SCHLUMBERGER LIMITED/NV
Form DEF 14A
February 21, 2017
UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

SCHEDULE 14A INFORMATION

PROXY STATEMENT PURSUANT TO SECTION 14(a) OF THE SECURITIES EXCHANGE ACT OF 1934

(Amendment No.)

Filed by the Registrant Filed by a Party other than the Registrant

Check the appropriate box:
Preliminary Proxy Statement
Confidential, for Use of the Commission Only (as permitted by Rule 14A-6(E)(2))
Definitive Proxy Statement
Definitive Additional Materials
Soliciting Material under §240.14a-12

SCHLUMBERGER N.V. (SCHLUMBERGER LIMITED)

(Name of Registrant as Specified in Its Charter)

Name of Person(s) Filing Proxy Statement if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

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(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

Notice of 2017 Annual General Meeting of Stockholders

April 5, 2017

10:00 a.m. Curaçao time

Avila Beach Hotel, Penstraat 130, Willemstad, Curaçao

ITEMS OF BUSINESS

1. Elect the 12 director nominees named in this proxy statement.
2. Approve, on an advisory basis, our executive compensation.
3. Conduct an advisory vote on the frequency of future advisory votes on executive compensation.
4. Report on the course of business during the year ended December 31, 2016; and approve our consolidated balance sheet as at December 31, 2016 ; our consolidated statement of income for the year ended December 31, 2016; and our Board of Directors' declarations of dividends in 2016, as reflected in our 2016 Annual Report to Stockholders.
5. Approve the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for 2017.
6. Approve the adoption of our 2017 Schlumberger Omnibus Stock Incentive Plan.
7. Approve an amendment and restatement of our Schlumberger Discounted Stock Purchase Plan.

Such other matters as may properly be brought before the meeting.

RECORD DATE

February 15, 2017

PROXY VOTING

Your vote is very important. Whether or not you plan to attend the annual general meeting in person, please (i) sign, date and promptly return the enclosed proxy card in the enclosed envelope, or (ii) grant a proxy and give voting instructions by telephone or internet, so that you may be represented at the meeting. Voting instructions are provided on your proxy card or on the voting instruction card provided by your broker.

Brokers cannot vote for Items 1, 2, 3, 6 or 7 without your instructions.

February 21, 2017

By order of the Board of Directors,

Alexander C. Juden

Secretary

Important Notice Regarding the Availability of Proxy Materials for the Annual General Meeting of Stockholders to Be Held on April 5, 2017:

This proxy statement, along with our Annual Report on Form 10-K for the fiscal year ended December 31, 2016 and our 2016 Annual Report to Stockholders, are available free of charge on our website at http://investorcenter.slb.com.

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General Information

February 21 , 2017

Items to be Voted on at the Annual General Meeting

Agenda Item		Board recommendation
Item 1	Election of 12 director nominees named in this proxy statement.	**FOR**
Item 2	Approval of the advisory resolution to approve executive compensation.	**FOR**
Item 3	Advisory vote on the frequency of future votes on executive compensation.	**ONE YEAR**
Item 4	Approval of the Company's Consolidated Balance Sheet as at December 31, 2016, its Consolidated Statement of Income for the year ended December 31, 2016, and the declarations of dividends by our Board in 2016.	**FOR**
Item 5	Approval of the appointment of PricewaterhouseCoopers LLP as the Company's independent registered public accounting firm for 2017.	**FOR**
Item 6	Approval of the adoption of our 2017 Schlumberger Omnibus Stock Incentive Plan.	**FOR**
Item 7	Approval of the Amendment and Restatement of our Schlumberger Discounted Stock Purchase Plan.	**FOR**

General

This proxy statement is furnished in connection with the solicitation by the Board of Directors (the "Board") of Schlumberger Limited (Schlumberger N.V.) ("Schlumberger" or the "Company") of proxies to be voted at its 2017 annual general meeting of stockholders, which will be held at the Avila Beach Hotel, Penstraat 130, Willemstad, Curaçao, on Wednesday, April 5, 2017 beginning at 10:00 a.m., Curaçao time, and at any postponement(s) or adjournment(s) thereof.

To gain admittance to the meeting, stockholders of record and beneficial owners as of the close of business on the record date for the meeting, February 15, 2017, must present a passport or other government-issued identification bearing a photograph and, for beneficial owners, proof of ownership as of the record date, such as the top half of the proxy card or voting instruction card that was sent to you with this proxy statement.

The mailing date of this proxy statement is February 23, 2017. Business at the meeting will be conducted in accordance with the procedures determined by the Chairman of the meeting and will be limited to matters properly brought before the meeting by or at the direction of our Board of Directors or by a stockholder.

We are providing our 2016 Annual Report to Stockholders concurrently with this proxy statement. Stockholders should refer to its contents in considering agenda Item 4.

Record Date; Proxies

Each stockholder of record at the close of business on the record date, February 15, 2017, is entitled to one vote for each director nominee and one vote for each of the other proposals to be voted on with respect to each share registered in the stockholder's name. A stockholder of record is a person or entity who held shares on that date *registered* in its name on the records of Computershare Trust Company, N.A. ("Computershare"), Schlumberger's stock transfer agent. Persons who held shares on the record date through a broker, bank or other nominee are referred to as *beneficial* owners.

Shares cannot be voted at the meeting unless the owner of record is present in person or is represented by proxy. Schlumberger is incorporated in Curaçao and, as required by Curaçao law, meetings of stockholders are held in Curaçao. Because many stockholders cannot personally attend the meeting, it is necessary that a large number be represented by proxy.

Shares Outstanding

On February 15, 2017, there were 1,394,120,220 shares of Schlumberger common stock outstanding and entitled to vote.

Quorum

Holders of at least one-half of the outstanding shares entitling the holders thereof to vote at the meeting must be present in person or by proxy to constitute a quorum for the taking of any action at the meeting.

Abstentions and proxies submitted by brokers that do not indicate a vote because they do not have discretionary voting authority and have not received instructions from the *beneficial* owner of the shares as to how to vote on a proposal (so-called “broker non-votes”) will be considered as present for quorum purposes. If a quorum is not present at the meeting, the Board may call a second general meeting of stockholders, at which the quorum requirement will not apply.

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Votes Required to Adopt Proposals

To be elected, director nominees must receive a majority of votes cast (the number of votes cast “for” a director nominee must exceed the number of votes cast “against” that nominee). Approval of each of the other matters on the agenda also requires the affirmative vote of the majority of votes cast.

