of capital expenditures, APS investments and multiclient seismic data capitalized) were $1.7 billion in 2021 and $1.5 billion in 2020. Capital investments during 2022 are expected to be between $1.9 billion and $2.0 billion.
- During the fourth quarter of 2021, Schlumberger deposited sufficient funds with the trustee for its $1.0 billion of 2.40% Senior Notes due 2022 (including payment of the February 1, 2022 interest payment) to satisfy and discharge all of its obligations relating to such notes. As a result of this transaction, Schlumberger recorded a charge of $10 million. This charge is reflected in *Interest* in the *Consolidated Statement of Income (Loss)*. See Note 3 – *Charges and Credits*.
- During the fourth quarter of 2021 Schlumberger sold 9.5 million of its shares of Liberty and received proceeds of $109 million.
- During the second quarter of 2021, Schlumberger repurchased all $665 million of its 3.30% Senior Notes due 2021.
- During the second quarter of 2021, Schlumberger received a federal tax refund of $477 million relating to the carryback of US net operating losses pursuant to the Coronavirus Aid, Relief and Economic Security Act.
- During the fourth quarter of 2020, Schlumberger repaid certain finance lease obligations totaling $188 million as a result of the OneStim transaction.
- During the third quarter of 2020, Schlumberger issued $500 million of 1.40% Senior Notes due 2025 and $350 million of 2.65% Senior Notes due 2030.
- During the second quarter of 2020, Schlumberger issued €1.0 billion of 1.375% Guaranteed Notes due 2026, $900 million of 2.650% Senior Notes due 2030 and €1.0 billion of 2.00% Guaranteed Notes due 2032.
- During the second quarter of 2020, Schlumberger repurchased all $600 million of its 4.20% Senior Notes due 2021 and $935 million of its 3.30% Senior Notes due 2021. Schlumberger paid a premium of approximately $40 million in connection with these repurchases. This premium was classified in *Impairments & other* in the *Consolidated Statement of Income (Loss)*. See Note 3 – *Charges and Credits*.

- During the first quarter of 2020, Schlumberger issued €400 million of 0.25% Notes due 2027 and €400 million of 0.50% Notes due 2031.
- During the first quarter of 2020, Schlumberger completed the sale of its 49% interest in the Bandurria Sur Block in Argentina. The net cash proceeds from this transaction, combined with the proceeds received from the divestiture of a smaller APS project, amounted to $298 million.

As of December 31, 2021, Schlumberger had $3.14 billion of cash and short-term investments and committed credit facility agreements with commercial banks aggregating $6.60 billion, all of which was available and unused. Schlumberger believes these amounts, along with cash generated by ongoing operations, will be sufficient to meet future business requirements for the next 12 months and beyond.

The following table reflects the carrying amounts of Schlumberger's debt at December 31, 2021 by year of maturity:

(Stated in millions)

	2022	2023	2024	2025	2026	2027	2028	2029	Thereafter	Total
Fixed rate debt										
2.65% Senior Notes	$600									600
3.63% Senior Notes	295									295
3.65% Senior Notes		$1,497								1,497
4.00% Notes		80								80
3.70% Notes			$ 55							55
3.75% Senior Notes			748							748
0.00% Notes			563							563
1.40% Senior Notes				$ 498						498
4.00% Senior Notes				930						930
1.375% Guaranteed Notes					$1,125					1,125
1.00% Guaranteed Notes					679					679
0.25% Notes						$1,013				1,013
3.90% Senior Notes							$1,457			1,457
4.30% Senior Notes								$846		846
2.65% Senior Notes									$ 1,250	1,250
0.50% Notes									1,012	1,012
2.00% Guaranteed Notes									1,118	1,118
7.00% Notes									204	204
5.95% Notes									113	113
5.13% Notes									98	98
Total fixed rate debt	$895	$1,577	$1,366	$1,428	$1,804	$1,013	$1,457	$846	$ 3,795	$14,181
Variable rate debt	14	-	-	-	-	-	-	-	-	14
Total	$909	$1,577	$1,366	$1,428	$1,804	$1,013	$1,457	$846	$ 3,795	$14,195

Interest payments on fixed rate debt obligations by year are as follows:

(Stated in millions)

2022	$ 446
2023	418
2024	343
2025	317
2026	265
Thereafter	941
	$ 2,730

See Note 13, *Leases* of the *Consolidated Financial Statements* for details regarding Schlumberger's lease obligations.

Schlumberger has outstanding letters of credit/guarantees that relate to business performance bonds, custom/excise tax commitments, facility lease/rental obligations, etc. These were entered into in the ordinary course of business and are customary practices in the various countries where Schlumberger operates.

Critical Accounting Policies and Estimates

The preparation of financial statements and related disclosures in conformity with accounting principles generally accepted in the United States requires Schlumberger to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities and the reported amounts of revenue and expenses. The following accounting policies involve "critical accounting estimates" because they are particularly dependent on estimates and assumptions made by Schlumberger about matters that are inherently uncertain.

Schlumberger bases its estimates on historical experience and on various assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

Allowance for Doubtful Accounts

Schlumberger maintains an allowance for doubtful accounts in order to record accounts receivable at their net realizable value. Judgment is involved in recording and making adjustments to this reserve. Allowances have been recorded for receivables believed to be uncollectible, including amounts for the resolution of potential credit and other collection issues such as disputed invoices. Adjustments to the allowance may be required in future periods depending on how such potential issues are resolved, or if the financial condition of Schlumberger's customers were to deteriorate resulting in an impairment of their ability to make payments.

As a large multinational company with a long history of operating in a cyclical industry, Schlumberger has extensive experience in working with its customers during difficult times to manage its accounts receivable. During weak economic environments or when there is an extended period of weakness in oil and gas prices, Schlumberger typically experiences delays in the payment of its receivables. However, except for a $469 million accounts receivable write-off during 2017 as a result of the political and economic condition in Venezuela, Schlumberger has not historically had material write-offs due to uncollectible accounts receivable. Schlumberger generates revenue in more than 120 countries. As of December 31, 2021, five of those countries individually accounted for greater than 5% of Schlumberger's net accounts receivable balance, of which only one (the United States) accounted for greater than 10% of such receivables.

At times in recent periods, Schlumberger has experienced delays in payments from its primary customer in Mexico. Included in *Receivables, less allowance for doubtful accounts* in the *Consolidated Balance Sheet* as of December 30, 2021 is approximately $0.5 billion of receivables relating to Mexico at December 31, 2021 ($0.7 billion at December 31, 2020). Schlumberger's receivables from its primary customer in Mexico are not in dispute and Schlumberger has not historically had any material write-offs due to uncollectible accounts receivable relating to this customer.

Goodwill, Intangible Assets and Long-Lived Assets

Schlumberger records the excess of purchase price over the fair value of the tangible and identifiable intangible assets acquired and liabilities assumed as goodwill. The goodwill relating to each of Schlumberger's reporting units is tested for impairment annually as well as when an event, or change in circumstances, indicates an impairment may have occurred.

Under generally accepted accounting principles, Schlumberger has the option to first assess qualitative factors to determine whether the existence of events or circumstances leads to a determination that it is more likely than not that the fair value of one or more of its reporting units is greater than its carrying amount. If, after assessing the totality of events or circumstances, Schlumberger determines it is more likely than not that the fair value of a reporting unit is greater than its carrying amount, there is no need to perform any further testing. However, if Schlumberger concludes otherwise, then it is required to perform a quantitative impairment test by calculating the fair value of the reporting unit and comparing the fair value with the carrying amount of the reporting unit. If the fair value of the reporting unit is less than its carrying value, an impairment loss is recorded based on that difference.

Schlumberger has the option to bypass the qualitative assessment for any reporting unit in any period and proceed directly to performing the quantitative goodwill impairment test.

Schlumberger elected to perform the qualitative assessment described above for purposes of its annual goodwill impairment test in 2021. Based on this assessment, Schlumberger concluded it was more likely than not that the fair value of each of its reporting units was significantly greater than its carrying amount. Accordingly, no further testing was required.

During 2020 and 2019, Schlumberger recorded goodwill impairment charges of $3.1 billion and $8.8 billion and intangible asset impairment charges of $3.3 billion and $1.1 billion, respectively. Refer to Note 3 to the *Consolidated Financial Statements* for details regarding the facts and circumstances that led to this impairment and how the fair value of each reporting unit was estimated, including the significant assumptions used and other details.

Long-lived assets, including fixed assets, intangible assets and investments in APS projects, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. In reviewing for impairment, the carrying value of such assets is compared to the estimated undiscounted future cash flows expected from the use of the assets and their eventual disposition. If such cash flows are not sufficient to support the asset's recorded value, an impairment charge is recognized to reduce the carrying value of the long-lived asset to its estimated fair value. The determination of future cash flows as well as the estimated fair value of long-lived assets involves significant estimates on the part of management. If there is a material change in economic conditions or other circumstances influencing the estimate of future cash flows or fair value, Schlumberger could be required to recognize impairment charges in the future.

Income Taxes

Schlumberger conducts business in more than 100 tax jurisdictions, a number of which have tax laws that are not fully defined and are evolving. Schlumberger's tax filings are subject to regular audits by the tax authorities.

These audits may result in assessments for additional taxes that are resolved with the authorities or, potentially, through the courts. Schlumberger recognizes the impact of a tax position in its financial statements if that position is more likely than not of being sustained on audit, based on the technical merits of the position. Tax liabilities are recorded based on estimates of additional taxes that will be due upon the conclusion of these audits. Estimates of these tax liabilities are judgmental and are made based upon prior experience, and are updated in light of changes in facts and circumstances. However, due to the uncertain and complex application of tax regulations, the ultimate resolution of audits may result in liabilities that could be materially different from these estimates. In such an event, Schlumberger will record additional tax expense or tax benefit in the period in which such resolution occurs.

Revenue Recognition for Certain Long-term Construction-type Contracts

Schlumberger recognizes revenue for certain long-term construction-type contracts over time. These contracts involve significant design and engineering efforts in order to satisfy custom designs for customer-specific applications. Under this method, revenue is recognized as work progresses on each contract. Progress is measured by the ratio of actual costs incurred to date on the project in relation to total estimated project costs. Approximately 6% of Schlumberger's revenue in 2021, and 5% in each of 2020 and 2019, respectively, was recognized under this method.

The estimate of total project costs has a significant impact on both the amount of revenue recognized as well as the related profit on a project. Revenue and profits on contracts can also be significantly affected by change orders and claims. Profits are recognized based on the estimated project profit multiplied by the percentage complete. Due to the nature of these projects, adjustments to estimates of contract revenue and total contract costs are often required as work progresses. Any expected losses on a project are recorded in full in the period in which they become probable.

Pension and Postretirement Benefits

Schlumberger's pension and postretirement benefit obligations are described in detail in Note 16 to the *Consolidated Financial Statements*. The obligations and related costs are calculated using actuarial concepts, which include critical assumptions related to the discount rate, expected rate of return on plan assets and medical cost trend rates. These assumptions are important elements of expense and/or liability measurement and are updated on an annual basis, or upon the occurrence of significant events.

The discount rate that Schlumberger uses reflects the prevailing market rate of a portfolio of high-quality debt instruments with maturities matching the expected timing of payment of the related benefit obligations. The following summarizes the discount rates utilized by Schlumberger for its various pension and postretirement benefit plans:

- The discount rate utilized to determine the liability for Schlumberger's United States pension plans and postretirement medical plan was 3.00% at December 31, 2021 and 2.60% at December 31, 2020.
- The weighted-average discount rate utilized to determine the liability for Schlumberger's international pension plans was 2.83% at December 31, 2021 and 2.38% at December 31, 2020.
- The discount rate utilized to determine expense for Schlumberger's United States pension plans and postretirement medical plan was 2.60% in 2021 and 3.30% in 2020.
- The weighted-average discount rate utilized to determine expense for Schlumberger's international pension plans was 2.38% in 2021 and 3.27% in 2020.

The expected rate of return for Schlumberger's retirement benefit plans represents the average rate of return expected to be earned on plan assets over the period that benefits included in the benefit obligation are expected to be paid, with consideration given to the distribution of investments by asset class and historical rates of return for each individual asset class. The average expected rate of return on plan assets for the United States pension plans was 6.60% in both 2021 and 2020. The weighted average expected rate of return on plan assets for the international pension plans was 6.73% in 2021 and 6.71% in 2020. A lower expected rate of return would increase pension expense.

The following illustrates the sensitivity to changes in certain assumptions, holding all other assumptions constant, for Schlumberger's United States and international pension plans:

(Stated in millions)

Change in Assumption	Effect on 2021 Pretax Expense	Effect on Dec. 31, 2021 Obligation
25 basis point decrease in discount rate	+$41	+$604
25 basis point increase in discount rate	-$38	-$568
25 basis point decrease in expected return on plan assets	+$34	-
25 basis point increase in expected return on plan assets	-$34	-

The following illustrates the sensitivity to changes in certain assumptions, holding all other assumptions constant, for Schlumberger's United States postretirement medical plans:

(Stated in millions)

Change in Assumption	Effect on 2021 Pretax Expense	Effect on Dec. 31, 2021 Obligation
25 basis point decrease in discount rate	-	+$42
25 basis point increase in discount rate	-	-$39

Item 7A. Quantitative and Qualitative Disclosures About Market Risk.

Schlumberger is subject to market risks primarily associated with changes in foreign currency exchange rates.

As a multinational company, Schlumberger generates revenue in more than 120 countries. Schlumberger's functional currency is primarily the US dollar. Approximately 70% of Schlumberger's revenue in 2021 was denominated in US dollars. However, outside the United States, a significant portion of Schlumberger's expenses is incurred in foreign currencies. Therefore, when the US dollar weakens in relation to the foreign currencies of the countries in which Schlumberger conducts business, the US dollar-reported expenses will increase.

Schlumberger maintains a foreign-currency risk management strategy that uses derivative instruments to manage the impact of changes in foreign exchange rates on its earnings. Schlumberger enters into foreign currency forward contracts to provide a hedge against currency fluctuations on certain monetary assets and liabilities, and certain expenses denominated in currencies other than the functional currency.

A 10% appreciation in the US dollar from the December 31, 2021 market rates would increase the unrealized value of Schlumberger's forward contracts by $5 million. Conversely, a 10% depreciation in the US dollar from the December 31, 2021 market rates would decrease the unrealized value of Schlumberger's forward contracts by $8 million. In either scenario, the gain or loss on the forward contract would be offset by the gain or loss on the underlying transaction, and therefore, would have no impact on future earnings.

At December 31, 2021, contracts were outstanding for the US dollar equivalent of $7.7 billion in various foreign currencies, of which $6.0 billion related to hedges of debt balances denominated in currencies other than the functional currency.

Forward-Looking Statements

This Form 10-K, as well as other statements we make, contains "forward-looking statements" within the meaning of the federal securities laws, which include any statements that are not historical facts. Such statements often contain words such as "expect," "may," "can," "believe," "predict," "plan," "potential," "projected," "projections," "forecast," "estimate," "intend," "anticipate," "ambition," "goal," "target," "think," "should," "could," "would," "will," "see," "likely," and other similar words. Forward-looking statements address matters that are, to varying degrees, uncertain, such as statements about Schlumberger's financial and performance targets and other forecasts or expectations regarding, or dependent on, its 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); oil and natural gas demand and production growth; oil and natural gas prices; forecasts or expectations regarding energy transition and global climate change; improvements in operating procedures and technology; capital expenditures by Schlumberger and the oil and gas industry; the business strategies of Schlumberger, including digital and "fit for basin," as well as the strategies of Schlumberger's customers; Schlumberger's effective tax rate; Schlumberger's APS projects, joint ventures, and other alliances; Schlumberger's response to the COVID-19 pandemic and its preparedness for other widespread health emergencies; access to raw materials; 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; changes in exploration and production spending by Schlumberger's customers and changes in the level of oil and natural gas exploration and development; the results of operations and financial condition of Schlumberger's customers and suppliers; Schlumberger's inability to achieve its financial and performance targets and other forecasts and expectations; Schlumberger's inability to achieve net-zero carbon emissions goals or interim emissions reduction goals; general economic, geopolitical and business conditions in key regions of the world; foreign currency risk; pricing pressure; inflation; weather and seasonal factors; unfavorable effects of health pandemics; availability and cost of raw materials; operational modifications, delays or cancellations; challenges in Schlumberger's supply chain;

production declines; Schlumberger's inability to recognize efficiencies and other intended benefits from its business strategies and initiatives, such as digital or Schlumberger New Energy, as well as its cost reduction strategies; 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 exploration; the competitiveness of alternative energy sources or product substitutes; and other risks and uncertainties detailed in this Form 10-K and other filings that we make with the SEC. If one or more of these or other risks or uncertainties materialize (or the consequences of any such development changes), or should our underlying assumptions prove incorrect, actual results or outcomes may vary materially from those reflected in our forward-looking statements. Forward-looking and other statements in this Form 10-K regarding our environmental, social and other sustainability plans and goals are not an indication that these statements are necessarily material to investors or required to be disclosed in our filings with the SEC. In addition, historical, current, and forward-looking environmental, social and sustainability-related statements may be based on standards for measuring progress that are still developing, internal controls and processes that continue to evolve, and assumptions that are subject to change in the future. Statements in this Form 10-K are made as of January 26, 2022, 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.

