

October 27, 2022

VIA OVERNIGHT DELIVERY AND EMAIL

Secretary of the Company

Dianne B. Ralston
Chief Legal Officer and Secretary
5599 San Felipe, 17th Floor
Houston, Texas 77056
dralston@slb.com

Re: Shareholder proposal for 2023 Annual Shareholder Meeting

Dear Ms. Ralston,

The Unitarian Universalist Association (“UUA”), a shareowner of Schlumberger Ltd. (“Schlumberger” or the “Company”), is hereby submitting the attached resolution for inclusion in the proxy statement in accordance with Rule 14a-8 of the general rules and regulations of the Securities Exchange Act of 1934. A representative of the UUA will attend the annual meeting to move the resolution as required by SEC rules. The resolution requests that our Board of Directors commission an independent third-party report on the Company’s due diligence process to determine whether its operations or its customers’ use of its products and services contribute or are linked to violations of international law.



The Unitarian Universalist Association (“UUA”) is a faith community of more than 1,000 self-governing congregations that brings to the world a vision of religious freedom, tolerance, and social justice. With roots in the Jewish and Christian traditions, Unitarianism and Universalism have been forces in American spirituality from the time of the first Pilgrim and Puritan settlers. The UUA is also an investor with an endowment valued at approximately \$240 million, the earnings from which are an important source of revenue supporting our work in the world. The UUA takes its responsibility as an investor and shareowner very seriously. We view the shareholder resolution process as an opportunity to bear witness to our values at the same time that we enhance the long-term value of our investments.

The UUA, through its Unitarian Universalist Common Endowment Fund, has continuously owned, for at least one year as the date hereof, at least \$25,000 worth of the Company’s common stock, and we intend to continue to hold such shares through the date of the Company’s annual meeting of shareholders in 2023.

The UUA is available to meet on Tuesday, November 15, or Wednesday, November 16, between 9am and 5pm EST on each day. We would also be happy to arrange for another mutually convenient time to discuss our proposal. I can be reached directly at (617) 948-4305 or amcgeorge@uua.org.

Very truly yours,



Andrew McGeorge
Treasurer and Chief Financial Officer

cc: Sam Jones, Heartland Initiative

Enclosure: Shareholder resolution
Verification of stock ownership



RESOLVED: Shareholders request that the Board of Directors commission an independent third-party report, at reasonable expense and excluding proprietary information, on Schlumberger’s due diligence process to determine whether its operations or its customers’ use of its products and services contribute, or are linked to, violations of international law.

WHEREAS: Schlumberger’s *Human Rights Policy* commits the company to, “conducting business in a manner that preserves and respects human dignity” and “respecting the principles in the International Bill of Human Rights that address community impacts, supply chain management, and employment practices.”¹;

Because human rights risks can be particularly acute in conflict-affected and high-risk areas (CAHRA) characterized by widespread human rights abuses and violations of national or international law, the United Nations Guiding Principles on Business and Human Rights (UNGPs) call for heightened due diligence.² The International Finance Corporation states that companies in CAHRA “face business risks that are much greater than those in other emerging markets,” including destruction of physical capital, deaths and injuries, weak state control, lack of security, and supply-chain disruptions.³

The United States and European Union have imposed an array of economic sanctions and export controls against the Russian state, state-owned and -affiliated businesses, and oligarchs in response to the illegal invasion of Ukraine.⁴ In September, 2022, President Putin announced a ‘partial mobilization,’ requiring public and private organizations to assist in the conscription of eligible employees and provide information, buildings, communications, land plots, transport, and other material means to support the war effort.⁵

The Russian market represents five percent of Schlumberger’s total revenue and the company has contributed more than \$4.5 billion in taxes, infrastructure development, and domestic purchases.⁶ Schlumberger’s customers include sanctioned Russian entities, such as Gazprom,⁷ Gazpromneft,⁸ and Rosneft.⁹ It has also been reported that some of Schlumberger’s “more than 9,000 Russian employees have begun receiving military draft notices through work, and the company is not authorizing remote employment to escape mobilization.”¹⁰;

Some Schlumberger customers in CAHRA have documented records of contributing to human rights harms (e.g., China National Petroleum Corporation,¹¹ Saudi Aramco¹²), while the company has been subject to fines

¹<https://www.slb.com/who-we-are/guiding-principles/corporate-accountability/human-rights>

²<https://www.undp.org/publications/heightened-human-rights-due-diligence-business-conflict-affected-contexts-guide>

³<https://www.ifc.org/wps/wcm/connect/07cb32dd-d775-4577-9d5f-d254cc52b61a/201902-IFC-FCS-Study.pdf?MOD=AJPERES&CVID=mzeJewf>

⁴<https://home.treasury.gov/news/press-releases/jy0608>

⁵<https://base.garant.ru/136945/>

⁶https://www.slb.ru/about/schlumberger_russia_and_central_asia/

⁷<https://index.sme.sk/c/500573/rusky-gazprom-a-americky-schlumberger-planuju-spolupracu-pri-vrtoch-v-rusku.html>

⁸<https://www.slb.com/resource-library/case-study/bdt/direct-xcd-russia-cs>

⁹<https://www.ft.com/content/9dc2624b-63cb-40d2-af35-246e5e60f261>

¹⁰<https://www.reuters.com/business/energy/exclusive-schlumberger-faces-employee-backlash-russia-over-cooperation-draft-2022-10-14/>

¹¹<https://www.reuters.com/world/china/exclusive-petrochina-ships-jet-fuel-junta-ruled-myanmar-data-shows-2021-05-20/>

¹²<https://www.hrw.org/news/2017/05/31/no-ordinary-ipo-why-aramco-investors-should-scrutinize-saudi-rights-record>

for providing products/services to sanctioned entities in Iran, Syria, and Sudan¹³;

The activities of Schlumberger and its customers in Russia and other CAHRA may result in heightened human rights and financially material risks through potential violations of international sanctions, the UNGPs, and Schlumberger's human rights policies. Participation in the Russian mobilization order may make the company complicit in war crimes.¹⁴

To mitigate risks associated with operations and customers in CAHRA, companies undertake heightened human rights and "Know Your Customer" (KYC) due diligence processes in conjunction with sanctions compliance programs.

SUPPORTING STATEMENT

Shareholders seek information, at board and management discretion, through a report that:

- Discusses how human rights risks in CAHRA are identified, assessed, and addressed;
- Assesses if human rights and KYC due diligence processes are needed to address these risks; and
- Addresses risks associated with the partial mobilization.

¹³<https://www.justice.gov/opa/pr/schlumberger-oilfield-holdings-ltd-agrees-plead-guilty-and-pay-over-2327-million-violating-us#:~:text=Oilfield%20Holdings%20Ltd.-,Agrees%20to%20Plead%20Guilty%20and%20Pay%20Over%20%24232.7%20Million%20for,Trade%20with%20Iran%20and%20Sudan&text=Assistant%20Attorney%20General%20for%20National,Carlin%2C%20U.S.%20Attorney%20Ronald%20C>

¹⁴<https://www.theguardian.com/world/2022/sep/23/russia-has-committed-war-crimes-in-ukraine-say-un-investigators>