Effect of Abstentions and Broker Non-Votes

Brokers holding shares must vote according to specific instructions they receive from the *beneficial* owners of those shares. If brokers do not receive specific instructions, brokers may in some cases vote the shares in their discretion. However, the New York Stock Exchange (the “NYSE”) precludes brokers from exercising voting discretion on other proposals without specific instructions from the beneficial owner, as follows:

- **Discretionary Items.** Under NYSE rules, brokers will have discretion to vote on both Item 4 (approval of financial statements and dividends) and Item 5 (appointment of independent registered public accounting firm) without instructions from the *beneficial* owners.
- **Nondiscretionary Items.** Brokers cannot vote on Items 1 (election of directors), 2 (advisory vote to approve executive compensation), 3 (advisory vote on the frequency of future advisory votes on executive compensation), 6 (adoption of 2017 Schlumberger Omnibus Incentive Plan) or 7 (approval of the amendment and restatement of the Schlumberger Discounted Stock Purchase Plan) without instructions from the *beneficial* owners. Therefore, if your shares are held in “street name” by a broker and you do not instruct your broker how to vote on the election of directors or the advisory vote to approve executive compensation, your broker will **not** be able to vote for you on those matters.

Abstentions and broker non-votes are not considered as votes cast and will not be counted in determining the outcome of the vote on the election of directors or on any of the other proposals, except that for purposes of satisfying NYSE rules, abstentions are counted in the denominator for determining the total votes cast on Items 6 and 7.

How to Vote

Stockholders with shares registered in their names with Computershare and participants who hold shares in the Schlumberger Discounted Stock Purchase Plan may authorize a proxy:

by the internet at the following internet address: http://www. proxyvote.com;

telephonically by calling 1-800-690-6903; or

by completing and mailing their proxy card.

The internet and telephone voting facilities for stockholders of record will close at 11:59 p.m. Eastern time on Tuesday, April 4, 2017. The internet and telephone voting procedures have been designed to authenticate stockholders and to allow you to vote your shares and to confirm that your instructions have been properly recorded.

A number of banks and brokerage firms participate in programs that also permit beneficial stockholders to direct their vote by the internet or telephone. If you are a beneficial owner whose shares are held in an account at a bank or brokerage firm that participates in such a program, you may direct the vote of those shares by the internet or telephone by following the instructions on the voting form.

By providing your voting instructions promptly, you may save the Company the expense of a second mailing.

All shares entitled to vote and represented by properly executed proxies received prior to the meeting and not revoked will be voted at the meeting in accordance with your instructions. If you are a stockholder with shares registered in your name with Computershare and you submit a properly executed proxy card but do not direct how to vote on each item, the persons named as proxies will vote as the Board recommends on each proposal.

Changing Your Vote or Revoking Your Proxy

If you are a stockholder of record, you can change your vote or revoke your proxy at any time by timely delivery of a properly executed, later-dated proxy (including an internet or telephone vote) or by voting by ballot at the meeting. If you hold shares through a broker, bank or other nominee, you must follow the instructions of your broker, bank or other nominee to change or revoke your voting instructions.

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ITEM 1. Election of Directors

All of our directors are elected annually at our annual general meeting of stockholders. Our stockholders are requested to elect 12 nominees to the Board, each to hold office until the next annual general meeting of stockholders and until a director's successor is elected and qualified or until a director's death, resignation or removal. Each of the nominees is now a director and was previously elected by our stockholders at the 2016 annual general meeting, except for Mr. Lund, who was appointed by the Board in June 2016 to serve as a director based upon the recommendation of the Nominating and Governance Committee of the Board, and Mr. Galuccio, who was identified by Mr. Kibsgaard as a director nominee and who is not currently a director.

All of the nominees for election have consented to being named in this proxy statement and to serve if elected. If any nominee is unable or unwilling to serve, the Board may designate a substitute nominee. If the Board designates a substitute nominee, proxies may be voted for that substitute nominee. The Board knows of no reason why any nominee will be unable or unwilling to serve if elected.

Shares represented by properly executed proxies will be voted, if authority to do so is not withheld, for the election of each of the 12 nominees named below. Votes may not be cast for a greater number of persons than the number of director nominees named in this proxy statement.

Required Vote

Each director nominee must receive a majority of the votes cast to be elected. ***If you hold your shares in "street name," please be aware that brokers do not have discretion to vote on this proposal without your instruction. If you do not instruct your broker how to vote on this proposal, your broker will deliver a non-vote on this proposal.***

The Board of Directors Recommends a Vote **FOR** All Nominees.

Director Nominees

The Board believes that each director nominee possesses the qualities and experience that the Nominating and Governance Committee believes that nominees should possess, as described in detail below in the section entitled “Corporate Governance—Director Nominations” beginning on page 16. The Board seeks out, and the Board is comprised of, individuals whose background and experience complement those of other Board members. The nominees for election to the Board, together with biographical information furnished by each of them and information regarding each nominee’s director qualifications, are set forth on the following pages.

There are no family relationships among executive officers and directors of the Company.

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Peter L.S. Currie

Lead Independent Director

President,

Currie Capital LLC

Director Since **2010**

Age **60**

Other Current Public Boards: None

Former Public Directorships Held During the Past 5 Years

- New Relic, Inc.
- Twitter, Inc.

Board Committees

- Nominating and Governance, Chair
- Compensation

Other Experience and Education

- Former director of several privately-held companies
- Former Chief Financial Officer of public companies
- President of Board of Trustees at Phillips Academy
- MBA from Stanford University

PETER L.S. CURRIE has been President of Currie Capital LLC, a private investment firm, since April 2004. Mr. Currie was the lead independent director at Twitter, Inc., where he chaired both its audit committee and its nominating and governance committee, having served on its board from November 2010 to May 2016. He also served on the board of directors of New Relic, Inc. (from March 2013 to August 2016), where he chaired its audit committee and was a member of its compensation committee. Mr. Currie previously also served on the boards of directors of Clearwire Corporation, CNET Networks, Inc., Safeco Corporation, and Sun Microsystems, Inc.

Relevant Skills and Expertise

Mr. Currie brings to the Board strong financial and operational expertise as a result of his extensive board and committee experience at both public and privately-held companies; experience as chief financial officer of two public companies (McCaw Cellular Communications and Netscape Communications); and experience in senior operating positions in investment banking, venture capital and private equity.