Item 8. Financial Statements and Supplementary Data.

SCHLUMBERGER LIMITED AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF INCOME (LOSS)

(Stated in millions, except per share amounts)

Year Ended December 31,	**2021**	2020	2019
Revenue			
Services	**$ 15,602**	$ 16,533	$ 24,358
Product sales	**7,327**	7,068	8,559
Total Revenue	**22,929**	23,601	32,917
Interest & other income	**148**	163	86
Gains on sales of businesses	**-**	104	247
Expenses			
Cost of services	**13,129**	14,675	20,828
Cost of sales	**6,142**	6,325	7,892
Research & engineering	**554**	580	717
General & administrative	**339**	365	474
Impairments & other	**-**	12,658	13,148
Interest	**539**	563	609
Income (loss) before taxes	**2,374**	(11,298)	(10,418)
Tax expense (benefit)	**446**	(812)	(311)
Net income (loss)	**1,928**	(10,486)	(10,107)
Net income attributable to noncontrolling interests	**47**	32	30
Net income (loss) attributable to Schlumberger	**$ 1,881**	$ (10,518)	$ (10,137)
Basic earnings (loss) per share of Schlumberger	**$ 1.34**	$ (7.57)	$ (7.32)
Diluted earnings (loss) per share of Schlumberger	**$ 1.32**	$ (7.57)	$ (7.32)
Average shares outstanding:			
Basic	**1,400**	1,390	1,385
Assuming dilution	**1,427**	1,390	1,385

See the Notes to Consolidated Financial Statements

SCHLUMBERGER LIMITED AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (LOSS)

(Stated in millions)

Year Ended December 31,	2021	2020	2019
Net income (loss)	$ **1,928**	$ (10,486)	$ (10,107)
Currency translation adjustments			
Net change arising during the period	**83**	(239)	67
Cash flow hedges			
Net loss on cash flow hedges	**(12)**	(90)	(32)
Reclassification to net income (loss) of net realized (income) loss	**(3)**	54	10
Pension and other postretirement benefit plans			
Actuarial gain (loss) arising during the period	**1,075**	(247)	127
Amortization to net income (loss) of net actuarial loss	**271**	200	94
Amortization to net income (loss) of net prior service (credit) cost	**(23)**	(17)	(11)
Impact of curtailment	**-**	(69)	-
Income taxes on pension and other postretirement benefit plans	**(74)**	(38)	(71)
Other	**(3)**	-	-
Comprehensive income (loss)	**3,242**	(10,932)	(9,923)
Comprehensive income attributable to noncontrolling interests	**47**	32	30
Comprehensive income (loss) attributable to Schlumberger	$ **3,195**	$ (10,964)	$ (9,953)

See the Notes to Consolidated Financial Statements

SCHLUMBERGER LIMITED AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEET

(Stated in millions)

December 31,	2021	2020
ASSETS		
Current Assets		
Cash	$ **1,757**	$ 844
Short-term investments	**1,382**	2,162
Receivables less allowance for doubtful accounts (2021—$319; 2020—$301)	**5,315**	5,247
Inventories	**3,272**	3,354
Other current assets	**928**	1,312
	12,654	12,919
Investments in Affiliated Companies	**2,044**	2,061
Fixed Assets less accumulated depreciation	**6,429**	6,826
Goodwill	**12,990**	12,980
Intangible Assets	**3,211**	3,455
Other Assets	**4,183**	4,193
	$ **41,511**	$ 42,434
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts payable and accrued liabilities	**8,382**	8,442
Estimated liability for taxes on income	**879**	1,015
Short-term borrowings and current portion of long-term debt	**909**	850
Dividends payable	**189**	184
	10,359	10,491
Long-term Debt	**13,286**	16,036
Postretirement Benefits	**231**	1,049
Deferred Taxes	**94**	19
Other Liabilities	**2,255**	2,350
	26,225	29,945
Equity		
Common stock	**12,608**	12,970
Treasury stock	**(2,233)**	(3,033)
Retained earnings	**8,199**	7,018
Accumulated other comprehensive loss	**(3,570)**	(4,884)
Schlumberger stockholders' equity	**15,004**	12,071
Noncontrolling interests	**282**	418
	15,286	12,489
	$ **41,511**	$ 42,434

See the Notes to Consolidated Financial Statements

SCHLUMBERGER LIMITED AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS

(Stated in millions)

Year Ended December 31,	2021	2020	2019
Cash flows from operating activities:			
Net income (loss)	$ 1,928	$ (10,486)	$ (10,107)
Adjustments to reconcile net income (loss) to cash provided by operating activities:			
Impairments and other charges and credits	(65)	12,515	12,901
Depreciation and amortization (1)	2,120	2,566	3,589
Deferred taxes	(31)	(1,248)	(1,011)
Stock-based compensation expense	324	397	405
Earnings of equity method investments, less dividends received	10	(28)	6
Change in assets and liabilities: (2)			
(Increase) decrease in receivables	(36)	2,345	142
Decrease (increase) in inventories	75	86	(314)
Decrease (increase) in other current assets	387	267	(68)
(Increase) decrease in other assets	(2)	(25)	22
Increase (decrease) in accounts payable and accrued liabilities	160	(3,330)	(161)
(Decrease) increase in estimated liability for taxes on income	(154)	(201)	6
(Decrease) increase in other liabilities	(26)	19	(52)
Other	(39)	67	73
NET CASH PROVIDED BY OPERATING ACTIVITIES	4,651	2,944	5,431
Cash flows from investing activities:			
Capital expenditures	(1,141)	(1,116)	(1,724)
APS investments	(474)	(303)	(781)
Multiclient seismic data capitalized	(39)	(101)	(231)
Net proceeds from divestitures	—	434	348
Proceeds from sale of Liberty shares	109	—	—
Proceeds from formation of Sensia joint venture	—	—	238
Business acquisitions and investments, net of cash acquired	(103)	(33)	(23)
Sale (purchase) of short-term investments, net	787	(1,141)	317
Other	(58)	(93)	(155)
NET CASH USED IN INVESTING ACTIVITIES	(919)	(2,353)	(2,011)
Cash flows from financing activities:			
Dividends paid	(699)	(1,734)	(2,769)
Proceeds from employee stock purchase plan	137	146	196
Proceeds from exercise of stock options	—	—	23
Stock repurchase program	—	(26)	(278)
Proceeds from issuance of long-term debt	34	5,837	4,004
Repayment of long-term debt	(2,076)	(4,975)	(4,799)
Net (decrease) increase in short-term borrowings	(105)	156	(44)
Repayment of finance lease-related obligations	—	(188)	—
Other	(115)	(89)	(51)
NET CASH USED IN FINANCING ACTIVITIES	(2,824)	(873)	(3,718)
Net increase (decrease) in cash before translation effect	908	(282)	(298)
Translation effect on cash	5	(11)	2
Cash, beginning of period	844	1,137	1,433
Cash, end of period	$ 1,757	$ 844	$ 1,137

(1) Includes depreciation of property, plant and equipment and amortization of intangible assets, multiclient seismic data costs and APS investments.

(2) Net of the effect of business acquisitions and divestitures.

See the Notes to Consolidated Financial Statements

SCHLUMBERGER LIMITED AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY

(Stated in millions)

	Common Stock					
	Issued	In Treasury	Retained Earnings	Accumulated Other Comprehensive Loss	Noncontrolling Interests	Total
Balance, January 1, 2019	$ 13,132	$ (4,006)	$ 31,658	$ (4,622)	$ 424	$ 36,586
Net loss			(10,137)		30	(10,107)
Currency translation adjustments				67	(1)	66
Changes in fair value of cash flow hedges				(22)		(22)
Pension and other postretirement benefit plans				139		139
Shares sold to optionees, less shares exchanged	(26)	49				23
Vesting of restricted stock	(155)	155				-
Shares issued under employee stock purchase plan	(249)	445				196
Stock repurchase program		(278)				(278)
Stock-based compensation expense	405					405
Dividends declared ($2.00 per share)			(2,770)			(2,770)
Other	(29)	4			(37)	(62)
Balance, December 31, 2019	13,078	(3,631)	18,751	(4,438)	416	24,176
Net loss			(10,518)		32	(10,486)
Currency translation adjustments				(239)	7	(232)
Changes in fair value of cash flow hedges				(36)		(36)
Pension and other postretirement benefit plans				(171)		(171)
Vesting of restricted stock	(173)	173				-
Shares issued under employee stock purchase plan	(298)	444				146
Stock repurchase program		(26)				(26)
Stock-based compensation expense	397					397
Dividends declared ($0.875 per share)			(1,215)			(1,215)
Other	(34)	7			(37)	(64)
Balance, December 31, 2020	12,970	(3,033)	7,018	(4,884)	418	12,489
Net income			1,881		47	1,928
Currency translation adjustments				83	(2)	81
Changes in fair value of cash flow hedges				(15)		(15)
Pension and other postretirement benefit plans				1,249		1,249
Vesting of restricted stock	(281)	281				-
Shares issued under employee stock purchase plan	(377)	514				137
Stock-based compensation expense	324					324
Dividends declared ($0.50 per share)			(700)			(700)
Deconsolidation of subsidiary					(123)	(123)
Other	(28)	5		(3)	(58)	(84)
Balance, December 31, 2021	$ 12,608	$ (2,233)	$ 8,199	$ (3,570)	$ 282	$ 15,286

See the Notes to Consolidated Financial Statements

SCHLUMBERGER LIMITED AND SUBSIDIARIES

SHARES OF COMMON STOCK

(Stated in millions)

	Issued	In Treasury	Shares Outstanding
Balance, January 1, 2019	1,434	(51)	1,383
Shares sold to optionees, less shares exchanged	-	1	1
Vesting of restricted stock	-	2	2
Shares issued under employee stock purchase plan	-	6	6
Stock repurchase program	-	(7)	(7)
Balance, December 31, 2019	1,434	(49)	1,385
Shares issued under employee stock purchase plan	-	6	6
Vesting of restricted stock	-	2	2
Stock repurchase program	-	(1)	(1)
Balance, December 31, 2020	1,434	(42)	1,392
Shares issued under employee stock purchase plan	-	7	7
Vesting of restricted stock	-	4	4
Balance, December 31, 2021	1,434	(31)	1,403

See the Notes to Consolidated Financial Statements

Notes to Consolidated Financial Statements

1. Business Description

Schlumberger Limited (Schlumberger N.V., incorporated in Curaçao) and its consolidated subsidiaries (collectively, "Schlumberger") form a technology company that partners with customers to access energy. Schlumberger provides leading digital solutions and deploys innovative technologies to enable performance and sustainability for the global energy industry. Schlumberger collaborates to create technology that unlocks access to energy for the benefit of all.

2. Summary of Accounting Policies

The *Consolidated Financial Statements* of Schlumberger have been prepared in accordance with accounting principles generally accepted in the United States of America.

Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. On an ongoing basis, Schlumberger evaluates its estimates, including those related to collectibility of accounts receivable; revenue recognized for certain long-term construction-type contracts over time; recoverability of fixed assets, goodwill, intangible assets, Asset Performance Solutions investments and investments in affiliates; income taxes; multiclient seismic data; contingencies and actuarial assumptions for employee benefit plans. Schlumberger bases its estimates on historical experience and other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

Revenue Recognition

Schlumberger recognizes revenue upon the transfer of control of promised products or services to customers at an amount that reflects the consideration it expects to receive in exchange for these products or services. The vast majority of Schlumberger's services and product offerings are short-term in nature. The time between invoicing and when payment is due under these arrangements is generally between 30 to 60 days.

Revenue is occasionally generated from contractual arrangements that include multiple performance obligations. Revenue from these arrangements is allocated to each performance obligation based on its relative standalone selling price. Standalone selling prices are generally determined based on the prices charged to customers or using expected costs plus margin.

Revenue is recognized for certain long-term construction-type contracts over time. These contracts involve significant design and engineering efforts in order to satisfy custom designs for customer-specific applications. Revenue is recognized as work progresses on each contract. Progress is measured by the ratio of actual costs incurred to date on the project in relation to total estimated project costs. The estimate of total project costs has a significant impact on both the amount of revenue recognized as well as the related profit on a project. Revenue and profits on contracts can also be significantly affected by change orders and claims. Due to the nature of these projects, adjustments to estimates of contract revenue and total contract costs may be required as work progresses. Progress billings are generally issued upon completion of certain phases of work as stipulated in the contract. Any expected losses on a project are recorded in full in the period in which they become probable.

Due to the nature of its businesses, Schlumberger does not have significant backlog. Total backlog was $2.8 billion at December 31, 2021, of which approximately 50% is expected to be recognized as revenue during 2022.

Short-term Investments

Short-term investments are comprised primarily of money market funds, time deposits, certificates of deposit, commercial paper, bonds and notes, substantially all of which are denominated in US dollars and are stated at cost plus accrued interest, which approximates fair value.

For purposes of the *Consolidated Statement of Cash Flows*, Schlumberger does not consider *Short-term investments* to be cash equivalents.

Investments in Affiliated Companies

Investments in companies in which Schlumberger does not have a controlling financial interest, but over which it has significant influence, are accounted for using the equity method. Schlumberger's share of the after-tax earnings of equity method investees is included in *Interest & other income*. Investments in privately held companies in which Schlumberger does not have the ability to exercise significant influence are accounted for using the cost method. Investments in publicly traded companies in which Schlumberger does not have the ability to exercise significant influence are reported at fair value, with unrealized gains and losses reported as a component of *Interest & other income*.

Multiclient Seismic Data

Schlumberger's multiclient library consists of completed and in-process seismic surveys that are licensed on a nonexclusive basis. Schlumberger capitalizes costs directly incurred in acquiring and processing the multiclient seismic data. Such costs are charged to *Cost of services* based on the percentage of the total costs to the estimated total revenue that Schlumberger expects to receive from the sales of such data. However, an individual survey generally will not carry a net book value greater than a 4-year, straight-line amortized value.

The carrying value of the multiclient library is reviewed for impairment annually as well as when an event or change in circumstance indicating impairment may have occurred. Adjustments to the carrying value are recorded when it is determined that estimated future cash flows, which involve significant judgment on the part of Schlumberger, would not be sufficient to recover the carrying value of the surveys. Significant adverse changes in Schlumberger's estimated future cash flows could result in impairment charges in a future period.

Asset Performance Solutions

Asset Performance Solutions ("APS") projects are generally focused on developing and co-managing production of customers' assets under long-term agreements. Schlumberger invests its own services and products into the field development activities and operations and is compensated on a fee-per-barrel basis or based on cash flow generated. This includes certain arrangements whereby Schlumberger is only compensated based on incremental production that it helps deliver above a mutually agreed baseline.

Schlumberger capitalizes its investments in a project including the direct costs associated with providing its services or products. These capitalized investments are amortized to the *Consolidated Statement of Income (Loss)* as the related production is achieved based on the units of production method, whereby each unit produced is assigned a pro-rata portion of the unamortized costs based on estimated total production, resulting in a matching of revenue with the applicable costs.

Concentration of Credit Risk

Schlumberger's assets that are exposed to concentrations of credit risk consist primarily of cash, short-term investments, receivables from clients and derivative financial instruments. Schlumberger places its cash and short-term investments with financial institutions and corporations and limits the amount of credit exposure with

any one of them. Schlumberger regularly evaluates the creditworthiness of the issuers in which it invests. By using derivative financial instruments to hedge certain exposures, Schlumberger exposes itself to some credit risk. Schlumberger minimizes this credit risk by entering into transactions with high-quality counterparties, limiting the exposure to each counterparty and monitoring the financial condition of its counterparties.