Miguel M. Galuccio

Former Chairman &
Chief Executive Officer, YPF SA

New Director Nominee

Age **48**

Other Current Public Boards: None

Former Directorships Held During the Past 5 Years

- None

Board Committees

- None

Other Experience and Education

- BS in Petroleum Engineering from Technological Institute of Buenos Aires
- Schlumberger training and product line expertise
- Latin America energy policy expertise

MIGUEL GALUCCIO was the Chairman and Chief Executive Officer of YPF (*Yacimientos Petrolíferos Fiscales*), Argentina's national oil company, from May 2012 to March 2016. From 1999 to 2012, he was an employee of Schlumberger and held a number of international positions, his last being President, Schlumberger Production Management (SPM). Prior to his employment at Schlumberger, he served in various executive positions at YPF and its subsidiaries, including YPF International, from 1994 to 1999.

Relevant Skills and Expertise

Mr. Galuccio brings to the Board strong leadership and operational expertise from his experience as the chairman and chief executive officer of Argentina's national oil company, which under his leadership became the largest producer of shale oil globally outside of North America. Mr. Galuccio has valuable insight into the domestic and international energy policies of Argentina, Mexico, Venezuela, Ecuador and other countries worldwide that are strategically important to Schlumberger. He has had extensive experience negotiating with Schlumberger customers in Latin America, Russia and China, including global energy companies and national oil companies , and expects to remain an active participant in the oil and gas exploration and production industry as a principal and operator. Mr. Galuccio has a deep understanding of the Schlumberger culture, as well as a deep knowledge of Latin America, both of which will be of great value to the Board.

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V. Maureen Kempston Darkes

Retired Group Vice President and President

Latin America, Africa and Middle East,

General Motors Corporation

Director Since **2014**

Age **68**

Board Committees

- Audit, Chair
- Finance

Other Current Public Boards: Enbridge Inc., Brookfield Asset Management Inc., Balfour Beatty plc, and Canadian National Railway Company

Former Public Directorships Held During the Past 5 Years

- None

Other Experience and Education

- International operations
- Product liability and execution expertise
- Bachelor of Law Degree, University of Toronto Faculty of Law

V. MAUREEN KEMPSTON DARKES was Group Vice President and President Latin America, Africa and Middle East, of General Motors Corporation ("GM"), an automotive manufacturer, from January 2002 until her retirement in December 2009, and was a member of its Automotive Strategy Board until her retirement from GM. Ms. Kempston Darkes has been a director of Enbridge Inc., a leading energy transportation and distribution company, since November 2010, and is a member of its corporate social responsibility committee, its safety and reliability committee and its human resources and compensation committee. She also is a member of the board of directors of Brookfield Asset Management Inc., a global asset management company (since April 2008), where she chairs the risk management committee and is a member of the management resources and compensation committee; Balfour Beatty plc, an infrastructure services company (since July 2012), where she chairs the safety and sustainability committee and is a member of both the nomination and the remuneration committees; and Canadian National Railway Company (since 1995), where she chairs the environment, safety and security committee, and is a member of the corporate governance and nominating committee, finance committee, audit committee and the strategic planning committee.

Relevant Skills and Expertise

Ms. Kempston Darkes brings to the Board extensive automotive industry experience, which is particularly relevant to the Company as it continues to focus on improving product reliability and execution, and has proven leadership abilities and experience in Latin America, Africa and the Middle East. The Board also benefits greatly from Ms. Kempston Darkes' audit committee experience and financial expertise.

Paal Kibsgaard

Chairman and Chief Executive Officer

Director Since **2011**

Age **49**

Other Current Public Boards: None

Former Public Directorships Held During the Past 5 Years

- None

Board Committees

- None

Other Experience and Education

- Qualified petroleum engineer
- Master's Degree from Norwegian Institute of Technology
- Director of privately-held company

PAAL KIBSGAARD has been a director of the Company since 2011 and Chairman of the Board since April 2015, and has served as Chief Executive Officer of the Company since August 2011. He was the Company's Chief Operating Officer from February 2010 to July 2011, and President of the Reservoir Characterization Group from May 2009 to February 2010. Prior to that, Mr. Kibsgaard served as Vice President, Engineering, Manufacturing and Sustaining, from November 2007 to May 2009, and as Vice President of Personnel from April 2006 to November 2007. Mr. Kibsgaard has been with the Company since 1997, and began his career as a reservoir engineer. He has held numerous operational and administrative management positions within the Company in the Middle East, Europe and the U.S.

Relevant Skills and Expertise

As a result of his service in various global leadership positions in the Company, he brings to the Board a unique operational perspective and thorough knowledge of the Company's operational activities worldwide. The Board believes that Mr. Kibsgaard's service as Chairman and Chief Executive Officer is an important link between management and the Board, enabling the Board to perform its oversight function with the benefit of his perspectives on the Company's business.

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Nikolay Kudryavtsev

Rector,

Moscow Institute of Physics and Technology

Director Since **2007**

Age **66**

Other Current Public Boards: None

Former Public Directorships Held During the Past 5 Years

- None

Board Committees

- Audit
- Finance
- Science and Technology

Other Experience and Education

- Prior Chair, Molecular Physics
- PhD in physics and mathematics, Moscow Institute of Physics and Technology
- Member, Russian Academy of Sciences

NIKOLAY KUDRYAVTSEV has been the Rector of the Moscow Institute of Physics and Technology since June 1997. He has also been chairman of the Board of Rectors of the City of Moscow and Moscow Region since 2012, and was elected Vice President of the Russian Rectors Union in 2014.

Relevant Skills and Expertise

Mr. Kudryavtsev brings to the Board valuable management and finance experience, as well as deep scientific and technological expertise. This provides the Board with valuable insight regarding the Company, its products and current technology, as well as the future technological needs of the Company and the industry. Mr. Kudryavtsev also provides the Board with a particularly valuable Russian vantage point, which is useful for both the development of the Company's business and an understanding of the needs of the Company's population of Russian employees. The Board is aided immensely by Mr. Kudryavtsev's sensitivity to Russian culture and risk at the field level.

Helge Lund

Former Chief Executive Officer,

BG Group plc

Director Since **2016**

Age **54**

Board Committees

- Audit
- Finance

Other Current Public Boards: None

Former Public Directorships Held During the Past 5 Years

- Nokia
- Novo Nordisk

Other Experience and Education

- Director of a privately-held company
- BA in Economics from Norwegian School of Economics & Business Administration
- MBA from NSEAD
- Norwegian Energy Policy Expertise

HELGE LUND was appointed to the Board in June 2016, upon the recommendation of the Nominating and Governance Committee. He was the Chief Executive Officer of BG Group from March 2, 2015 through February 15, 2016. From August 16, 2004 to October 15, 2014, he was the Chief Executive Officer of Statoil, a leading oil and gas company. Prior to Statoil, he served as President and Chief Executive Officer of Aker Kvaerner, an industrial conglomerate with operations on oil and gas, engineering and construction, pulp and paper and shipbuilding. He served on the board of directors for Nokia from 2011 through 2014, and on the board of directors of Novo Nordisk from 2014 to 2015.

Relevant Skills and Expertise

Mr. Lund brings to the Board strong leadership and operational expertise from his experience as the chief executive officer of several public companies as well as of a national oil company. Mr. Lund also provides valuable insight into the developing domestic and international energy policies of Norway and the intricacies of negotiating with global energy companies. He also has extensive experience dealing with global energy institutions such as the Organization of the Petroleum Exporting Countries and the International Energy Agency and with navigating various opportunities in the oil and gas industry, including acquisition targets and other business opportunities.

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Michael E. Marks

Managing Partner,

Riverwood Capital, LLC

Director Since **2005**

Age **66**

Other Current Public Boards: GoPro, Inc.

Former Public Directorships Held During the Past 5 Years

- SanDisk Corp.

Board Committees

- Compensation, Chair
- Audit

Other Experience and Education

- Former Chief Executive Officer of a public company
- Director of several privately-held companies
- MBA from Harvard Business School

MICHAEL E. MARKS has been a Managing Partner of Riverwood Capital, LLC, a private equity firm, since March 2007. Mr. Marks is the lead independent director at GoPro, Inc., a consumer camera company, and is the chair of its compensation and leadership committee and a member of its nominating and governance committee. Mr. Marks served as director from 2003 to 2011 and as Chairman from 2011 until 2016 of San Disk Corp., a memory products company, when it was acquired. Mr. Marks previously served on the boards of directors of Flextronics Inc., Sun Microsystems and Calix.

Relevant Skills and Expertise

Mr. Marks brings to the Board his familiarity with world-class manufacturing from the field level to the boardroom based on his experience as CEO at Flextronics, a large, diversified global corporation with many of the same issues that Schlumberger faces. As a former chief executive and as a public company director at various other companies, Mr. Marks has been involved in succession planning, compensation, employee management and the evaluation of acquisition opportunities. Mr. Marks' significant experience as a director at various technology-driven companies, as well as his finance and mergers and acquisitions experience, are especially relevant to Schlumberger's technology-oriented business and growth strategy.

Indra K. Nooyi

Chairman and Chief Executive Officer,

PepsiCo, Inc.

Director Since **2015**

Age **61**

Other Current Public Boards: Pepsico, Inc.

Former Public Directorships Held During the Past 5 Years

- None

Board Committees

- Audit
- Finance

Other Experience and Education

- Current Chief Executive Officer of a public company
- Board of Trustees, the World Economic Forum
- Member, MIT Presidential CEO Advisory Board
- M.B.A., Indian Institute of Management
- Master of Public and Private Management, Yale University

INDRA K. NOOYI is the Chairman and Chief Executive Officer of PepsiCo, Inc., a global food and beverage company. She was named President and CEO in 2006, and assumed the additional role of Chairman of PepsiCo's board of directors in 2007. She was elected to PepsiCo's board of directors and became President and Chief Financial Officer in 2001, after serving as Senior Vice President and Chief Financial Officer since 2000. Mrs. Nooyi also served as PepsiCo's Senior Vice President, Corporate Strategy and Development from 1996 until 2000, and as PepsiCo's Senior Vice President, Strategic Planning from 1994 until 1996. She serves on several non-profit boards of directors and is a member of the Temasek Americas Advisory Panel, an investment company owned by the government of Singapore.

Relevant Skills and Expertise

The Board believes that it benefits greatly from Mrs. Nooyi's proven leadership as Chairman and CEO of PepsiCo, Inc. Mrs. Nooyi's expertise in developing and directing corporate strategy and finance, mergers and acquisitions, and organizational and talent management enables her to make valuable contributions to the Board.

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Lubna S. Olayan

Chief Executive Officer and Deputy Chairperson,

Olayan Financing Company

Director Since **2011**

Age **61**

Board Committees

- Nominating and Governance
- Finance

Other Current Public Boards: Alawwal Bank, Rolls Royce Group plc and Akbank

Former Public Directorships Held During the Past 5 Years

- WPP plc

Other Experience and Education

- Current Chief Executive Officer
- Trustee, King Abdullah University of Science and Technology and Cornell University
- Member, Harvard Global Advisory Council
- Serves on Boards of Various Non-governmental and Educational Organizations
- M.B.A., Indiana University

LUBNA S. OLAYAN is the Chief Executive Officer and deputy chairperson of Riyadh-based Olayan Financing Company, the holding company for The Olayan Group's operations in the Kingdom of Saudi Arabia and the Middle East. Ms. Olayan is a Principal and a board member of Olayan Investments Company Establishment, the parent company of The Olayan Group, a private multinational enterprise with diverse commercial and industrial operations in the Middle East and an actively managed portfolio of international investments. Since December 2004, she has been a director of Alawwal Bank, becoming the first woman to join the board of a Saudi publicly-listed company. She was elected Vice Chairman in January 2014 and is a member of its executive committee and its nomination and remuneration committee. Ms. Olayan is a non-executive director and member of numerous international advisory boards, such as Rolls Royce Group plc and Akbank. Ms. Olayan served as a non-executive director of WPP plc, a multinational communication services company, from March 2005 to June 2012, and was a member of its nomination committee.

Relevant Skills and Expertise

Ms. Olayan brings to the Board extensive business experience in Saudi Arabia and the Middle East and a deep understanding of those areas, which are critical to the Company and enable her to make valuable contributions to the Board. The Board benefits from her proven leadership abilities, extensive CEO experience and expertise in corporate finance, international banking, distribution and manufacturing. Ms. Olayan also brings a critical international perspective on business and global best practices. Ms. Olayan's connections to the scientific community and experience in university relations also are of great value to Schlumberger and its efforts in technology leadership and employee recruiting and retention.

Leo Rafael Reif

President,

Massachusetts Institute of Technology

Director Since **2007**

Age **66**

Board Committees

- Compensation
- Nominating and Governance
- Science and Technology, Chair

Other Current Public Boards: Arconic Inc.

Former Public Directorships Held During the Past 5 Years

- Alcoa, Inc.