Schlumberger generates revenue in more than 120 countries and as such, its accounts receivable are spread over many countries and customers. The United States represented 12% of Schlumberger's net accounts receivable balance at December 31, 2021. No other country accounted for greater than 10% of Schlumberger's accounts receivable balance. Schlumberger maintains an allowance for uncollectible accounts receivable based on expected collectability and performs ongoing credit evaluations of its customers' financial condition. If the financial condition of Schlumberger's customers were to deteriorate resulting in an impairment of their ability to make payments, adjustments to the allowance may be required.

Earnings per Share

The following is a reconciliation from basic to diluted earnings (loss) per share of Schlumberger for each of the last three years:

(Stated in millions, except per share amounts)

	Net Income (Loss) Attributable to Schlumberger	Average Shares Outstanding	Earnings (Loss) per Share
2021:			
Basic	**$ 1,881**	**1,400**	**$ 1.34**
Assumed exercise of stock options	**-**	**-**	
Unvested restricted stock	**-**	**27**	
Diluted	**$ 1,881**	**1,427**	**$ 1.32**
2020:			
Basic	$ (10,518)	1,390	$ (7.57)
Assumed exercise of stock options	-	-	
Unvested restricted stock	-	-	
Diluted	$ (10,518)	1,390	$ (7.57)
2019:			
Basic	$ (10,137)	1,385	$ (7.32)
Assumed exercise of stock options	-	-	
Unvested restricted stock	-	-	
Diluted	$ (10,137)	1,385	$ (7.32)

The number of outstanding employee stock options to purchase shares of Schlumberger common stock and unvested restricted stock units that were not included in the computation of diluted earnings/loss per share, because to do so would have had an anti-dilutive effect, were as follows:

(Stated in millions)

	2021	2020	2019
Employee stock options	**42**	48	46
Unvested restricted stock	-	19	12

3. Charges and Credits

2021

Schlumberger recorded the following charges and credits during 2021:

(Stated in millions)

	Pretax	Tax	Net
Third quarter:			
Unrealized gain on marketable securities	$ (47)	$ (11)	$ (36)
Fourth quarter:			
Gain on sale of Liberty shares	(28)	(4)	(24)
Early repayment of bonds	10	-	10
	$ (65)	$ (15)	$ (50)

Third quarter 2021:

- During the third quarter of 2021, a start-up company that Schlumberger previously invested in was acquired. As a result of this transaction, Schlumberger's ownership interest was converted into shares of a publicly traded company. Schlumberger recognized an unrealized pretax gain of $47 million to increase the carrying value of this investment to its estimated fair value of approximately $55 million. This unrealized gain is reflected in *Interest & other income* in the *Consolidated Statement of Income (Loss)*.

Fourth quarter 2021:

- On December 31, 2020, Schlumberger contributed its onshore hydraulic fracturing business in the United States and Canada ("OneStim"), including its pressure pumping, pumpdown perforating and Permian frac sand business to Liberty Oilfield Services Inc. ("Liberty") in exchange for a 37% equity interest in Liberty. During the fourth quarter of 2021, Schlumberger sold 9.5 million of its shares of Liberty and received proceeds of $109 million. As a result of this transaction Schlumberger recognized a gain of $28 million. This gain is classified in *Interest & other income* in the *Consolidated Statement of Income (Loss)*.

  As of December 31, 2021, Schlumberger had a 31% equity interest in Liberty. Based on the quoted market prices of Liberty's shares, the fair value of Schlumberger's investment in Liberty was approximately $550 million as of December 31, 2021. Schlumberger accounts for its investment in Liberty under the equity method of accounting and records its share of Liberty's net income or loss on a one-quarter lag.

- On November 30, 2021, Schlumberger deposited sufficient funds with the trustee for its $1.0 billion of 2.40% Senior Notes due 2022 (including payment of the February 1, 2022 interest payment) to satisfy

and discharge all of its obligations relating to such notes. As a result of this transaction, Schlumberger recorded a charge of $10 million. This charge is reflected in *Interest* in the *Consolidated Statement of Income (Loss)*.

2020

Schlumberger recorded the following charges and credits during 2020, all of which, unless otherwise noted, are classified in *Impairments & other* in the *Consolidated Statement of Income (Loss)*:

(Stated in millions)

	Pretax	Tax	Net
First quarter:			
Goodwill	$ 3,070	-	$ 3,070
Intangible assets impairments	3,321	815	2,506
Asset Performance Solutions investments	1,264	(4)	1,268
North America pressure pumping impairment	587	133	454
Workforce reductions	202	7	195
Other	79	9	70
Valuation allowance	-	(164)	164
Second quarter:			
Workforce reductions	1,021	71	950
Asset Performance Solutions investments	730	15	715
Fixed asset impairments	666	52	614
Inventory write-downs	603	49	554
Right-of-use asset impairments	311	67	244
Costs associated with exiting certain activities	205	(25)	230
Multiclient seismic data impairment	156	2	154
Repurchase of bonds	40	2	38
Postretirement benefits curtailment gain	(69)	(16)	(53)
Other	60	4	56
Third quarter:			
Facility exit charges	254	39	215
Workforce reductions	63	-	63
Other	33	1	32
Fourth quarter:			
Gain on sale of OneStim	(104)	(11)	(93)
Unrealized gain on marketable securities	(39)	(9)	(30)
Other	62	4	58
	$ 12,515	$ 1,041	$ 11,474

First quarter 2020:

- Geopolitical events that increased the supply of low-priced oil to the global market occurred at the same time that demand weakened due to the worldwide effects of the COVID-19 pandemic, leading to a collapse in oil prices during March 2020. As a result, Schlumberger's market capitalization deteriorated significantly compared to the end of 2019. Schlumberger's stock price reached a low during the first quarter of 2020 not seen since 1995. Additionally, the Philadelphia Oil Services Sector index ("OSX"), which is comprised of companies involved in the oil services sector, reached an all-time low. As a result of these facts, Schlumberger determined that it was more likely than not that the fair value of certain of its reporting units was less than their carrying value. Therefore, Schlumberger performed an interim goodwill impairment test.

Schlumberger had 11 reporting units with goodwill balances aggregating $16.0 billion. Schlumberger determined that the fair value of four of its reporting units, representing $4.5 billion of goodwill, was substantially in excess of their carrying value. Schlumberger performed a detailed quantitative impairment assessment of the remaining seven reporting units, which represented $11.5 billion of goodwill. As a result of this assessment, Schlumberger concluded that the goodwill associated with each of these seven reporting units was impaired, resulting in a $3.1 billion goodwill impairment charge.

Following the $3.1 billion goodwill impairment charge relating to these seven reporting units, six of these reporting units had a remaining goodwill balance. These goodwill balances ranged between $0.2 billion and $5.0 billion and aggregated to $8.4 billion as of March 31, 2020.

Schlumberger used the income approach to estimate the fair value of its reporting units, but also considered the market approach to validate the results. The income approach estimates the fair value by discounting each reporting unit's estimated future cash flows using Schlumberger's estimate of the discount rate, or expected return, that a marketplace participant would have required as of the valuation date. The market approach includes the use of comparative multiples to corroborate the discounted cash flow results. The market approach involves significant judgement involved in the selection of the appropriate peer group companies and valuation multiples.

Some of the more significant assumptions inherent in the income approach include the estimated future net annual cash flows for each reporting unit and the discount rate. Schlumberger selected the assumptions used in the discounted cash flow projections using historical data supplemented by current and anticipated market conditions and estimated growth rates. Schlumberger's estimates are based upon assumptions believed to be reasonable. However, given the inherent uncertainty in determining the assumptions underlying a discounted cash flow analysis, particularly in a volatile market, actual results may differ from those used in Schlumberger's valuations which could result in additional impairment charges in the future.

The discount rates utilized to value Schlumberger's reporting units were between 12.0% and 13.5%, depending on the risks and uncertainty inherent in the respective reporting unit as well as the size of the reporting unit. Assuming all other assumptions and inputs used in each of the respective discounted cash flow analysis were held constant, a 50-basis point increase or decrease in the discount rate assumptions would have changed the fair value of the seven reporting units, on average, by less than 5%.

- The negative market indicators described above were triggering events that indicated that certain of Schlumberger's long-lived intangible and tangible assets may have been impaired. Recoverability testing indicated that certain long-lived assets were impaired. The estimated fair value of these assets was determined to be below their carrying value. As a result, Schlumberger recorded the following impairment charges:
  - $3.3 billion relating to intangible assets, of which $2.2 billion relates to Schlumberger's 2016 acquisition of Cameron International Corporation and $1.1 billion relates to Schlumberger's 2010 acquisition of Smith International, Inc. Following this impairment charge, the carrying value of the impaired intangible assets was approximately $0.9 billion.
  - $1.3 billion relating to the carrying value of certain APS projects in North America.
  - $0.6 billion of fixed assets associated with the pressure pumping business in North America.
- $202 million of severance.

- $79 million of other restructuring charges, primarily consisting of the impairment of an equity method investment that was determined to be other-than-temporarily impaired.
- $164 million relating to a valuation allowance against certain deferred tax assets.

Second quarter 2020:

- As previously noted, late in the first quarter of 2020 geopolitical events that increased the supply of low-priced oil to the global market occurred at the same time as demand weakened due to the worldwide effects of the COVID-19 pandemic, which led to a collapse in oil prices. As a result, the second quarter of 2020 was the most challenging quarter in decades. Schlumberger responded to these market conditions by taking actions to restructure its business and rationalize its asset base during the second quarter of 2020. These actions included reducing headcount, closing facilities and exiting business lines in certain countries. Additionally, due to the resulting activity decline, Schlumberger had assets that would no longer be utilized. As a consequence of these circumstances and decisions, Schlumberger recorded the following restructuring and asset impairment charges:
  - $1.021 billion of severance associated with reducing its workforce by more than 21,000 employees.
  - $730 million relating to the carrying value of certain APS projects in Latin America.
  - $666 million of fixed asset impairments primarily relating to equipment that would no longer be utilized and facilities it exited.
  - $603 million write-down of the carrying value of inventory to its net realizable value.
  - $311 million write-down of right-of-use assets under operating leases associated with leased facilities Schlumberger exited and excess equipment.
  - $205 million of costs associated with exiting certain activities.
  - $156 million impairment of certain multiclient seismic data.
  - $60 million of other costs, including a $42 million increase in the allowance for the doubtful accounts.
- Schlumberger repurchased all $600 million of its 4.20% Senior Notes due 2021 and $935 million of its 3.30% Senior Notes due 2021. Schlumberger paid a premium of $40 million in connection with these repurchases.
- As a consequence of the workforce reductions described above, Schlumberger recorded a curtailment gain of $69 million relating to its US postretirement medical plan. See Note 16 – *Pension and Other Postretirement Benefit Plans* for further details.

Third quarter 2020:

- Schlumberger recorded the following restructuring charges:
  - $254 million of facility exit charges as Schlumberger continued to rationalize its real estate footprint relating to both leased and owned facilities.
  - $63 million of severance.
  - $33 million of other charges.

Fourth quarter 2020:

- On December 31, 2020, Schlumberger contributed its OneStim business to Liberty in exchange for a 37% equity interest in Liberty. As a result of this transaction, Schlumberger recognized a gain of $104 million. This gain is classified in *Gains on sales of businesses* in the *Consolidated Statement of Income (Loss)*.

- During the fourth quarter of 2020, a start-up company that Schlumberger previously invested in completed an initial public offering. As a result, Schlumberger recognized an unrealized gain of $39 million to increase the carrying value of this investment to its fair value of approximately $43 million. This unrealized gain is reflected in *Interest & other income* in the *Consolidated Statement of Income (Loss)*. Schlumberger sold its interest in this company during 2021.
- During the fourth quarter of 2020, Schlumberger entered into an agreement to purchase new software licenses. This transaction rendered certain previously purchased licenses obsolete. As a result, Schlumberger wrote off the remaining $62 million of net book value associated with the obsolete software licenses.

2019

Schlumberger recorded the following charges and credits during 2019, all of which are classified as *Impairments & other* in the *Consolidated Statement of Income (Loss)*, except for the gain on the formation of the Sensia joint venture:

(Stated in millions)

	Pretax	Tax	Net
Third quarter:			
Goodwill impairment	$ 8,828	$ 43	$ 8,785
Intangible assets impairment	1,085	248	837
North America pressure pumping	1,575	344	1,231
Other North America-related	310	53	257
Argentina	127	-	127
Equity-method investments	231	12	219
Asset Performance Solutions investments	294	-	294
Other	242	13	229
Fourth quarter:			
North America restructuring	225	51	174
Other restructuring	104	(33)	137
Workforce reductions	68	8	60
Pension settlement accounting	37	8	29
Repurchase of bonds	22	5	17
Gain on formation of Sensia joint venture	(247)	(42)	(205)
	$ 12,901	$ 710	$ 12,191

Third quarter of 2019:

- During August 2019, Schlumberger's market capitalization deteriorated significantly compared to the end of the second quarter of 2019. Schlumberger's stock price reached a low not seen since 2005. Additionally, the OSX reached an 18-year low.

  As a result of these facts, Schlumberger determined that it was more likely than not that the fair value of certain of its reporting units was less than their carrying value. Therefore, Schlumberger performed an interim goodwill impairment test as of August 31, 2019.

  As of August 31, 2019, Schlumberger had 17 reporting units with goodwill balances aggregating $25.0 billion. Schlumberger determined that the fair value of seven of its reporting units, representing

approximately $13.8 billion of the goodwill, was substantially in excess of their carrying value. Schlumberger performed a detailed quantitative impairment assessment of the remaining 10 reporting units, which represented $11.2 billion of goodwill. As a result of this assessment, Schlumberger concluded that the goodwill associated with nine of the 10 reporting units was impaired, resulting in an $8.8 billion goodwill impairment charge.

Schlumberger primarily used the income approach to estimate the fair value of its reporting units, but also considered the market approach to validate the results. The income approach estimates the fair value by discounting each reporting unit's estimated future cash flows using Schlumberger's estimate of the discount rate, or expected return, that a marketplace participant would have required as of the valuation date. The market approach includes the use of comparative multiples to corroborate the discounted cash flow results. The market approach involves significant judgement involved in the selection of the appropriate peer group companies and valuation multiples.

Some of the more significant assumptions inherent in the income approach include the estimated future net annual cash flows for each reporting unit and the discount rate. Schlumberger selected the assumptions used in the discounted cash flow projections using historical data supplemented by current and anticipated market conditions and estimated growth rates. Schlumberger's estimates are based upon assumptions believed to be reasonable.

The discount rates utilized to value Schlumberger's reporting units were between 12.5% and 14.0%, depending on the risks and uncertainty inherent in the respective reporting unit. Assuming all other assumptions and inputs used in each of the respective discounted cash flow analysis were held constant, a 50 basis point increase in the discount rate assumption would have increased the goodwill impairment charge by approximately $0.3 billion. Conversely, assuming all other assumptions and inputs used in each of the respective discounted cash flow analysis were held constant, a 50 basis point decrease in the discount rate assumption would have decreased the goodwill impairment charge by approximately $0.4 billion.

- The negative market indicators described above combined with deteriorating market conditions in North America, as well as the results of the previously mentioned fair value determinations of certain of Schlumberger's reporting units and the appointment of a new Chief Executive Officer, were all triggering events that indicated that certain of Schlumberger's long-lived tangible and intangible assets may be impaired.

  Recoverability testing, which was performed as of August 31, 2019, indicated that long-lived assets associated with certain asset groups were impaired. The estimated fair value of these asset groups was determined to be below their carrying value. As a result, Schlumberger recorded the following impairment and related charges:

  - $1.085 billion of intangible assets, of which $842 million relates to Schlumberger's 2010 acquisition of Smith International, Inc. The remaining $243 million primarily relates to other acquisitions in North America.
  - $1.575 billion of charges relating to Schlumberger's pressure pumping business in North America. This amount consists of $1.324 billion of pressure pumping equipment and related assets; $98 million of right-of-use assets under operating leases; $121 million relating to a supply contract; $19 million of inventory; and $13 million of severance.
  - $310 million of charges primarily relating to other businesses in North America, consisting of $230 million of fixed asset impairments, $70 million of inventory write-downs and $10 million of severance.

- As a result of the economic challenges in Argentina, Schlumberger recorded $127 million of charges consisting of $72 million of asset impairments, a $26 million devaluation charge and $29 million of severance.