Other Experience and Education

- Fellow, The Institute for Electrical and Electronic Engineers
- Doctorate in electrical engineering, Stanford University
- Member of the American Academy of Arts and Sciences

- Board of Trustees, The World Economic Forum

LEO RAFAEL REIF has been President of the Massachusetts Institute of Technology ("MIT") since July 2012, and was its Provost, Chief Academic Officer and Chief Budget Officer from August 2005 to July 2012. Mr. Reif was head of MIT's Electrical Engineering and Computer Science Department from September 2004 to July 2005, and an Associate Department Head for Electrical Engineering in MIT's Department of Electrical Engineering and Computer Science from January 1999 to August 2004. Mr. Reif joined the board of directors of Alcoa, Inc. in 2015, and remained on its board until resigning in November 2016 as part Alcoa's public spin-off of Arconic Inc., a leading provider of precision-engineered products and solutions. In connection with the spin-off, Mr. Reif joined the board of directors of Arconic Inc. in November 2016.

Relevant Skills and Expertise

Mr. Reif brings to the Board valuable management and finance expertise. As a scientist, he has deep scientific and technological expertise about the Company's products and current technology, as well as about anticipated future technological needs of the Company and the industry. The Board values Mr. Reif's connections to the U.S. scientific community, as well as his expertise in university relations and collaborations, which are of high importance to Schlumberger and its efforts in technology leadership and employee retention. Mr. Reif provides the Board with a critical U.S. scientific perspective, which is of immense value in the oversight of the Company's strategy.

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Tore I. Sandvold

Executive Chairman

Sandvold Energy AS Technology

Director Since **2004**

Age **69**

Board Committees

- Finance, Chair
- Nominating and Governance

Other Current Public Boards: Rowan Companies plc and Teekay Corporation

Former Public Directorships Held During the Past 5 Years

- Misen Energy AB

Other Experience and Education

- Former Chief Executive Officer
- Director, Lambert Energy Advisory Ltd.
- Director, Energy Policy Foundation of Norway
- Chairman of Njord Gas Infrastructure
- M.S. and M.B.A., University of Wisconsin

TORE I. SANDVOLD has been executive Chairman of Sandvold Energy AS, an advisory company in the oil and energy industry, since September 2002. Mr. Sandvold is a director of Rowan Companies plc (since 2013), a provider of international and domestic contract drilling services, where he serves on its audit committee and its health, safety and environment committee. He has also been a member, since 2003, of the board of directors of Teekay Corporation, a leading provider of international crude oil and petroleum product transportation services, where he serves on its nominating and governance committee. From 1990 to 2001, Mr. Sandvold served as Director General of the Norwegian Ministry of Oil & Energy, with overall responsibility for Norway's national and international oil and gas policy. From 2001 to 2002, he was executive Chairman of Petoro AS, the Norwegian state-owned oil company. He also served as Chairman of Misen Energy AB, a Swedish upstream oil and gas company from December 2011 to November 2014, and was its acting Chief Executive Officer from September 2012 to May 2014.

Relevant Skills and Expertise

Mr. Sandvold brings to the Board approximately 40 years of experience working in the area of energy policy , and he has broad experience in developing domestic and international energy policies for Norway as a career civil servant. He also has extensive experience dealing with global energy institutions such as the Organization of the Petroleum Exporting Countries and the International Energy Agency, and in negotiating with global energy companies. Mr. Sandvold has finance experience and a solid understanding of business opportunities, both as concerns acquisition targets and the industry in general.

Henri Seydoux

Chairman and Chief Executive Officer,

Parrot S.A.

Director Since **2009**

Age **56**

Other Current Public Boards: Parrot S.A.

Former Public Directorships Held During the Past 5 Years

- None

Board Committees

- Finance
- Nominating and Governance
- Science and technology

Other Experience and Education

- Current Chief Executive Officer
- Technology leadership
- Entrepreneurial and management expertise
- Director of privately-held company

HENRI SEYDOUX has been Chairman and Chief Executive Officer of Parrot S.A., a global wireless products manufacturer, since 1994. Mr. Seydoux is an entrepreneur with great initiative. He founded Parrot S.A. in 1994 as a private company and took it public in 2007. He serves on the board of directors of Sigfox, a privately-held global communications service provider for the Internet.

Relevant Skills and Expertise

Mr. Seydoux, as the chief executive of a dynamic and innovative technology company, brings to the Board entrepreneurial drive and management skills. He also has family ties to the founding Schlumberger brothers, and having grown up in the Schlumberger family culture, is well placed to see that the Company continues its historical commitment to Schlumberger's core values. His service on the Board addresses the Company's need to preserve the Company's unique culture and history while fostering innovation.

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Corporate Governance

Governance Framework—Highlights

The following are some highlights of our corporate governance practices and policies:

Board Independence; Committees Structure

- All of our director nominees are independent of the Company and management, except for our CEO. This is substantially above the NYSE requirement that a majority of directors be independent.
- All independent directors meet regularly in executive session.
- Only independent directors serve on our Audit, Compensation, Finance, Nominating and Governance and Science and Technology Committees.

Majority Voting; Stockholder Authority

- We have a majority vote standard for uncontested director elections.
- All of our directors are elected annually. We do not have a staggered board.
- One or more stockholders representing 10% or more of outstanding shares can call a special stockholders meeting.

Executive Stock Ownership Guidelines

We have executive stock ownership guidelines, designed to align executive and stockholder interests. For a description of the guidelines applicable to our executive officers and other senior members of management, see “Compensation Discussion and Analysis—Executive Stock Ownership Guidelines” starting on page 47.

Risk Oversight

Board of Directors	Oversees the CEO and other members of our senior management team; oversees assessment of major risks facing the Company.
Audit Committee	Reviews and assesses financial reporting risk. It also reviews all significant finance-related violations of Company policies brought to its attention, and annually reviews and assesses finance-related violations.
Finance Committee	Oversees finance-related risks on a quarterly basis and recommends guidelines to control pension and other investments, banking relationships and currency exposures.
Compensation Committee	Reviews and assesses the Company's overall compensation program and its effectiveness at linking executive pay to performance, aligning the interests of our executives and our stockholders and providing for appropriate incentives.
Nominating and Governance Committee	Oversees compliance-related risk and the Company's Ethics and Compliance Program.

Hedging and Pledging Policies

Our directors and executive officers are prohibited from hedging their ownership of Schlumberger stock. Furthermore, our directors and executive officers are prohibited from pledging their Schlumberger stock.

Political Contributions

Schlumberger is politically neutral, and has a long-standing policy (set forth in Schlumberger's code of conduct , entitled The Blue Print and The Blue Print in Action (our "Code of Conduct")) against making financial or in-kind contributions to political parties or candidates, even when permitted by law. Our policy prohibits the use of Company funds or assets for political purposes, including for contributions to any political party, candidate or committee, whether Federal, state or local. As a result of the Company's policy of political neutrality, Schlumberger does not maintain a political action committee, nor does it contribute to any third-party political action committees or other political entities organized under Section 527 of the Internal Revenue Code.

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In 2016, the Center for Political Accountability ("CPA"), a non-profit, non-partisan organization, assessed our disclosure for its annual CPA-Zicklin Index of Corporate Political Disclosure and Accountability ("CPA-Zicklin Index"). The CPA-Zicklin Index measures the transparency, policies, and practices of the Standard & Poor's ("S&P") 500. Our enhanced disclosure on political lobbying and contributions resulted in a score of 97.1%, equal to that of the highest-ranked company in the "First Tier" of the 2016 CPA-Zicklin Index.

Corporate Governance Guidelines

Schlumberger is committed to adhering to sound principles of corporate governance and has adopted corporate governance guidelines that the Board believes are consistent with Schlumberger's values, and that promote the effective functioning of the Board, its committees and the Company. Our Board periodically, and at least annually, reviews and revises, as appropriate, our Corporate Governance Guidelines to ensure that they reflect the Board's corporate governance objectives and commitments. Our Corporate Governance Guidelines are on our website at http://www.slb.com/about/guiding_principles/corpgovernance/corpgov_guidelines.aspx.

Board Independence

Schlumberger's Corporate Governance Guidelines provide that at least a majority of the Board will consist of independent directors. This standard reflects the NYSE corporate governance listing standards.

Our Board has adopted director independence standards, which can be found in Attachment A to our Corporate Governance Guidelines, and which meet or exceed the independence requirements in the NYSE listing standards. Based on the review and recommendation by the Nominating and Governance Committee, the Board has determined that each current director and director nominee listed above under "Election of Directors" is "independent" under the listing standards of the NYSE and our director independence standards, except Mr. Kibsgaard, who is our CEO and therefore does not qualify as independent.

In addition to the Board-level standards for director independence, each member of the Audit Committee meets the heightened independence standards required for audit committee members under the NYSE's listing standards and SEC rules, and each member of the Compensation Committee meets the heightened independence standards for compensation committee members under NYSE listing standards adopted in 2013, which Schlumberger implemented in advance of the required compliance date.

Transactions Considered in Independence Determinations. The Board's independence determinations included a review of transactions that occurred since the beginning of 2013 with entities associated with the independent directors or members of their immediate family. In making its independence determinations, the Board considered that Mr. Galuccio, Ms. Kempston Darkes, Mr. Kudryavtsev, Mr. Lund, Mr. Marks, Ms. Nooyi, Ms. Olayan, Mr. Reif and Mr. Sandvold each have served as directors, executive officers, trustees, outside consultants or advisory board members at companies and universities that have had commercial business relationships with the Company, all of which were ordinary course commercial transactions involving significantly less than 1% of either entity's annual revenues. The Board also considered that the Company made charitable contributions in 2016 to The Massachusetts Institute of Technology, of which Mr. Reif is the President, of approximately $276,000, relating to educational grants and sponsored fellowships, for which Mr. Reif received no personal benefit. This amount was significantly less than the greater of $1 million or 2% of the university's consolidated gross revenues for any of the past three years.

Board Tenure

We believe that Board tenure diversity is important and directors with many years of service provide the Board with a deep knowledge of our company, while newer directors lend fresh perspectives. The chart below reflects the Board tenure of our current directors.

Under our Corporate Governance Guidelines, non-executive directors are eligible to be nominated or renominated to the Board up to their 70th birthday, and executive directors are eligible to be nominated or renominated up to their 65th birthday, after which directors may no longer be nominated or renominated to the Board. Our Board may waive this policy on a case-by-case basis on the recommendation of the Nominating and Governance Committee if it deems a waiver to be in the best interest of the Company.

Diversified Director Tenure

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Director Nominations

The Nominating and Governance Committee believes that nominees should, in the judgment of the Board, be persons of integrity and honesty, be able to exercise sound, mature and independent business judgment in the best interests of our stockholders as a whole, be recognized leaders in business or professional activity, have background and experience that will complement those of other Board members, be able to actively participate in Board and Committee meetings and related activities, be able to work professionally and effectively with other Board members and Schlumberger management, be available to remain on the Board long enough to make an effective contribution and have no material relationship with competitors, customers or other third parties that could present realistic possibilities of conflict of interest or legal issues.

The Nominating and Governance Committee also believes that the Board should include appropriate expertise and reflect gender, cultural and geographical diversity, in light of the entire Board’s current composition and range of diversity. Schlumberger has approximately 100,000 employees worldwide, representing more than 140 nationalities, and values gender, cultural and geographical diversity in its directors as well. Three of the Company’s 12 director nominees are women. Of the 12 director nominees, four are citizens of the United States of America; three are citizens of Norway; and one each of Argentina, Canada, France, Russia, and Saudi Arabia.

Board Diversity Highlights:

3 director nominees are women

8 director nominees are non-US citizens

Our very diverse Board also evidences the Board’s commitment to have directors who represent countries where Schlumberger operates. In addition, the exceptionally broad and diverse experience of Board members is in keeping with the goal of having directors whose background and experience complement those of other directors. The Nominating and Governance Committee’s evaluation of director nominees takes into account their ability to contribute to the Board’s diversity, and the Nominating and Governance Committee annually reviews its effectiveness in balancing these considerations in the context of its consideration of director nominees.

Applying the criteria above, the Nominating and Governance Committee recommends to the Board the number and names of persons to be proposed by the Board for election as directors at the annual general meeting of stockholders. In obtaining the names of possible nominees, the Nominating and Governance Committee makes its own inquiries and will receive suggestions from other directors, management, stockholders and other sources, and its process for evaluating nominees identified in unsolicited recommendations from security holders is the same as its process for recommendations from other sources. From time to time, the Committee retains executive search and board advisory consulting firms to assist in identifying and evaluating potential nominees. During 2016, the Committee used the services of New York-based Russell Reynolds Associates, a third-party executive search firm, for this purpose. Consideration of new Board candidates typically involves a series of internal discussions, review of information concerning candidates, and interviews with selected candidates. Board members typically suggest candidates for nomination to the Board. Our CEO suggested both Mr. Lund and Mr. Galuccio as prospective Board candidates.