- Schlumberger recorded the following impairment and restructuring charges:
  - $231 million relating to certain equity method investments that were determined to be other-than-temporarily impaired.
  - $294 million impairment relating to the carrying value of certain smaller APS projects.
  - $242 million of restructuring charges consisting of: $62 million of severance; $57 million relating to the acceleration of stock-based compensation expense associated with certain individuals; $49 million of business divestiture costs; $29 million relating to the repurchase of certain Senior Notes; and $45 million of other provisions.

Fourth quarter of 2019:

- Schlumberger recorded the following restructuring charges:
  - $225 million associated with facility closures and costs to exit certain activities in North America. These charges included $123 million relating to fixed assets; $55 million of right-of-use assets under operating leases; and $47 million of other exit costs.
  - $104 million primarily relating to restructuring certain activities outside of North America, which included $68 million associated with assets to be divested and $36 million of facility closure costs.
  - $68 million of severance associated with streamlining its operations and exiting certain activities.
- Certain of Schlumberger's defined benefit pension plans offered former Schlumberger employees, who had not yet commenced receiving their pension benefits, an opportunity to receive a lump sum payout of their vested pension benefit which resulted in Schlumberger recording a pension settlement charge of $37 million. See Note 16 – *Pension and Other Postretirement Benefit Plans* for further details.
- Schlumberger repurchased the remaining $416 million of its 3.00% Senior Notes due 2020; $126 million of its 4.50% Senior Notes due 2021; $500 million of its 4.20% Senior Notes due 2021; and $106 million of its 3.60% Senior Notes due 2022. These transactions resulted in a $22 million charge.
- On October 1, 2019, Schlumberger and Rockwell completed the formation of Sensia, a joint venture that is the oil and gas industry's first digitally enabled integrated automation solutions provider. Rockwell Automation owns 53% of the joint venture and Schlumberger owns 47%. In connection with this transaction, Schlumberger received a cash payment of $238 million. Schlumberger will account for its investment under the equity method of accounting. Schlumberger recorded a $247 million gain as a result of the deconsolidation of certain of its businesses in connection with the formation of the joint venture. This gain, which is equal to the sum of the $238 million of cash proceeds received and the fair value of Schlumberger's retained noncontrolling investment in the businesses it contributed less the carrying amount of the assets and liabilities of such businesses at the time of the closing, is classified as *Gains on sale of businesses* in the *Consolidated Statement of Income (Loss)*.

The fair value of certain of the assets impaired during 2020 and 2019 was estimated based on the present value of projected future cash flows that the underlying assets are expected to generate. Such estimates included unobservable inputs that required significant judgment.

4. Inventories

Inventories, which are stated at the lower of average cost or net realizable value, consist of the following:

(Stated in millions)

	2021	2020
Raw materials & field materials	**$ 1,594**	$ 1,573
Work in progress	**425**	464
Finished goods	**1,253**	1,317
	$ 3,272	$ 3,354

5. Fixed Assets

Fixed assets consist of the following:

(Stated in millions)

	2021	2020
Land	**$ 372**	$ 362
Buildings & improvements	**4,371**	3,757
Machinery & equipment	**24,334**	25,625
	29,077	29,744
Less: Accumulated depreciation	**22,648**	22,918
	$ 6,429	$ 6,826

The estimated useful lives of Buildings & improvements are primarily 25 to 30 years. The estimated useful lives of Machinery & equipment are primarily 5 to 10 years.

Depreciation expense, which is recorded on a straight-line basis, was $1.4 billion, $1.6 billion and $2.0 billion in 2021, 2020 and 2019, respectively.

6. Goodwill

The changes in the carrying amount of goodwill by segment were as follows:

(Stated in millions)

	Reservoir Characterization	Drilling	Production	Cameron	Total
Balance, December 31, 2019	$ 4,560	$ 7,092	$ 3,949	$ 441	$ 16,042
Impairment (see Note 3)	-	(1,659)	(1,228)	(183)	(3,070)
Impact of changes in exchange rates and other	-	10	(17)	3	(4)
Balance, September 30, 2020	$ 4,560	$ 5,443	$ 2,704	$ 261	$ 12,968

In connection with a change in reportable segments, Schlumberger reallocated its goodwill as of September 30, 2020 to its new segments on a relative fair value basis:

(Stated in millions)

	Digital & Integration	Reservoir Performance	Well Construction	Production Systems	Total
Balance, October 1, 2020	$ 2,041	$ 3,806	$ 6,267	$ 854	$ 12,968
Impact of changes in exchange rates and other	6	(4)	11	(1)	12
Balance, December 31, 2020	2,047	3,802	6,278	853	12,980
Acquisitions	18	-	-	-	18
Impact of changes in exchange rates and other	(13)	2	3	-	(8)
Balance, December 31, 2021	$ 2,052	$ 3,804	$ 6,281	$ 853	$ 12,990

7. Intangible Assets

Intangible assets consist of the following:

(Stated in millions)

	2021			2020		
	Gross Book Value	**Accumulated Amortization**	**Net Book Value**	Gross Book Value	Accumulated Amortization	Net Book Value
Customer Relationships	**$ 1,681**	**$ 551**	**$ 1,130**	$ 1,744	$ 485	$ 1,259
Technology/Technical Know-How	**1,264**	**562**	**702**	1,284	488	796
Tradenames	**766**	**191**	**575**	767	166	601
Other	**1,529**	**725**	**804**	1,488	689	799
	$ 5,240	**$ 2,029**	**$ 3,211**	$ 5,283	$ 1,828	$ 3,455

Customer relationships are generally amortized over periods ranging from 18 to 28 years, technology/technical know-how are generally amortized over periods ranging from 10 to 18 years, and tradenames are generally amortized over periods ranging from 15 to 30 years.

Amortization expense was $302 million in 2021, $371 million in 2020 and $618 million in 2019.

Based on the carrying value of intangible assets at December 31, 2021, amortization expense for the subsequent five years is estimated to be as follows: 2022: $291 million, 2023: $281 million, 2024: $264 million, 2025: $249 million and 2026: $245 million.

8. Long-term Debt and Debt Facility Agreements

Long-term Debt consists of the following:

(Stated in millions)

	2021	2020
3.65% Senior Notes due 2023	**$ 1,497**	$ 1,496
3.90% Senior Notes due 2028	**1,457**	1,450
2.65% Senior Notes due 2030	**1,250**	1,250
1.375% Guaranteed Notes due 2026	**1,125**	1,221
2.00% Guaranteed Notes due 2032	**1,118**	1,214
0.25% Notes due 2027	**1,013**	1,100
0.50% Notes due 2031	**1,012**	1,099
4.00% Senior Notes due 2025	**930**	930
4.30% Senior Notes due 2029	**846**	846
3.75% Senior Notes due 2024	**748**	746
1.00% Guaranteed Notes due 2026	**679**	736
0.00% Notes due 2024	**563**	611
1.40% Senior Notes due 2025	**498**	498
7.00% Notes due 2038	**204**	206
5.95% Notes due 2041	**113**	114
5.13% Notes due 2043	**98**	99
4.00% Notes due 2023	**80**	80
3.70% Notes due 2024	**55**	55
3.63% Senior Notes due 2022	**-**	295
2.65% Senior Notes due 2022	**-**	598
2.40% Senior Notes due 2022	**-**	999
Commercial paper borrowings	**-**	393
	$ 13,286	$ 16,036

At December 31, 2021, Schlumberger had committed credit facility agreements with commercial banks aggregating $5.75 billion, all of which was available and unused. These committed facilities support commercial paper programs in the United States and Europe, of which $2.75 billion matures in February 2023, $2.0 billion matures in February 2025 and $1.0 billion matures in July 2026. Schlumberger also has a €750 million three-year committed revolving credit facility that matures in June 2024. At December 31, 2021, no amounts had been drawn under this facility. Interest rates and other terms of borrowing under these lines of credit vary by facility.

Commercial paper borrowings are classified as long-term debt to the extent they are backed up by available and unused committed credit facilities maturing in more than one year and to the extent it is Schlumberger's intent to maintain these obligations for longer than one year. There were no borrowings under the commercial paper programs at December 31, 2021. At December 31, 2020, borrowings under the commercial paper programs were $0.4 billion, all of which was classified in *Long-term Debt* in the *Consolidated Balance Sheet*.

Long-term Debt as of December 31, 2021 is due as follows: $1.6 billion in 2023, $1.4 billion in 2024, $1.4 billion in 2025, $1.8 billion in 2026, $1.0 billion in 2027, $1.5 billion in 2028 and $4.6 billion thereafter.

The fair value of Schlumberger's *Long-term Debt* at December 31, 2021 and December 31, 2020 was $13.9 billion and $17.3 billion, respectively, and was estimated based on quoted market prices.

Schlumberger Limited fully and unconditionally guarantees the securities issued by certain of its subsidiaries, including securities issued by Schlumberger Investment SA and Schlumberger Finance Canada Ltd., both wholly-owned subsidiaries of Schlumberger Limited.

9. Derivative Instruments and Hedging Activities

As a multinational company, Schlumberger conducts its business in over 120 countries. Schlumberger's functional currency is primarily the US dollar. Approximately 70% of Schlumberger's revenues in 2021 were denominated in US dollars. However, outside the United States, a significant portion of Schlumberger's expenses is incurred in foreign currencies. Therefore, when the US dollar weakens (strengthens) in relation to the foreign currencies of the countries in which Schlumberger conducts business, the US dollar-reported expenses will increase (decrease).

Schlumberger is exposed to risks on future cash flows to the extent that the local currency is not the functional currency and expenses denominated in local currency are not equal to revenues denominated in local currency. Schlumberger uses foreign currency forward contracts to provide a hedge against a portion of these cash flow risks. These contracts are accounted for as cash flow hedges, with the changes in the fair value of the hedge recorded on the *Consolidated Balance Sheet* and in *Accumulated Other Comprehensive Loss.* Amounts recorded in *Accumulated Other Comprehensive Loss* are reclassified into earnings in the same period or periods that the hedged item is recognized in earnings.

Schlumberger is also exposed to risks on future cash flows relating to certain of its fixed rate debt denominated in currencies other than the functional currency. Schlumberger uses cross-currency swaps to provide a hedge against these cash flow risks. Included in *Other Assets* was $66 million at December 31, 2021 ($427 million at December 31, 2020) and included in *Other Liabilities* was $78 million at December 31, 2021 ($13 million at December 31, 2020) relating to the fair value of outstanding cross-currency swap derivatives. The fair value was determined using a model with inputs that are observable in the market or can be derived or collaborated by observable data.

During 2019, a US-dollar functional currency subsidiary of Schlumberger issued €1.5 billion of Euro-denominated debt. Schlumberger entered into cross-currency swaps for an aggregate notional amount of €1.5 billion in order to hedge changes in the fair value of its €0.5 billion 0.00% Notes due 2024, €0.5 billion 0.25% Notes due 2027 and €0.5 billion 0.50% Notes due 2031. These cross-currency swaps effectively convert the Euro-denominated notes to US-dollar denominated debt with fixed annual interest rates of 2.29%, 2.51% and 2.76%, respectively.

During 2020, a US-dollar functional currency subsidiary of Schlumberger issued €0.8 billion of Euro-denominated debt. Schlumberger entered into cross-currency swaps for an aggregate notional amount of €0.8 billion in order to hedge changes in the fair value of its €0.4 billion of 0.25% Notes due 2027 and €0.4 billion of 0.50% Notes due 2031. These cross-currency swaps effectively convert the Euro-denominated notes to US-dollar denominated debt with fixed annual interest rates of 1.87% and 2.20%, respectively.

During 2020, a US-dollar functional currency subsidiary of Schlumberger issued €2.0 billion of Euro-denominated debt. Schlumberger entered into cross-currency swaps for an aggregate notional amount of €2.0 billion in order to hedge changes in the fair value of its €1.0 billion of 1.375% Guaranteed Notes due 2026 and €1.0 billion of 2.00% Guaranteed Notes due 2032. These cross-currency swaps effectively convert the swapped portion of the Euro-denominated notes to US-dollar denominated debt with fixed annual interest rates of 2.77% and 3.49%, respectively.

During 2020, a Canadian dollar functional currency subsidiary of Schlumberger issued $0.5 billion of US dollar denominated debt. Schlumberger entered into cross-currency swaps for an aggregate notional amount of $0.5 billion in order to hedge changes in the fair value of its $0.5 billion 1.40% Senior Notes due 2025. These cross-currency swaps effectively convert the US dollar notes to Canadian dollar denominated debt with a fixed annual interest rate of 1.73%.

Schlumberger is exposed to changes in the fair value of assets and liabilities denominated in currencies other than the functional currency. While Schlumberger uses foreign currency forward contracts to economically hedge this exposure as it relates to certain currencies, these contracts are not designated as hedges for accounting purposes. Instead, the fair value of the contracts is recorded on the *Consolidated Balance Sheet* and changes in the fair value are recognized in the *Consolidated Statement of Income (Loss),* as are changes in the fair value of the hedged item. Transaction losses of $23 million in 2021 and $21 million in 2020 and transaction gains of $2 million in 2019 were recognized in the *Consolidated Statement of Income (Loss)* net of related hedging activities.

During the fourth quarter of 2021, Schlumberger entered into derivative contracts that hedge the price of oil relating to approximately 75% of the projected 2022 oil production of one of its APS projects. These contracts are accounted for as cash flow hedges, with the changes in the fair value of the hedge recorded on the *Consolidated Balance Sheet* and in *Accumulated Other Comprehensive Loss*. Amounts recorded in *Accumulated Other Comprehensive Loss* will be reclassified to earnings in the same period or periods that the hedged item is recognized in earnings. No amounts were recognized in the *Consolidated Statement of Income (Loss)* relating to these hedging activities during 2021.

At December 31, 2021, contracts were outstanding for the US dollar equivalent of $7.7 billion in various foreign currencies, of which $6.0 billion relates to hedges of debt denominated in currencies other than the functional currency.

Other than the previously mentioned cross-currency swaps, the fair value of the other outstanding derivatives was not material at December 31, 2021 and 2020.

The effect of derivative instruments designated as hedges and those not designated as hedges on the *Consolidated Statement of Income (Loss)* was as follows:

	(Stated in millions) Gain (Loss) Recognized in Income (Loss)			Consolidated Statement ofIncome(Loss)Classification
	2021	**2020**	**2019**	
Derivatives designated as cash flow hedges:				
Cross currency swap	**$ (422)**	$ 493	$ (35)	*Cost of services/sales*
Foreign exchange contracts	**5**	(5)	(10)	*Cost of services/sales*
	$ (417)	$ 488	$ (45)	
Derivatives not designated as hedges:				
Foreign exchange contracts	**$ (11)**	$ (29)	$ (5)	*Cost of services/sales*

Schlumberger does not enter into derivative transactions for speculative purposes.

10. Stockholders' Equity

Schlumberger is authorized to issue 4,500,000,000 shares of common stock, par value $0.01 per share, of which 1,403,381,685 and 1,392,325,960 shares were outstanding on December 31, 2021 and 2020, respectively.

Holders of common stock are entitled to one vote for each share of stock held. Schlumberger is also authorized to issue 200,000,000 shares of preferred stock, par value $0.01 per share, which may be issued in series with terms and conditions determined by the Schlumberger Board of Directors. No shares of preferred stock have been issued.

Accumulated Other Comprehensive Loss consists of the following:

(Stated in millions)

	2021	2020	2019
Currency translation adjustments	**$ (2,419)**	$ (2,502)	$ (2,263)
Pension and other postretirement benefit plans	**(1,066)**	(2,314)	(2,143)
Cash flow hedges	**(85)**	(70)	(34)
Other	**-**	2	2
	$ (3,570)	$ (4,884)	$ (4,438)

11. Stock-based Compensation Plans

Schlumberger has three types of stock-based compensation programs: (i) stock options, (ii) a restricted stock, restricted stock unit and performance share unit program (collectively referred to as "restricted stock"), and (iii) a discounted stock purchase plan ("DSPP").

Stock Options

Key employees may be granted stock options under Schlumberger stock option plans. The exercise price equals the average of the high and low sales prices of Schlumberger stock on the date of grant. The maximum term is 10 years, and the options generally vest in increments over five years.

The fair value of each stock option grant was estimated on the date of grant using the Black-Scholes option-pricing model with the following weighted-average assumptions and resulting weighted-average fair value per share:

	2020	2019
Dividend yield	5.2%	4.8%
Expected volatility	26%	25%
Risk-free interest rate	1.7%	2.7%
Expected option life in years	7.0	7.0
Weighted-average fair value per share	$ 5.07	$ 6.21

There were no stock option grants during 2021.