The Nominating and Governance Committee must first consider all potential director nominees before those candidates are contacted by other Company directors or officers as possible nominees and before they are formally considered by the full Board. The Nominating and Governance Committee will consider nominees recommended by stockholders who meet the eligibility requirements for submitting stockholder proposals for inclusion in the next proxy statement and submit their recommendations in writing to:

Chair, Nominating and Governance Committee
c/o Secretary, Schlumberger Limited
5599 San Felipe, 17th Floor
Houston, Texas 77056

by the deadline for such stockholder proposals referred to at the end of this proxy statement. Unsolicited recommendations must contain all of the information that would be required in a proxy statement soliciting proxies for the election of the candidate as a director, a description of all direct or indirect arrangements or understandings between the recommending security holder and the candidate, all other companies to which the candidate is being recommended as a nominee for director, and a signed consent of the candidate to cooperate with reasonable background checks and personal interviews, and to serve as a director of the Company, if elected.

Board Adoption of Proxy Access

Although we have not received a shareholder proposal requesting a proxy access bylaw, we proactively adopted proxy access bylaw provisions in January 2017. These provisions permit a stockholder, or a group of up to 20 stockholders, owning at least three percent (3%) of the Company's outstanding common stock, for at least three (3) years, to include two (2) director nominees, or 20% of the current Board, whichever is greater, in our proxy for the AGM, beginning with our 2018 annual general meeting.

The amendments made to the By-Laws also address “advance notice” requirements. These require stockholders to notify us within a certain window each year of any stockholder proposals for any annual general meeting, and to provide additional information. For more information, please review the full text of our bylaws as filed with the SEC.

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Board Leadership Structure

The Board recognizes that one of its key responsibilities is to evaluate and determine an appropriate board leadership structure to provide for independent oversight of management. The Board believes that there is no single, generally accepted board leadership structure that is appropriate for all companies, and that the right structure may vary for a single company as circumstances change. As such, our independent directors consider the Board's leadership structure at least annually, and may modify this structure from time to time to best address the Company's unique circumstances and advance the best interests of all stockholders, as and when appropriate.

From 2011 to 2015, the Board was led by a non-executive chairman of the Board. In connection with the chairman's retirement in 2015, the independent members of the Board gave thoughtful consideration to the Board's leadership structure and determined that recombining the Chairman and CEO positions under the leadership of Mr. Kibsgaard upon the chair's retirement was in the best interests of the Company and its stockholders. This determination was based on the Board's strong belief that, as the individual with primary responsibility for managing the Company's day-to-day operations and with extensive knowledge and understanding of the Company, Mr. Kibsgaard is best positioned to chair regular Board meetings as the directors discuss key business and strategic issues and to focus the Board's attention on the issues of greatest importance to the Company and its stockholders. Furthermore, combining the roles of Chairman and CEO in Mr. Kibsgaard creates a clear line of authority that promotes decisive and effective leadership, both within and outside the Company. In making this judgment, the Board took into account its evaluation of Mr. Kibsgaard's performance as CEO and as a then-current member of the Board, his positive relationships with the other directors, and the strategic perspective he would bring to the role of Chairman.

Roles and Responsibilities of Our Lead Independent Director

In connection with its decision to recombine the roles of Chairman and CEO under Mr. Kibsgaard, the Board recognized the importance of having a board structure that would continue to promote the appropriate exercise of independent judgment by the Board. Thus, the Board appointed Peter Currie as its lead independent director, who was selected by and from the independent directors, and who has the following leadership authority and responsibilities:

- approve agendas for all Board meetings, in coordination with the Chairman and CEO;
- approve meeting schedules to assure that there is sufficient time for discussion of all agenda items, in coordination with the Chairman and CEO;
- preside at all Board meetings at which the Chairman is not present, including executive sessions of the independent directors;

- authority to call meetings of the Board of Directors in executive session;
- provide feedback to the Chairman and CEO, as appropriate, from executive sessions of the Board;
- facilitate discussions, outside of scheduled Board meetings, among the independent directors on key issues concerning senior management;
- assist the Board, the Nominating and Governance Committee and the officers of the Company in implementing and complying with the Board's Corporate Governance Guidelines;
- foster Board leadership on matters of governance where independence is required, and monitor and improve Board effectiveness;
- serve as a liaison between the independent directors and the Chairman and CEO, in consultation with the other directors;
- lead the independent directors' discussions of succession planning and evaluation of the performance of the CEO;
- be available for consultation and direct communication with stockholders; and
- perform such additional duties and responsibilities as the Board or the independent directors may from time to time determine.

In considering its leadership structure, the Board also took into account that Schlumberger's current governance practices provide for strong independent leadership, active participation by independent directors and independent evaluation of, and communication with, many members of senior management. These governance practices are reflected in our Corporate Governance Guidelines and our various committee charters, which are available on our website. The Board believes that its risk oversight programs, discussed immediately below, are effective under a variety of board leadership frameworks and therefore do not materially affect the Board's choice of leadership structure.

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The Board's Role in Risk Oversight

As set forth in our Corporate Governance Guidelines, the Board assesses major risks facing the Company and options for their mitigation, in order to promote the Company's stockholders' and other stakeholders' interests in the long-term health and the overall success of the Company and its financial strength.

The full Board is actively involved in overseeing risk management for the Company. It does so in part through its oversight of the Company's Executive Risk Committee (the "ERC") comprised of more than half a dozen top executives of the Company from various functions, each of whom supervises day-to-day risk management throughout the Company. The ERC is not a committee of the Board. The ERC ensures that the Company identifies all potential material risks facing the Company and implements appropriate mitigation measures. The Company's risk identification is performed annually at two levels: the ERC performs a corporate-level risk mapping exercise, which involves the CEO and several other members of senior management, and while maintaining oversight, delegates operational (field-level) risk assessment and management to the Company's various Areas, Technologies and Functions and to its Research, Engineering, Manufacturing and Sustaining organization. To the extent that the ERC identifies recurring themes from the operational risk mapping exercises, they are acted on at the corporate level. Members of the ERC meet formally at least once a year, and more frequently on an ad hoc basis, to define and improve the risk mapping process, and to review and monitor the results of those exercises and those that have been delegated. The ERC reports directly to the CEO and to the full Board, and annually presents to the full Board a comprehensive report as to its risk mapping efforts for that year.