The following table summarizes information related to options outstanding and options exercisable as of December 31, 2021:

(Shares stated in thousands)

	Options Outstanding			Options Exercisable	
Exercise prices range	Options Outstanding	Weighted-Average Remaining Contractual Life (inyears)	Weighted-Average Exercise Price	Options Exercisable	Weighted-Average Exercise Price
$38.75 - $41.47	12,040	7.6	$ 39.86	3,417	$ 40.33
$47.55 - $69.98	2,882	3.3	$ 62.42	2,838	$ 62.47
$70.31 - $79.85	12,276	2.1	$ 73.58	11,564	$ 73.36
$80.53 - $88.77	8,583	4.3	$ 84.46	7,879	$ 84.19
$91.28 - $114.83	6,566	2.7	$ 96.25	6,566	$ 96.25
	42,347	4.3	$ 68.95	32,264	$ 76.21

The weighted-average remaining contractual life of stock options exercisable as of December 31, 2021 was 3.3 years.

The following table summarizes stock option activity during the years ended December 31, 2021, 2020 and 2019:

(Shares stated in thousands)

	2021		2020		2019	
	Shares	**Weighted-Average Exercise Price**	Shares	Weighted-Average Exercise Price	Shares	Weighted-Average Exercise Price
Outstanding at beginning of year	**48,272**	**$ 70.37**	46,269	$ 75.65	43,529	$ 79.36
Granted	**-**	**$ -**	7,468	$ 38.75	5,604	$ 41.50
Exercised	**-**	**$ -**	-	$ -	(1,045)	$ 38.50
Forfeited / Expired	**(5,925)**	**$ 80.46**	(5,465)	$ 71.86	(1,819)	$ 74.69
Outstanding at year-end	**42,347**	**$ 68.95**	48,272	$ 70.37	46,269	$ 75.65

Stock options outstanding and stock options exercisable as of December 31, 2021 had no intrinsic value.

Restricted Stock

Schlumberger grants performance share units to certain key employees. The number of shares earned is determined at the end of each performance period based on Schlumberger's achievement of certain predefined targets as described in the underlying performance share unit agreement. In the event Schlumberger exceeds the predefined target, shares for up to a maximum of 250% of the target award may be awarded. In the event Schlumberger falls below the predefined target, a reduced number of shares may be awarded. If Schlumberger falls below the threshold award performance level, no shares will be awarded. As of December 31, 2021, 4.9 million performance share units were outstanding assuming the achievement of 100% of target.

All other restricted stock awards generally vest at the end of three years or vest ratably in equal tranches over a three-year period.

Restricted stock awards do not pay dividends or have voting rights prior to vesting. Accordingly, the fair value of a restricted stock award is generally the quoted market price of Schlumberger's stock on the date of grant less the present value of the expected dividends not received prior to vesting.

The following table summarizes information related to restricted stock transactions:

(Shares stated in thousands)

	2021		2020		2019	
	Restricted Stock	**Weighted-Average Grant Date Fair Value**	Restricted Stock	Weighted-Average Grant Date Fair Value	Restricted Stock	Weighted-Average Grant Date Fair Value
Unvested at beginning of year	**18,763**	**$ 35.24**	11,822	$ 49.86	6,951	$ 70.13
Granted	**8,287**	**$ 25.16**	10,637	$ 26.53	7,888	$ 35.56
Vested	**(4,927)**	**$ 48.44**	(3,059)	$ 71.56	(2,722)	$ 72.09
Forfeited	**(499)**	**$ 29.64**	(637)	$ 45.95	(295)	$ 57.41
Unvested at year-end	**21,624**	**$ 29.03**	18,763	$ 35.24	11,822	$ 49.86

Discounted Stock Purchase Plan

Under the terms of the DSPP, employees can choose to have a portion of their earnings withheld, subject to certain restrictions, to purchase Schlumberger common stock. The purchase price of the stock is 92.5% of the lower of the stock price at the beginning or end of the plan period at six-month intervals.

The fair value of the employees' purchase rights under the DSPP was estimated using the Black-Scholes model with the following assumptions and resulting weighted-average fair value per share:

	2021	2020	2019
Dividend yield	**2.0%**	4.0%	5.3%
Expected volatility	**67%**	43%	30%
Risk-free interest rate	**0.07%**	0.88%	2.3%
Weighted-average fair value per share	**$ 6.72**	$ 5.38	$ 5.81

Total Stock-based Compensation Expense

The following summarizes stock-based compensation expense recognized in income:

(Stated in millions)

	2021	2020	2019
Stock options	**$ 36**	$ 75	$ 99
Restricted stock	**254**	293	274
DSPP	**34**	29	32
	$ 324	$ 397	$ 405

At December 31, 2021, there was $277 million of total unrecognized compensation cost related to nonvested stock-based compensation arrangements, of which $171 million is expected to be recognized in 2022, $90 million in 2023, $15 million in 2024, and $1 million in 2025.

As of December 31, 2021, approximately 44 million shares of Schlumberger common stock were available for future grants under Schlumberger's stock-based compensation programs.

12. Income Taxes

Income (loss) before taxes subject to United States and non-United States income taxes was as follows:

(Stated in millions)

	2021	2020	2019
United States	**$ 30**	$ (4,394)	$ (8,991)
Outside United States	**2,344**	(6,904)	(1,427)
	$ 2,374	$ (11,298)	$ (10,418)

Schlumberger recorded net pretax credits of $65 million in 2021 ($75 million of credits in the US and $10 million of charges outside the US). Schlumberger recorded net pretax charges of $12.515 billion in 2020 ($3.961 billion in the US and $8.554 billion outside the US); and $12.901 billion in 2019 ($8.769 billion in the US and $4.132 billion outside the US). These charges and credits are included in the table above and are more fully described in Note 3 –*Charges and Credits*.

The components of net deferred tax assets (liabilities) were as follows:

(Stated in millions)

	2021	2020
Intangible assets	**$ (855)**	$ (881)
Net operating losses	**427**	421
Research and development credits	**118**	96
Fixed assets, net	**151**	151
Inventories	**58**	59
Investments in non-US subsidiaries	**(161)**	(171)
Pension and other postretirement benefits	**(136)**	(31)
Other, net	**304**	337
	$ (94)	$ (19)

The deferred tax balances at December 31, 2021 and 2020 were net of valuation allowances relating to net operating losses in certain countries of $133 million and $127 million, respectively. Additionally, the deferred tax balances were net of valuation allowances relating to the following:

(Stated in millions)

	2021	2020
Foreign tax credits	**$ 210**	$ 106
Capital losses	**$ 49**	$ 54

Approximately $390 million of the $427 million deferred tax asset relating to net operating losses at December 31, 2021 can be carried forward indefinitely. The vast majority of the remaining balance expires at various dates between 2030 and 2040.

The components of *Tax expense (benefit)* were as follows:

(Stated in millions)

	2021	2020	2019
Current:			
United States-Federal	$ (32)	$ 21	$ (81)
United States-State	-	5	11
Outside United States	509	410	770
	477	436	700
Deferred:			
United States-Federal	$ (132)	$ (824)	$ (660)
United States-State	12	(67)	(93)
Outside United States	(15)	(563)	(257)
Valuation allowance	104	206	(1)
	(31)	(1,248)	(1,011)
	$ 446	$ (812)	$ (311)

A reconciliation of the United States statutory federal tax rate to the consolidated effective tax rate follows:

	2021	2020	2019
US federal statutory rate	21%	21%	21%
Charges and credits (See Note 3)	—	(14)	(19)
Other	(2)	—	1
	19%	7%	3%

A number of the jurisdictions in which Schlumberger operates have tax laws that are not fully defined and are evolving. Schlumberger's tax filings are subject to regular audit by the tax authorities. These audits may result in assessments for additional taxes that are resolved with the tax authorities or, potentially, through the courts. Tax liabilities are recorded based on estimates of additional taxes that will be due upon the conclusion of these audits. Due to the uncertain and complex application of tax regulations, the ultimate resolution of audits may result in liabilities which could be materially different from these estimates.

A reconciliation of the beginning and ending amount of liabilities associated with uncertain tax positions for the years ended December 31, 2021, 2020 and 2019 is as follows:

(Stated in millions)

	2021	2020	2019
Balance at beginning of year	$ 1,271	$ 1,301	$ 1,433
Additions based on tax positions related to the current year	38	76	86
Additions for tax positions of prior years	19	78	65
Impact of changes in exchange rates	(24)	(3)	2
Settlements with tax authorities	(49)	(15)	(50)
Reductions for tax positions of prior years	(228)	(87)	(176)
Reductions due to the lapse of the applicable statute of limitations	(26)	(79)	(59)
	$ 1,001	$ 1,271	$ 1,301

The amounts above exclude accrued interest and penalties of $164 million, $184 million and $188 million at December 31, 2021, 2020 and 2019, respectively. Schlumberger classifies interest and penalties relating to uncertain tax positions within *Tax expense (benefit)* in the *Consolidated Statement of Income (Loss)*.

The following table summarizes the tax years that are either currently under audit or remain open and subject to examination by the tax authorities in the most significant jurisdictions in which Schlumberger operates:

Canada	2014 - 2021
Ecuador	2017 - 2021
Mexico	2013 - 2021
Norway	2016 - 2021
Russia	2016 - 2021
Saudi Arabia	2016 - 2021
United Kingdom	2017 - 2021
United States	2017 - 2021

13. Leases

Schlumberger's leasing activities primarily consist of operating leases for administrative offices, manufacturing facilities, research centers, service centers, sales offices and certain equipment. Total operating lease expense, which approximates cash paid and includes short-term leases, was $1.2 billion in 2021, $1.4 billion in 2020 and $1.7 billion in 2019.

Maturities of operating lease liabilities as of December 31, 2021 were as follows:

(Stated in millions)

2022	$	191
2023		159
2024		128
2025		99
2026		73
Thereafter		286
Total lease payments	$	936
Less: Interest		(122)
	$	814
Amounts recognized in balance sheet		
Accounts payable and accrued liabilities	$	186
Other Liabilities		628
	$	814

Operating lease assets of $0.6 billion and $0.7 billion as of December 31, 2021 and 2020, respectively, were included in *Other Assets* in the *Consolidated Balance Sheet*. Operating lease liabilities as of December 31, 2020 were $1.0 billion, of which $0.2 billion was classified in *Accounts payable and accrued liabilities* and $0.8 billion was classified in *Other Liabilities* in the *Consolidated Balance Sheet.*

The weighted-average remaining lease term as of December 31, 2021 was 10 years. The weighted-average discount rate used to determine the operating lease liability as of December 31, 2021 was 3.1%.

14. Contingencies

Schlumberger is party to various legal proceedings from time to time. A liability is accrued when a loss is both probable and can be reasonably estimated. Management believes that the probability of a material loss with respect to any currently pending legal proceeding is remote. However, litigation is inherently uncertain, and it is not possible to predict the ultimate disposition of any of these proceedings.

15. Segment Information

Schlumberger is organized under four Divisions that combine and integrate Schlumberger's technologies, enhancing the Company's ability to support the emerging long-term growth opportunities in each of these market segments.

The four Divisions, representing Schlumberger's segments, are:

- ***Digital & Integration*** – Combines Schlumberger's digital workflow solutions and seismic data interpretation and management businesses with its integrated offering of Asset Performance Solutions.
- ***Reservoir Performance*** – Consists of reservoir-centric technologies and services that are critical to optimizing reservoir productivity and performance.
- ***Well Construction*** – Combines the full portfolio of products and services to optimize well placement and performance, maximize drilling efficiency, and improve wellbore assurance.
- ***Production Systems*** – Develops technologies and provides expertise that enhance production and recovery from subsurface reservoirs to the surface, into pipelines, and to refineries.

Financial information for the years ended December 31, 2021, 2020 and 2019, by segment, is as follows:

(Stated in millions)

	2021				
	Revenue	Income Before Taxes	Assets	Depreciation and Amortization	Capital Investments
Digital & Integration	**$ 3,290**	**$ 1,141**	**$ 3,134**	**$ 446**	**$ 516**
Reservoir Performance	**4,599**	**648**	**2,923**	**415**	**348**
Well Construction	**8,706**	**1,195**	**4,714**	**537**	**424**
Production Systems	**6,710**	**634**	**4,684**	**302**	**267**
Eliminations & other	**(376)**	**(253)**	**1,501**	**269**	**99**
		3,365			
Goodwill and intangible assets			**16,201**		
Cash and short-term investments			**3,139**		
All other assets			**5,215**		
Corporate & other [(1)]		**(573)**		**151**	
Interest income [(2)]		**31**			
Interest expense [(3)]		**(514)**			
Charges & credits [(4)]		**65**			
	$ 22,929	**$ 2,374**	**$ 41,511**	**$ 2,120**	**$ 1,654**

(Stated in millions)

	2020				
	Revenue	Income (Loss) Before Taxes	Assets	Depreciation and Amortization	Capital Investments
Digital & Integration	$ 3,067	$ 727	$ 3,595	$ 615	$ 413
Reservoir Performance	5,602	353	3,489	549	384
Well Construction	8,614	870	4,768	580	420
Production Systems	6,650	623	4,665	338	240
Eliminations & other	(332)	(172)	940	276	63
		2,401			
Goodwill and intangible assets			16,436		
Cash and short-term investments			3,006		
All other assets			5,535		
Corporate & other [(1)]		(681)		208	
Interest income [(2)]		31			
Interest expense [(3)]		(534)			
Charges & credits [(4)]		(12,515)			
	$ 23,601	$ (11,298)	$ 42,434	$ 2,566	$ 1,520

(Stated in millions)

	2019				
	Revenue	Income (Loss) Before Taxes	Assets	Depreciation and Amortization	Capital Investments
Digital & Integration	$ 4,145	$ 882	$ 6,388	$ 1,069	$ 1,020
Reservoir Performance	9,299	992	5,198	807	569
Well Construction	11,880	1,429	6,913	656	650
Production Systems	8,167	847	5,625	390	384
Eliminations & other	(574)	(172)	1,314	250	113
		3,978			
Goodwill and intangible assets			23,130		
Cash and short-term investments			2,167		
All other assets			5,577		
Corporate & other [(1)]		(957)		417	
Interest income [(2)]		33			
Interest expense [(3)]		(571)			
Charges & credits [(4)]		(12,901)			
	$ 32,917	$ (10,418)	$ 56,312	$ 3,589	$ 2,736

(1) Comprised principally of certain corporate expenses not allocated to the segments, stock-based compensation costs, amortization expense associated with certain intangible assets, certain centrally managed initiatives and other nonoperating items.

(2) Interest income excludes amounts which are included in the segments' income (2021: $2 million; 2020: $2 million; 2019: $8 million).

(3) Interest expense excludes amounts which are included in the segments' income (2021: $15 million; 2020: $28 million; 2019: $38 million).

(4) See Note 3 – *Charges and Credits*.

Segment assets consist of receivables, inventories, fixed assets, multiclient seismic data and APS investments.

Capital investments includes capital expenditures, APS investments and multiclient seismic data cost capitalized.

Depreciation and amortization includes depreciation of property, plant and equipment and amortization of intangible assets, multiclient seismic data costs and APS investments.

Revenue by geographic area for the years ended December 31, 2021, 2020 and 2019 is as follows:

(Stated in millions)

	2021	2020	2019
North America	**$ 4,466**	$ 5,478	$ 10,446
Latin America	**4,459**	3,472	4,544
Europe/CIS/Africa	**5,778**	5,963	7,682
Middle East & Asia	**8,059**	8,567	10,016
Eliminations & other	**167**	121	229
	$ 22,929	$ 23,601	$ 32,917

Revenue is based on the location where services are provided and products are sold.

During each of the three years ended December 31, 2021, 2020 and 2019, no single customer exceeded 10% of consolidated revenue.

Schlumberger did not have revenue from third-party customers in its country of domicile during the last three years. Revenue in the United States in 2021, 2020 and 2019 was $3.4 billion, $4.5 billion and $9.3 billion, respectively.

North America and International revenue disaggregated by segment was as follows:

(Stated in millions)

	2021			
	North America	International	Eliminations & other	Total
Digital & Integration	**$ 812**	**$ 2,474**	**$ 4**	**$ 3,290**
Reservoir Performance	**329**	**4,266**	**4**	**4,599**
Well Construction	**1,485**	**7,025**	**196**	**8,706**
Production Systems	**1,832**	**4,865**	**13**	**6,710**
Eliminations & other	**8**	**(334)**	**(50)**	**(376)**
	$ 4,466	**$ 18,296**	**$ 167**	**$22,929**

(Stated in millions)

	2020			
	North America	International	Eliminations & other	Total
Digital & Integration	$ 573	$ 2,487	$ 7	$ 3,067
Reservoir Performance	1,547	4,043	12	5,602
Well Construction	1,453	6,965	196	8,614
Production Systems	1,921	4,702	27	6,650
Eliminations & other	(16)	(195)	(121)	(332)
	$ 5,478	$ 18,002	$ 121	$ 23,601

(Stated in millions)

	2019			
	North America	International	Eliminations & other	Total
Digital & Integration	$ 865	$ 3,272	$ 8	$ 4,145
Reservoir Performance	3,779	5,508	12	9,299
Well Construction	2,814	8,809	257	11,880
Production Systems	3,053	5,060	54	8,167
Eliminations & other	(65)	(407)	(102)	(574)
	$ 10,446	$ 22,242	$ 229	$ 32,917

Fixed Assets less accumulated depreciation by geographic area are as follows:

(Stated in millions)

	2021	2020
North America	**$ 1,368**	$ 1,588
Latin America	**868**	841
Europe/CIS/Africa	**1,690**	1,840
Middle East & Asia	**2,049**	2,353
Unallocated	**454**	204
	$ 6,429	$ 6,826

16. Pension and Other Postretirement Benefit Plans

Pension Plans

Schlumberger sponsors several defined benefit pension plans that cover substantially all US employees hired prior to October 1, 2004. The benefits are based on years of service and compensation, on a career-average pay basis.

In addition to the US defined benefit pension plans, Schlumberger sponsors several other international defined benefit pension plans. The most significant of these international plans are the International Staff Pension Plan and the UK pension plan (collectively, the "International plans"). The International Staff Pension Plan covers certain international employees hired prior to July 1, 2014 and is based on years of service and compensation on a career-average pay basis. The UK plan covers employees hired prior to April 1, 1999, and is based on years of service and compensation, on a final salary basis.

The weighted-average assumed discount rate, compensation increases and expected long-term rate of return on plan assets used to determine the net pension cost for the US and International plans were as follows:

	US			International		
	2021	2020	2019	**2021**	2020	2019
Discount rate	**2.60%**	3.30%	4.30%	**2.38%**	3.27%	4.00%
Compensation increases	**4.00%**	4.00%	4.00%	**4.82%**	4.83%	4.83%
Return on plan assets	**6.60%**	6.60%	6.60%	**6.73%**	6.71%	7.22%

Net pension cost (credit) included the following components:

(Stated in millions)

	US			International		
	2021	2020	2019	**2021**	2020	2019
Service cost	**$ 44**	$ 55	$ 49	**$ 117**	$ 140	$ 112
Interest cost	**127**	148	180	**267**	301	333
Expected return on plan assets	**(254)**	(233)	(232)	**(640)**	(591)	(592)
Amortization of prior service cost	**-**	8	10	**-**	-	7
Amortization of net loss	**44**	41	29	**227**	159	70
Settlement charge	**-**	-	37	**-**	-	-
	$ (39)	$ 19	$ 73	**$ (29)**	$ 9	$ (70)

During 2019, certain of Schlumberger's deferred benefit pension plans offered former Schlumberger employees, who had not yet commenced receiving their pension benefits, an opportunity to receive a lump sum payout of their vested pension benefit. Schlumberger's pension plans paid $257 million from pension plan assets to those who accepted this offer, thereby reducing its pension benefit obligations. These transactions resulted in a non-cash pension settlement charge of $37 million, representing the immediate recognition of the related deferred actuarial losses in *Accumulated Other Comprehensive Loss*, in the fourth quarter of 2019. See Note 3 –*Charges and Credits*.

The weighted-average assumed discount rate and compensation increases used to determine the projected benefit obligations for the US and International plans were as follows:

	US		International	
	2021	2020	**2021**	2020
Discount rate	**3.00%**	2.60%	**2.83%**	2.38%
Compensation increases	**4.00%**	4.00%	**4.83%**	4.82%

The changes in the projected benefit obligation, plan assets and funded status of the plans were as follows:

(Stated in millions)

	US		International	
	2021	2020	**2021**	2020
Change in Projected Benefit Obligations				
Projected benefit obligation at beginning of year	**$ 4,940**	$ 4,593	**$ 11,140**	$ 9,647
Service cost	**44**	55	**117**	140
Interest cost	**127**	148	**267**	301
Contribution by plan participants	**—**	—	**53**	94
Actuarial (gains) losses	**(211)**	370	**(586)**	1,228
Currency effect	**—**	—	**(18)**	68
Benefits paid	**(232)**	(226)	**(355)**	(338)
Projected benefit obligation at end of year	**$ 4,668**	$ 4,940	**$ 10,618**	$ 11,140
Change in Plan Assets				
Plan assets at fair value at beginning of year	**$ 4,776**	$ 4,236	**$ 10,493**	$ 9,363
Actual return on plan assets	**145**	760	**1,040**	1,282
Currency effect	**—**	—	**(28)**	72
Company contributions	**7**	6	**18**	20
Contributions by plan participants	**—**	—	**53**	94
Benefits paid	**(232)**	(226)	**(355)**	(338)
Plan assets at fair value at end of year	**$ 4,696**	$ 4,776	**$ 11,221**	$ 10,493
Asset / (Unfunded Liability)	**$ 28**	$ (164)	**$ 603**	$ (647)
Amounts Recognized in Balance Sheet				
Postretirement Benefits	**$ (212)**	$ (199)	**$ (19)**	$ (849)
Other Assets	**240**	35	**622**	202
	$ 28	$ (164)	**$ 603**	$ (647)
Amounts Recognized in Accumulated Other Comprehensive Loss				
Actuarial losses	**$ 276**	$ 423	**$ 1,174**	$ 1,981
Prior service cost	**—**	1	**—**	—
	$ 276	$ 424	**$ 1,174**	$ 1,981
Accumulated benefit obligation	**$ 4,484**	$ 4,739	**$ 10,370**	$ 10,844

The asset / (unfunded liability) represents the difference between the plan assets and the projected benefit obligation ("PBO"). The PBO represents the actuarial present value of benefits based on employee service and compensation and includes an assumption about future compensation levels. The accumulated benefit obligation ("ABO") represents the actuarial present value of benefits based on employee service and compensation but does not include an assumption about future compensation levels.

Actuarial gains arising during 2021 and actuarial losses arising during 2020 were primarily attributable to changes in the discount rate used to determine the PBO.

The weighted-average allocation of plan assets and the target allocations by asset category as of December 31, 2021 are as follows:

	US			International		
	Target	**2021**	2020	Target	**2021**	2020
Equity securities	4 - 8%	**5%**	15%	20 - 30%	**23%**	45%
Debt securities	80 - 90	**84**	76	50 - 60	**53**	35
Cash and cash equivalents	0 - 3	**2**	3	0 - 5	**3**	3
Alternative investments	8 - 15	**9**	6	19 - 26	**21**	17
	100%	**100%**	100%	100%	**100%**	100%

Asset performance is monitored frequently with an overall expectation that plan assets will meet or exceed the weighted index of its target asset allocation and component benchmark over rolling five-year periods.

The expected rate of return on assets assumptions reflect the long-term average rate of earnings expected on funds invested or to be invested. The assumptions have been determined based on expectations regarding future rates of return for the portfolio considering the asset allocation and related historical rates of return. The appropriateness of the assumptions is reviewed annually.

The fair value of Schlumberger's pension plan assets at December 31, 2021 and 2020, by asset category, is presented below and was determined based on valuation techniques categorized as follows:

- Level One: The use of quoted prices in active markets for identical instruments.
- Level Two: The use of quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in markets that are not active or other inputs that are observable in the market or can be corroborated by observable market data.

- Level Three: The use of significant unobservable inputs that typically require the use of management's estimates of assumptions that market participants would use in pricing.

(Stated in millions)

	US Plan Assets							
	2021				2020			
	Total	**Level One**	**Level Two**	**Level Three**	Total	Level One	Level Two	Level Three
Asset Category:								
Cash and Cash Equivalents	**$ 68**	**$ 61**	**$ 7**	**$ -**	$ 140	$ 127	$ 13	$ -
Equity Securities:								
US	**212**	**196**	**16**	**-**	527	441	86	-
International	**49**	**48**	**1**	**-**	186	182	4	-
Debt Securities:								
Corporate bonds	**2,583**	**-**	**2,583**	**-**	1,945	-	1,945	-
Government and government-related debt securities	**1,353**	**199**	**1,154**	**-**	1,679	180	1,499	-
Alternative Investments:								
Private equity	**293**	**-**	**-**	**293**	204	-	-	204
Real estate	**99**	**-**	**-**	**99**	95	-	-	95
Private debt	**39**	**-**	**-**	**39**	-	-	-	-
Total	**$4,696**	**$ 504**	**$3,761**	**$ 431**	$4,776	$ 930	$3,547	$ 299

(Stated in millions)

	International Plan Assets							
	2021				2020			
	Total	**Level One**	**Level Two**	**Level Three**	Total	Level One	Level Two	Level Three
Asset Category:								
Cash and Cash Equivalents	**$ 362**	**$ 353**	**$ 9**	**$ -**	$ 288	$ 215	$ 73	$ -
Equity Securities:								
US	**1,909**	**1,600**	**309**	**-**	3,075	2,393	682	-
International	**717**	**717**	**-**	**-**	1,711	1,615	96	-
Debt Securities:								
Corporate bonds	**2,859**	**-**	**2,859**	**-**	1,223	-	1,223	-
Government and government-related debt securities	**2,390**	**221**	**2,169**	**-**	2,371	213	2,158	-
Collateralized mortgage obligations and mortgage backed securities	**644**	**-**	**644**	**-**	84	-	84	-
Alternative Investments:								
Private equity	**1,284**	**-**	**-**	**1,284**	842	-	-	842
Private debt	**869**	**-**	**-**	**869**	699	-	-	699
Real estate	**187**	**-**	**-**	**187**	200	-	-	200
Total	**$ 11,221**	**$ 2,891**	**$ 5,990**	**$ 2,340**	$ 10,493	$ 4,436	$ 4,316	$ 1,741

Schlumberger's funding policy is to annually contribute amounts that are based upon a number of factors including the actuarial accrued liability, amounts that are deductible for income tax purposes, legal funding requirements and available cash flow. Schlumberger does not expect to make any material contributions to its postretirement benefit plans in 2022.

Postretirement Benefits Other Than Pensions

Schlumberger provides healthcare benefits to certain former US employees who have retired.

The actuarial assumptions used to determine the accumulated postretirement benefit obligation and net periodic benefit cost for the US postretirement medical plan were as follows:

	Benefit Obligations At December 31,		Net Periodic Benefit Cost for the Year		
	2021	2020	**2021**	2020	2019
Discount rate	**3.00%**	2.60%	**2.60%**	3.30%	4.30%
Return on plan assets	**-**	-	**7.00%**	7.00%	7.00%
Current medical cost trend rate	**6.75%**	7.25%	**7.00%**	7.25%	7.50%
Ultimate medical cost trend rate	**4.50%**	4.50%	**4.50%**	4.50%	4.50%
Year that the rate reaches the ultimate trend rate	**2031**	2031	**2031**	2031	2031

The net periodic benefit credit for the US postretirement medical plan included the following components:

(Stated in millions)

	2021	2020	2019
Service cost	**$ 28**	$ 31	$ 29
Interest cost	**32**	36	45
Expected return on plan assets	**(73)**	(70)	(64)
Amortization of prior service credit	**(23)**	(25)	(28)
Curtailment gain	**-**	(69)	-
	$ (36)	$ (97)	$ (18)

Due to the actions taken by Schlumberger to reduce its global workforce during 2020, Schlumberger experienced a significant reduction in the expected aggregate years of future service of its employees in its US postretirement medical plan. Accordingly, Schlumberger recorded a curtailment gain of $69 million during the second quarter of 2020 relating to this plan. The curtailment gain includes recognition of the decrease in the benefit obligation as well as a portion of the previously unrecognized prior service credit, reflecting the reduction in expected years of future service. As a result of the curtailment, Schlumberger performed a remeasurement of the plan, which had an immaterial impact. This gain was classified in *Impairments & other* in the *Consolidated Statement of Income (Loss)*. See Note 3 – *Charges and Credits*.

The changes in the accumulated postretirement benefit obligation, plan assets and funded status were as follows:

(Stated in millions)

	2021	2020
Change in Projected Benefit Obligations		
Benefit obligation at beginning of year	**$ 1,234**	$ 1,193
Service cost	**28**	31
Interest cost	**32**	36
Contribution by plan participants	**10**	8
Actuarial (gains) losses	**(95)**	64
Benefits paid	**(63)**	(58)
Curtailment	**-**	(40)
Benefit obligation at end of year	$ 1,146	$ 1,234
Change in Plan Assets		
Plan assets at fair value at beginning of year	**$ 1,356**	$ 1,185
Actual return on plan assets	**15**	221
Contributions by plan participants	**10**	8
Benefits paid	**(63)**	(58)
Plan assets at fair value at end of year	**$ 1,318**	$ 1,356
Asset	**$ 172**	$ 122
Amounts Recognized in Accumulated Other Comprehensive Loss		
Actuarial gains	**$ 225**	$ 186
Prior service credit	**81**	104
	$ 306	$ 290

The asset balance relating to this plan was included in *Other Assets* in the *Consolidated Balance Sheet*.

The assets of the US postretirement medical plan are invested 13% in equity securities and 87% in debt securities at December 31, 2021. The fair value of these assets was primarily determined based on Level Two valuation techniques.

Other Information

The expected benefits to be paid under the US and International pension plans as well as the postretirement medical plan are as follows:

(Stated in millions)

	Pension Benefits		Postretirement
	US	International	Medical Plan
2022	$ 237	$ 370	$ 53
2023	$ 238	$ 380	$ 53
2024	$ 239	$ 391	$ 53
2025	$ 239	$ 403	$ 54
2026	$ 240	$ 407	$ 54
2027-2031	$ 1,213	$ 2,260	$ 294

17. Supplementary Information

Cash paid for interest and income taxes was as follows:

(Stated in millions)

	2021	2020	2019
Interest	**$ 560**	$ 598	$ 558
Income tax	**$ 591**	$ 582	$ 739

Interest and other income includes the following:

(Stated in millions)

	2021	2020	2019
Earnings of equity method investments	**$ 40**	$ 91	$ 45
Interest income	**33**	33	41
Unrealized gain on marketable securities (see Note 3)	**47**	39	—
Gain on sale of Liberty shares (see Note 3)	**28**	—	—
	$ 148	$ 163	$ 86

The components of depreciation and amortization expense are as follows:

(Stated in millions)

	2021	2020	2019
Depreciation of fixed assets	**$ 1,402**	$ 1,625	$ 1,976
Amortization of APS investments	**305**	396	731
Amortization of intangible assets	**302**	371	618
Amortization of multiclient seismic data	**111**	174	264
	$ 2,120	$ 2,566	$ 3,589

The change in *Allowance for doubtful accounts* is as follows:

(Stated in millions)

	2021	2020	2019
Balance at beginning of year	**$ 301**	$ 255	$ 249
Additions	**47**	58	5
Amounts written off	**(29)**	(12)	1
Balance at end of year	**$ 319**	$ 301	$ 255

Revenue in excess of billings related to contracts where revenue is recognized over time was $0.2 billion at both December 31, 2021 and 2020. Such amounts are included within *Receivables less allowance for doubtful accounts* in the *Consolidated Balance Sheet*.

Other Assets consist of the following:

(Stated in millions)

	2021	2020
Investments in APS projects	**$ 1,786**	$ 1,713
Pension and other postretirement	**1,034**	360
Operating lease assets	**553**	710
Multiclient seismic data	**154**	317
Fair value of hedge contracts	**66**	427
Other	**590**	666
	$ 4,183	$ 4,193

Accounts payable and accrued liabilities consist of the following:

(Stated in millions)

	2021	2020
Trade	**$ 3,205**	$ 2,937
Payroll, vacation and employee benefits	**1,377**	1,524
Billings and cash collections in excess of revenue	**1,088**	941
Other	**2,712**	3,040
	$ 8,382	$ 8,442

Management's Report on Internal Control Over Financial Reporting

Schlumberger management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rule 13a–15(f) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Schlumberger's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Schlumberger management assessed the effectiveness of its internal control over financial reporting as of December 31, 2021. In making this assessment, it used the criteria set forth in 2013 by the Committee of Sponsoring Organizations of the Treadway Commission in *Internal Control—Integrated Framework.* Based on this assessment Schlumberger's management has concluded that, as of December 31, 2021, its internal control over financial reporting is effective based on those criteria.

The effectiveness of Schlumberger's internal control over financial reporting as of December 31, 2021 has been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, as stated in their report which appears herein.

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Stockholders
of Schlumberger Limited

Opinions on the Financial Statements and Internal Control over Financial Reporting

We have audited the accompanying consolidated balance sheet of Schlumberger Limited and its subsidiaries (the "Company") as of December 31, 2021 and 2020, and the related consolidated statements of income (loss), comprehensive income (loss), stockholders' equity and cash flows for each of the three years in the period ended December 31, 2021, including the related notes (collectively referred to as the "consolidated financial statements"). We also have audited the Company's internal control over financial reporting as of December 31, 2021, based on criteria established in *Internal Control—Integrated Framework* (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2021 and 2020 and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2021 in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2021, based on criteria established in *Internal Control—Integrated Framework* (2013) issued by the COSO.

Basis for Opinions

The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control Over Financial Reporting. Our responsibility is to express opinions on the Company's consolidated financial statements and on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Critical Audit Matters

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that (i) relates to accounts or disclosures that are material to the consolidated financial statements and (ii) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Uncertain Tax Positions

As described in Note 12 to the consolidated financial statements, the Company's tax filings are subject to regular audit by the tax authorities, and those audits may result in assessments for additional taxes that are resolved with the tax authorities or, potentially, through the courts. Tax liabilities are recorded based on estimates of additional taxes that will be due upon the conclusion of these audits.

The principal considerations for our determination that performing procedures relating to uncertain tax positions is a critical audit matter are the significant judgment applied by management in determining these liabilities including a high degree of estimation uncertainty due to the uncertain and complex application of tax regulations, which in turn led to a high degree of auditor judgment, subjectivity, and effort in performing procedures to evaluate management's estimates.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to the identification and recognition of uncertain tax positions. These procedures also included, among others (i) evaluating management's process for determining the estimated liabilities for uncertain tax positions, (ii) testing the completeness and reasonableness of uncertain tax positions recorded in the consolidated financial statements, and (iii) evaluating assessments received from the relevant tax authorities. Professionals with specialized skill and knowledge were used to assist in evaluating the reasonableness of assumptions used by management, including management's assessment of whether tax positions are more-likely-than-not of being sustained.

/s/ PricewaterhouseCoopers LLP

Houston, Texas
January 26, 2022

We have served as the Company's auditor since 1952.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.

None.

Item 9A. Controls and Procedures.

Schlumberger has carried out an evaluation under the supervision and with the participation of Schlumberger's management, including the Chief Executive Officer ("CEO") and the Chief Financial Officer ("CFO"), of the effectiveness of Schlumberger's "disclosure controls and procedures" (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of the end of the period covered by this report. Based on this evaluation, the CEO and the CFO have concluded that, as of the end of the period covered by this report, Schlumberger's disclosure controls and procedures were effective to provide reasonable assurance that information required to be disclosed in the reports that Schlumberger files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms. Schlumberger's disclosure controls and procedures include controls and procedures designed so that information required to be disclosed in reports filed or submitted under the Exchange Act is accumulated and communicated to its management, including the CEO and the CFO, as appropriate, to allow timely decisions regarding required disclosure. There has been no change in Schlumberger's internal control over financial reporting that occurred during the fourth quarter of 2021 that has materially affected, or is reasonably likely to materially affect, Schlumberger's internal control over financial reporting.

Item 9B. Other Information.

In 2013, Schlumberger completed the wind-down of its service operations in Iran. Prior to this, certain non-US subsidiaries provided oilfield services to the National Iranian Oil Company and certain of its affiliates ("NIOC").

Schlumberger's residual transactions or dealings with the government of Iran in 2021 consisted of payments of taxes and other typical governmental charges. Certain non-US subsidiaries of Schlumberger maintained depository accounts at the Dubai branch of Bank Saderat Iran ("Saderat"), and at Bank Tejarat ("Tejarat") in Tehran and in Kish for the deposit by NIOC of amounts owed to non-US subsidiaries of Schlumberger for services rendered in Iran prior to the wind-down and for the maintenance of such amounts previously received. One non-US subsidiary also maintained an account at Tejarat for payment of local expenses such as taxes. Schlumberger anticipates that it will discontinue dealings with Saderat and Tejarat following the receipt of all amounts owed to Schlumberger for prior services rendered in Iran.

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections.

None.

PART III

Item 10. Directors, Executive Officers and Corporate Governance of Schlumberger.

See "Item 1. Business—Information About Our Executive Officers" of this Report for information regarding the executive officers of Schlumberger. The information set forth under the captions "Election of Directors," "Corporate Governance—Process for Selecting New Directors" and "Corporate Governance—Board Committees" in Schlumberger's 2022 Proxy Statement is incorporated herein by reference. The information set forth under the caption "Stock Ownership Information—Delinquent Section 16(a) Reports" in Schlumberger's 2022 Proxy Statement is incorporated herein by reference to the extent any disclosure is required.

Schlumberger has a Code of Conduct that applies to all of its directors, officers and employees, including its principal executive, financial and accounting officers, or persons performing similar functions. Schlumberger's Code of Conduct is posted on its website at https://www.slb.com/who-we-are/guiding-principles/our-code-of-conduct. Schlumberger intends to disclose future amendments to the Code of Conduct and any grant of a waiver from a provision of the Code of Conduct requiring disclosure under applicable SEC rules at https://www.slb.com/who-we-are/guiding-principles/our-code-of-conduct.

Item 11. Executive Compensation.

The information set forth under the captions "Compensation Committee Report," "Compensation Discussion and Analysis," "Executive Compensation Tables" and "Director Compensation" in Schlumberger's 2022 Proxy Statement is incorporated herein by reference.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

The information under the captions "Stock Ownership Information—Security Ownership by Management and Our Board," "Stock Ownership Information—Security Ownership by Certain Beneficial Owners" and "Executive Compensation Tables—Equity Compensation Plan Information" in Schlumberger's 2022 Proxy Statement is incorporated herein by reference.

Item 13. Certain Relationships and Related Transactions, and Director Independence.

The information under the captions "Corporate Governance—Director Independence" and "Corporate Governance—Certain Relationships and Related Person Transactions" in Schlumberger's 2022 Proxy Statement is incorporated herein by reference.

Item 14. Principal Accounting Fees and Services.

The information under the caption "Ratification of Appointment of Independent Auditors for 2022" in Schlumberger's 2022 Proxy Statement is incorporated herein by reference.

PART IV

Item 15. Exhibits and Financial Statement Schedules.

(a) The following documents are filed as part of this Report:

Financial statements of companies accounted for under the equity method and unconsolidated subsidiaries have been omitted because they do not meet the materiality tests for assets or income.

(2) Financial Statement Schedules not required.
(3) Exhibits: See exhibits listed under Part (b) below.

(b) Exhibits

INDEX TO EXHIBITS

	Exhibit
Articles of Incorporation of Schlumberger Limited (Schlumberger N.V.) (incorporated by reference to Exhibit 3.1 to Schlumberger's Current Report on Form 8-K filed on April 6, 2016)	3.1
Amended and Restated By-Laws of Schlumberger Limited (Schlumberger N.V.) (incorporated by reference to Exhibit 3 to Schlumberger's Current Report on Form 8-K filed on July 22, 2019)	3.2
Description of Common Stock of Schlumberger Limited (incorporated by reference to Exhibit 4.1 to Schlumberger's Annual Report on Form 10-K filed on January 27, 2021)	4.1
Indenture dated as of December 3, 2013, by and among Schlumberger Investment SA, as issuer, Schlumberger Limited, as guarantor, and The Bank of New York Mellon, as trustee (incorporated by reference to Exhibit 4.1 to Schlumberger's Current Report on Form 8-K filed on December 3, 2013)	4.2
First Supplemental Indenture dated as of December 3, 2013, by and among Schlumberger Investment SA, as issuer, Schlumberger Limited, as guarantor, and The Bank of New York Mellon, as trustee (including form of global notes representing 3.650% Senior Notes due 2023) (incorporated by reference to Exhibit 4.2 to Schlumberger's Current Report on Form 8-K filed on December 3, 2013)	4.3
Second Supplemental Indenture dated as of June 26, 2020, by and among Schlumberger Investment SA, as issuer, Schlumberger Limited, as guarantor, and The Bank of New York Mellon, as trustee (including form of global notes representing 2.650% Senior Notes due 2030) (incorporated by reference to Exhibit 4.1 to Schlumberger's Current Report on Form 8-K filed on June 26, 2020)	4.4
Officers' Certificate dated as of August 11, 2020, executed by Schlumberger Investment SA, as issuer, and Schlumberger Limited, as guarantor (including form of global notes representing 2.650% Senior Notes due 2030) (incorporated by reference to Exhibit 4.1 to Schlumberger's Current Report on Form 8-K filed on August 11, 2020)	4.5
Indenture dated as of September 18, 2020, by and among Schlumberger Finance Canada Ltd., as issuer, Schlumberger Limited, as guarantor, and The Bank of New York Mellon, as trustee (incorporated by reference to Exhibit 4.1 to Schlumberger's Current Report on Form 8-K filed on September 18, 2020)	4.6
First Supplemental Indenture dated as of September 18, 2020, by and among Schlumberger Finance Canada Ltd., as issuer, Schlumberger Limited, as guarantor, and The Bank of New York Mellon, as trustee (including form of global notes representing 1.400% Senior Notes due 2025) (incorporated by reference to Exhibit 4.2 to Schlumberger's Current Report on Form 8-K filed on September 18, 2020)	4.7
Indenture dated as of December 21, 2015, by and between Schlumberger Holdings Corporation, as issuer, and The Bank of New York Mellon, as trustee (incorporated by reference to Exhibit 4.8 to Schlumberger's Annual Report on Form 10-K filed on January 27, 2021)	4.8
First Supplemental Indenture dated as of December 21, 2015, by and between Schlumberger Holdings Corporation, as issuer, and The Bank of New York Mellon, as trustee (including forms of global notes representing 3.625% Senior Notes due 2022 and 4.000% Senior Notes due 2025) (incorporated by reference to Exhibit 4.9 to Schlumberger's Annual Report on Form 10-K filed on January 27, 2021)	4.9

	Exhibit
Second Supplemental Indenture dated as of February 4, 2019, by and between Schlumberger Holdings Corporation, as issuer, and The Bank of New York Mellon, as trustee (including forms of global notes representing 3.750% Senior Notes due 2024 and 4.300% Senior Notes due 2029) (incorporated by reference to Exhibit 4.10 to Schlumberger's Annual Report on Form 10-K filed on January 27, 2021)	4.10
Third Supplemental Indenture dated as of April 11, 2019, by and between Schlumberger Holdings Corporation, as issuer, and The Bank of New York Mellon, as trustee (including form of global notes representing 3.900% Senior Notes due 2028) (incorporated by reference to Exhibit 4.11 to Schlumberger's Annual Report on Form 10-K filed on January 27, 2021)	4.11
Schlumberger Limited Supplementary Benefit Plan, as established effective June 1, 1995 and conformed to include amendments through January 1, 2019 (incorporated by reference to Exhibit 10.1 to Schlumberger's Annual Report on Form 10-K for the year ended December 31, 2018) (+)	10.1
Schlumberger Limited Restoration Savings Plan, as established effective June 1, 1995 and conformed to include amendments through January 1, 2019 (incorporated by reference to Exhibit 10.2 to Schlumberger's Annual Report on Form 10-K for the year ended December 31, 2018) (+)	10.2
Schlumberger Technology Corporation Supplementary Benefit Plan, as established effective January 1, 1995 and conformed to include amendments through January 1, 2019 (incorporated by reference to Exhibit 10.3 to Schlumberger's Annual Report on Form 10-K for the year ended December 31, 2018) (+)	10.3
Schlumberger 2010 Omnibus Stock Incentive Plan, as amended and restated as of July 19, 2017 (incorporated by reference to Exhibit 10.8 to Schlumberger's Annual Report on Form 10-K for the year ended December 31, 2018) (+)	10.4
Form of Option Agreement (Employees in France), Incentive Stock Option, under Schlumberger 2010 Omnibus Stock Incentive Plan (incorporated by reference to Exhibit 10.10 to Schlumberger's Quarterly Report on Form 10-Q for the quarter ended June 30, 2013) (+)	10.5
Form of Option Agreement (Employees in France), Non-Qualified Stock Option, under Schlumberger 2010 Omnibus Stock Incentive Plan (incorporated by reference to Exhibit 10.11 to Schlumberger's Quarterly Report on Form 10-Q for the quarter ended June 30, 2013) (+)	10.6
2018 Rules of the Schlumberger 2010, 2013 and 2017 Omnibus Incentive Plans for Employees in France (incorporated by reference to Appendix B to Schlumberger's Definitive Proxy Statement on Schedule 14A filed with the SEC on March 2, 2018) (+)	10.7
Schlumberger 2013 Omnibus Stock Incentive Plan, as amended and restated as of July 19, 2017 (incorporated by reference to Exhibit 10.15 to Schlumberger's Annual Report on Form 10-K for the year ended December 31, 2018) (+)	10.8
Form of Option Agreement, Incentive Stock Option, under Schlumberger 2013 Omnibus Stock Incentive Plan (incorporated by reference to Exhibit 10.1 to the Schlumberger's Quarterly Report on Form 10-Q for the quarter ended June 30, 2015) (+)	10.9
Form of Restricted Stock Unit Award Agreement under Schlumberger 2013 Omnibus Stock Incentive Plan (three-year vesting) (incorporated by reference to Exhibit 10.2 to Schlumberger's Quarterly Report on Form 10-Q for the quarter ended June 30, 2015) (+)	10.10

	Exhibit
Form of Restricted Stock Unit Award Agreement under Schlumberger 2013 Omnibus Stock Incentive Plan (ratable vesting) (incorporated by reference to Exhibit 10.15 to Schlumberger's Annual Report on Form 10-K filed on January 27, 2021) (+)	10.11
Form of Restricted Stock Unit Award Agreement under Schlumberger 2017 Omnibus Stock Incentive Plan (incorporated by reference to Exhibit 10.4 to Schlumberger's Quarterly Report on Form 10-Q for the quarter ended March 31, 2017) (+)	10.12
Addendum to Restricted Stock Unit Award Agreements, Performance Share Unit Agreements, Incentive Stock Option Agreements, and Non-Qualified Stock Option Agreements Issued Prior to July 19, 2017 (incorporated by reference to Exhibit 10.27 to Schlumberger's Annual Report on Form 10-K for the year ended December 31, 2018) (+)	10.13
Form of 2020 Two-Year Performance Share Unit Award Agreement (with relative TSR modifier) under Schlumberger 2017 Omnibus Stock Incentive Plan (incorporated by reference to Exhibit 10.2 to Schlumberger's Quarterly Report on Form 10-Q for the quarter ended March 31, 2020) (+)	10.14
Form of 2020 Three-Year Performance Share Unit Award Agreement (with relative TSR modifier) under Schlumberger 2017 Omnibus Stock Incentive Plan (incorporated by reference to Exhibit 10.1 to Schlumberger's Quarterly Report on Form 10-Q for the quarter ended March 31, 2020) (+)	10.15
Form of 2021 Performance Share Unit Award Agreement (Based on Return on Capital Employed Performance) under the Schlumberger 2017 Omnibus Stock Incentive Plan (incorporated by reference to Exhibit 10.1 to Schlumberger's Quarterly Report on Form 10-Q for the quarter ended March 31, 2021) (+)	10.16
Form of 2021 Performance Share Unit Award Agreement (Based on Free Cash Flow Margin Performance) under the Schlumberger 2017 Omnibus Stock Incentive Plan (incorporated by reference to Exhibit 10.3 to Schlumberger's Quarterly Report on Form 10-Q for the quarter ended March 31, 2021) (+)	10.17
Form of 2021 Performance Share Unit Award Agreement (Based on Relative TSR Performance) under the Schlumberger 2017 Omnibus Stock Incentive Plan (incorporated by reference to Exhibit 10.3 to Schlumberger's Quarterly Report on Form 10-Q for the quarter ended March 31, 2021) (+)	10.18
Schlumberger 2017 Omnibus Stock Incentive Plan, as amended and restated effective January 21, 2021 (incorporated by reference to Exhibit 10.1 to Schlumberger's Current Report on Form 8-K filed on April 7, 2021) (+)	10.19
Schlumberger Discounted Stock Purchase Plan, as amended and restated effective January 1, 2021 (incorporated by reference to Exhibit 10.2 to Schlumberger's Current Report on Form 8-K filed on April 7, 2021) (+)	10.20
Schlumberger Limited 2004 Stock and Deferral Plan for Non-Employee Directors, as amended and restated effective January 21, 2021 (incorporated by reference to Exhibit 10.3 to Schlumberger's Current Report on Form 8-K filed on April 7, 2021) (+)	10.21
Form of Indemnification Agreement (incorporated by reference to Exhibit 10 to Schlumberger's Current Report on Form 8-K filed on October 21, 2013) (+)	10.22

	Exhibit
Significant Subsidiaries (*)	21
Issuers of Registered Guaranteed Debt Securities (*)	22
Consent of Independent Registered Public Accounting Firm (*)	23
Powers of Attorney (*)	24
Certification of Chief Executive Officer pursuant to Rule 13a-14(a) as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (*)	31.1
Certification of Chief Financial Officer pursuant to Rule 13a-14(a) as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (*)	31.2
Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (**)	32.1
Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (**)	32.2
Mine Safety Disclosure (*)	95
Inline XBRL Instance Document (*)	101.INS
Inline XBRL Taxonomy Extension Schema Document (*)	101.SCH
Inline XBRL Taxonomy Extension Calculation Linkbase Document (*)	101.CAL
Inline XBRL Taxonomy Extension Definition Linkbase Document (*)	101.DEF
Inline XBRL Taxonomy Extension Label Linkbase Document (*)	101.LAB
Inline XBRL Taxonomy Extension Presentation Linkbase Document (*)	101.PRE
Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101)	104

(*) Filed with this Form 10-K

(**) Furnished with this Form 10-K

(+) Management contracts or compensatory plans or arrangements

The Exhibits filed herewith do not include certain instruments with respect to long-term debt of Schlumberger Limited and its subsidiaries, inasmuch as the total amount of debt authorized under any such instrument does not exceed 10 percent of the total assets of Schlumberger Limited and its subsidiaries on a consolidated basis. Schlumberger agrees, pursuant to Item 601(b)(4)(iii) of Regulation S-K, that it will furnish a copy of any such instrument to the SEC upon request.

Item 16. Form 10-K Summary.

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: January 26, 2022

SCHLUMBERGER LIMITED

By: /s/ HOWARD GUILD
Howard Guild
Chief Accounting Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this Report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

Name	Title
* Olivier Le Peuch	Chief Executive Officer and Director (Principal Executive Officer)
/s/ STEPHANE BIGUET Stephane Biguet	Executive Vice President and Chief Financial Officer (Principal Financial Officer)
/s/ HOWARD GUILD Howard Guild	Chief Accounting Officer (Principal Accounting Officer)
* Peter Coleman	Director
* Patrick de La Chevardière	Director
* Miguel M. Galuccio	Director
* Samuel Leupold	Director
* Tatiana A. Mitrova	Director
* Maria Moræus Hanssen	Director
* Vanitha Narayanan	Director
* Mark G. Papa	Chairman of the Board

Name	Title
* Henri Seydoux	Director
* Jeff W. Sheets	Director
* Ulrich Spiesshofer	Director
/s/ DIANNE B. RALSTON *By Dianne B. Ralston, Attorney-in-Fact	January 26, 2022

Exhibit 21

Significant Subsidiaries

Listed below are the significant subsidiaries of the Registrant as of December 31, 2021, and the states or jurisdictions in which they are incorporated or organized. The indentation reflects the principal parenting of each subsidiary. The names of other subsidiaries have been omitted from the list below, since they would not constitute, in the aggregate, a significant subsidiary as of December 31, 2021.

- Schlumberger B.V., Netherlands
  - Schlumberger Canada Limited, Canada
  - Schlumberger Holdings Corporation, Delaware
    - Cameron International Corporation, Delaware
      - Cameron Lux Global Finance S.à r.l., Luxembourg
    - Schlumberger Technology Corporation, Texas
    - Smith International Inc., Delaware
  - Schlumberger Norge AS, Norway
  - Schlumberger SA, France
    - Services Petroliers Schlumberger, France
  - Schlumberger UK Limited, UK
    - Schlumberger Plc, UK
      - Schlumberger Oilfield UK Limited, UK

- Schlumberger Oilfield Holdings Limited, BVI
  - Schlumberger Holdings II Limited, BVI
    - Dowell Schlumberger Corporation, BVI
    - Schlumberger Logelco, Inc., Panama
    - Schlumberger Middle East SA., Panama
    - Schlumberger Offshore Services Limited, BVI
    - Schlumberger Oilfield Eastern Ltd., BVI
    - Schlumberger Overseas, SA, Panama
    - Schlumberger Seaco, Inc., Panama

Exhibit 22

Issuers of Registered Guaranteed Debt Securities

Schlumberger Investment SA, a *société anonyme* incorporated under the laws of the Grand Duchy of Luxembourg (“SISA”), and Schlumberger Finance Canada Ltd., a corporation incorporated under the laws of the Province of Alberta, Canada (“SFCL”), are both indirect wholly-owned subsidiaries of Schlumberger Limited (the “Guarantor”).

As of December 31, 2021, (i) SISA was the issuer of its 3.650% Senior Notes due 2023 and 2.650% Senior Notes due 2030 (together, the “SISA Notes”), and (ii) SFCL was the issuer of its 1.400% Senior Notes due 2025 (the “SFCL Notes”). The Guarantor fully and unconditionally guarantees the SISA Notes and the SFCL Notes on a senior unsecured basis.

Exhibit 23

Consent of Independent Registered Public Accounting Firm

We hereby consent to the incorporation by reference in the Registration Statements on Form S-8 (Nos. 333-124534; 333-151920; 333-173055, as amended by post-effective amendment on Form S-8; 333-188590; 333-218181; 333-218182; 333-231025; and 333-261482); on Form S-3 (Nos. 333-231029; 333-248675; and 333-249669); on Form S-4 (No. 333-97899); and on Form S-4 as amended by post-effective amendment on Form S-8 (No. 333-207260) of Schlumberger Limited of our report dated January 26, 2022 relating to the consolidated financial statements and the effectiveness of internal control over financial reporting, which appears in this Form 10-K.

/s/ PricewaterhouseCoopers LLP

Houston, Texas
January 26, 2022

Exhibit 24

Powers of Attorney

Each of the undersigned, in the capacity or capacities set forth below his or her signature as a member of the Board of Directors and/or an officer of Schlumberger Limited, a Curaçao company, hereby appoints Howard Guild and Dianne B. Ralston, or either of them, the attorney or attorneys of the undersigned, with full power of substitution and revocation, for and in the name, place and stead of the undersigned, to execute and file with the Securities and Exchange Commission the Annual Report on Form 10-K under the Securities Exchange Act of 1934 (the "Exchange Act") for the fiscal year ending December 31, 2021, and any amendment or amendments to any such Annual Report on Form 10-K, and any agreements, consents or waivers related thereto, and to take any and all such other action for and in the name and place and stead of the undersigned as may be necessary or desirable in order to comply with the Exchange Act or the rules and regulations thereunder.

/s/ Peter Coleman Peter Coleman Director	/s/ Maria Moræus Hanssen Maria Moræus Hanssen Director
/s/ Patrick de La Chevardière Patrick de La Chevardière Director	/s/ Vanitha Narayanan Vanitha Narayanan Director
/s/ Miguel M. Galuccio Miguel M. Galuccio Director	/s/ Mark G. Papa Mark G. Papa Chairman of the Board
/s/ Olivier Le Peuch Olivier Le Peuch Chief Executive Officer and Director	/s/ Henri Seydoux Henri Seydoux Director
/s/ Samuel Leupold Samuel Leupold Director	/s/ Jeff W. Sheets Jeff W. Sheets Director
/s/ Tatiana A. Mitrova Tatiana A. Mitrova Director	/s/ Ulrich Spiesshofer Ulrich Spiesshofer Director

Date: January 20, 2022

Exhibit 31.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER

I, Olivier Le Peuch, certify that:

1. I have reviewed this Annual Report on Form 10-K of Schlumberger N.V. (Schlumberger Limited);

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: January 26, 2022

/s/ Olivier Le Peuch

Olivier Le Peuch
Chief Executive Officer

Exhibit 31.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER

I, Stephane Biguet, certify that:

1. I have reviewed this Annual Report on Form 10-K of Schlumberger N.V. (Schlumberger Limited);

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: January 26, 2022

/s/ Stephane Biguet

Stephane Biguet
Executive Vice President and Chief Financial Officer

Exhibit 32.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report on Form 10-K of Schlumberger N.V. (Schlumberger Limited) (the "Company") for the year ended December 31, 2021 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Olivier Le Peuch, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: January 26, 2022

/s/ Olivier Le Peuch
Olivier Le Peuch
Chief Executive Officer

A signed original of this written statement required by Section 906 has been provided to Schlumberger Limited and will be retained by Schlumberger Limited and furnished to the Securities and Exchange Commission or its staff upon request.

This certification accompanies the Report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not be deemed filed by the Company for purposes of Section 18 of the Exchange Act.

Exhibit 32.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report on Form 10-K of Schlumberger N.V. (Schlumberger Limited) (the "Company") for the year ended December 31, 2021 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Stephane Biguet, Executive Vice President and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: January 26, 2022

/s/ Stephane Biguet
Stephane Biguet
Executive Vice President and Chief Financial Officer

A signed original of this written statement required by Section 906 has been provided to Schlumberger Limited and will be retained by Schlumberger Limited and furnished to the Securities and Exchange Commission or its staff upon request.

This certification accompanies the Report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not be deemed filed by the Company for purposes of Section 18 of the Exchange Act.

Exhibit 95

Mine Safety Disclosure

The following disclosure is provided pursuant to Section 1503(a) of the Dodd-Frank Wall Street Reform and Consumer Protection Act, which requires certain disclosures by companies required to file periodic reports under the Securities Exchange Act of 1934, as amended, that operate mines regulated under the Federal Mine Safety and Health Act of 1977.

The table that follows reflects citations, orders, violations and proposed assessments issued by the Mine Safety and Health Administration (the "MSHA") to indirect subsidiaries of Schlumberger. The disclosure is with respect to the full year ended December 31, 2021. Due to timing and other factors, the data may not agree with the mine data retrieval system maintained by the MSHA at www.MSHA.gov.

Full Year 2021

(whole dollars)

Mine or Operating Name/MSHA Identification Number	Section 104 S&S Citations	Section 104(b) Orders	Section 104(d) Citations and Orders	Section 110(b)(2) Violations	Section 107(a) Orders	Total Dollar Value of MSHA Assessments Proposed (1)	Total Number of Mining Related Fatalities	Received Notice of Pattern of Violations Under Section 104(e) (yes/no)	Received Notice of Potential to Have Pattern Under Section 104(e) (yes/no)	Legal Actions Pending as of Last Day of Period	Legal Actions Initiated During Period	Legal Actions Resolved During Period
Amelia Barite Plant/1600825	-	-	-	-	-	-	-	N	N	-	-	-
Battle Mountain Grinding Plant/ 2600828	-	-	-	-	-	$125	-	N	N	-	-	-
Freedom Proppants Monahans Mine/ 4105336	-	-	-	-	-	$552	-	N	N	-	-	-
Freedom Proppants Kermit Mine/ 4105321	-	-	-	-	-	$1,314	-	N	N	-	-	-
Greybull Milling Operation/4800602	-	-	-	-	-	$632	-	N	N	-	-	-
Greybull Mining Operation/4800603	-	-	-	-	-	-	-	N	N	-	-	-
Greystone Mine/2600411	-	-	-	-	-	$125	-	N	N	-	-	-
Mountain Springs Beneficiation Plant/ 2601390	-	-	-	-	-	$125	-	N	N	-	-	-
Wisconsin Proppants Hixton Mine/ 4703742	-	-	-	-	-	$625	-	N	N	-	-	-

(1) Amounts included are the total dollar value of proposed assessments received from MSHA on or before December 31, 2021, regardless of whether the assessment has been challenged or appealed, for citations and orders occurring during the full year 2021. Citations and orders can be contested and appealed, and as part of that process, are sometimes reduced in severity and amount, and sometimes dismissed. The number of citations, orders, and proposed assessments vary by inspector and vary depending on the size and type of the operation.

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Board of Directors

Peter Coleman [3, 4]
Former CEO and Managing Director
Woodside Petroleum
Dalkeith, Australia

Patrick de La Chevardière [1, 3]
Former Chief Financial Officer
Total S.A.
London, United Kingdom

Miguel Galuccio [3]
Chairman and Chief Executive Officer
Vista Oil & Gas
Buenos Aires, Argentina

Olivier Le Peuch
Chief Executive Officer
Schlumberger

Samuel Leupold [1, 3, 5]
Former Chief Executive Officer
Ørsted Wind Power A/S
Stettlen, Switzerland

Tatiana A. Mitrova [1, 3, 5]
Fellow, SIPA Center on Global Energy Policy
Columbia University
Moscow, Russia

Maria Moræus Hanssen [2, 4, 5]
Former Deputy Chief Executive Officer & COO
Wintershall Dea GmbH
Oslo, Norway

Vanitha Narayanan [2, 4]
Former Chairman and Managing Director
IBM India
Plano, Texas

Mark G. Papa [4]
Former Chairman and Chief Executive Officer
Centennial Resource Development, Inc.
Houston, Texas

Henri Seydoux [2, 4, 5]
Chairman and Chief Executive Officer
Parrot S.A.
Paris, France

Jeffrey W. Sheets [1, 2]
Former Chief Financial Officer
ConocoPhillips
Houston, Texas

Ulrich Spiesshofer [2, 5]
Former President and CEO
ABB Ltd.
Zollikon, Switzerland

1 Member, Audit Committee
2 Member, Compensation Committee
3 Member, Finance Committee
4 Member, Nominating and Governance Committee
5 Member, New Energy and Innovation Committee
All director and officer roles as of February 1, 2022

Corporate Officers

Olivier Le Peuch
Chief Executive Officer

Khaled Al Mogharbel
Executive Vice President, Geographies

Ashok Belani
Executive Vice President, Schlumberger New Energy

Stéphane Biguet
Executive Vice President and Chief Financial Officer

Hinda Gharbi
Executive Vice President, Services and Equipment

Abdellah Merad
Executive Vice President, Performance Management

Katharina Beumelburg
Chief Strategy and Sustainability Officer

Demosthenis Pafitis
Chief Technology Officer

Dianne Ralston
Chief Legal Officer and Secretary

Gavin Rennick
Vice President, Human Resources

Pierre Chérèque
Vice President and Director of Taxes

Kevin Fyfe
Vice President and Controller

Howard Guild
Chief Accounting Officer

Claudia Jaramillo
Vice President and Treasurer

Vijay Kasibhatla
Director, Mergers and Acquisitions

Corporate Information

Stockholder Information
Schlumberger's common stock is listed on the New York Stock Exchange, trading symbol "SLB," and on the Euronext Paris.

For quarterly earnings dividend announcements and other information, please call +1 (713) 375-3535 or e-mail investor-relations@slb.com. You may also visit investorcenter.slb.com.

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+1 (781) 575-2707

General stockholder information is available on the Computershare website at computershare.com.

E-mail Alerts
To receive Schlumberger press releases and daily news, sign up at investorcenter.slb.com.

Form 10-K
The Schlumberger 2021 annual report on Form 10-K filed with the Securities and Exchange Commission is available without charge. To obtain a copy, please call +1 (713) 375-3535, or e-mail investor-relations@slb.com. You may also visit investorcenter.slb.com.

Duplicate Mailings
When a stockholder owns shares in more than one account, or when stockholders live at the same address, duplicate mailings may result. If you receive duplicate reports, you can help eliminate the added expense by requesting that only one copy be sent. To eliminate duplicate mailings, contact Computershare at the address at left.

Sustainability in Schlumberger
In line with our commitment to contribute to the UN Sustainable Development Goals, Schlumberger has three sustainability focus areas: taking climate action, creating opportunity, and empowering local teams. Commitments to these are incorporated into management compensation, social investment programs, and the dedication of our employees to volunteering in their local communities. To learn more about these programs, please see the latest edition of the Schlumberger Sustainability Report at www.slb.com/sustainability.

Internet
For information on Schlumberger technology, services, and solutions, visit slb.com. For information on career and job opportunities at Schlumberger, visit careers.slb.com.

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