In addition, each of our Board committees considers the risks within its areas of responsibility. For example, the Finance Committee considers finance-related risks on a quarterly basis and recommends guidelines to control pension and other investments, banking relationships and currency exposures. The Compensation Committee reviews and assesses the Company's overall compensation program and its effectiveness at linking executive pay to performance, aligning the interests of our executives and our stockholders and providing for appropriate incentives. The Nominating and Governance Committee oversees governance- and compliance-related risks and reviews and discusses the Company's Ethics and Compliance Program's quarterly statistical report and the various allegations, disciplinary actions and training statistics brought to its attention. The Audit Committee reviews and assesses risks related to financial reporting. The Audit Committee also discusses all significant finance-related violations of Company policies brought to its attention from time to time, and annually reviews a summary of all finance-related violations. Additionally, the outcome of the Company's Audit Risk assessment is presented to the Audit Committee annually; this assessment identifies internal controls risks and drives the internal audit plan for the coming year. All significant violations of the Company's Code of Conduct and related corporate policies are reported to the Nominating and Governance Committee and (if finance-related) to the Audit Committee, and, when appropriate, are reported to the full Board. Once a year, the Director of Compliance delivers to the full Board a comprehensive Annual Compliance

Report. The risks identified within the Ethics and Compliance Program are incorporated into the ERC's enterprise risk management program described above.

Meetings of the Board of Directors and its Committees

During 2016, the Board held four meetings. Schlumberger has an Audit, a Compensation, a Nominating and Governance, a Finance, and a Science and Technology Committee. During 2016, the Audit Committee met five times; the Compensation Committee met four times; the Finance Committee met four times; the Nominating and Governance Committee met four times; and the Science and Technology Committee met two times.

Each of our current directors attended 100% of the meetings of the Board and the committees on which he or she served in 2016 (held during the period he or she served).

From time to time between meetings, Board and committee members confer with each other and with management and independent consultants regarding relevant issues, and representatives of management may meet with such consultants on behalf of the relevant committee.

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Board Committees

MEMBERS OF THE COMMITTEES OF THE BOARD OF DIRECTORS AS OF FEBRUARY 1, 2017

Name of Director	Audit Committee	Compensation Committee	Nominating and Governance Committee	Finance Committee	Science and Technology Committee
Peter L.S. Currie*					
V. Maureen Kempston Darkes					
Paal Kibsgaard					
Nikolay Kudryavtsev					
Helge Lund					
Michael E. Marks					
Indra K. Nooyi					
Lubna S. Olayan					
Leo Rafael Reif					
Tore I. Sandvold					
Henri Seydoux					

* Lead independent director.

Audit Committee

The Audit Committee consists of five directors, each of whom meets the independence and other requirements of the NYSE's listing standards and SEC rules (including the heightened requirements that apply to audit committee members). The Audit Committee assists the Board in its oversight of the accounting and financial reporting process of the Company, including the audit of the Company's financial statements and the integrity of the Company's financial statements, legal and regulatory compliance, the independent registered public accounting firm's qualifications, independence, performance and related matters, and the performance of the Company's internal audit function.

The authority and responsibilities of the Audit Committee include the following:

- recommend for stockholder approval the independent registered public accounting firm to audit the accounts of the Company for the year;
- evaluate the independence and qualification of the Company's independent registered public accounting firm;
- review with the Company's independent registered public accounting firm the scope and results of its audit, and any audit issues or difficulties and management's response;
- discuss the Company's annual audited financial statements and quarterly unaudited financial statements with management and the Company's independent registered public accounting firm;
- review with management, the internal audit department and the independent registered public accounting firm the adequacy and effectiveness of the Company's disclosure and internal control procedures, including any material changes or deficiencies in such controls;
- discuss with management the Company's risk assessment and risk management policies;
- discuss the Company's earnings press releases with management, as well as the type of financial information and earnings guidance, if any, provided to analysts;
- review the Company's financial reporting and accounting standards and principles, significant changes in such standards or principles or in their application and the key accounting decisions affecting the Company's financial statements;
- review with the internal audit department the status and results of the Company's annual internal audit plan, assessments of the adequacy and effectiveness of internal controls, and the sufficiency of the department's resources;
- establish procedures for the receipt, retention and treatment of complaints regarding accounting, internal accounting controls, or auditing matters, as well as for confidential submission by employees, and others, if requested, of concerns regarding questionable accounting or auditing matters;
- review material relevant related party transactions governed by applicable accounting standards; and
- oversee the preparation of an annual audit committee report for the Company's annual proxy statement.

The Company's independent registered public accounting firm is accountable to the Audit Committee. The Audit Committee pre-approves all engagements, including the fees and terms for the integrated audit of the Company's consolidated financial statements.

The Board has determined that each Committee member has sufficient knowledge in financial and auditing matters to serve on the Committee. In addition, the Board has determined that Messrs. Marks and Currie, as well as Mrs. Nooyi, each qualify as an "audit committee financial expert" under applicable SEC rules. The Audit Committee operates pursuant to a written charter, which is available on the Company's website at http://www.slb.com/about/guiding_principles/corpgovernance/audit_committee.aspx.

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Compensation Committee

The Compensation Committee consists of four directors, each of whom meets the independence requirements of the NYSE's listing standards (including the heightened requirements that apply to compensation committee members). The purposes of the Compensation Committee are to assist our Board in discharging its responsibilities with regard to executive compensation; periodically review non-executive directors' compensation; oversee the Company's general compensation philosophy, policy and programs; serve as the administrative committee under the Company's stock plans; and prepare the annual Compensation Committee Report required by the rules of the SEC.

The authority and responsibilities of the Compensation Committee include the following:

- annually review and approve the objectives, evaluate the performance, and review and recommend the compensation of the Company's Chief Executive Officer ("CEO") to the Board's independent directors, meeting in executive session.
- review and approve the evaluation process and compensation structure for the Company's executive officers and approve their compensation, including base salary, annual cash incentive and long-term incentives;
- select appropriate peer companies against which the Company's executive compensation is compared;
- review incentive compensation and equity-based plans, and advise management and the Board on the design and structure of the Company's compensation and benefits programs and policies, and to approve changes thereto, or to recommend changes to the Board, as the Committee determines appropriate;
- administer and make awards under the Company's stock plans, and review and approve annual stock allocation under those plans;
- review and approve or recommend to the Board, as appropriate, any employment or severance contracts or arrangements with executive officers;
- monitor trends and best practices in, and periodically review and assess the adequacy of, director compensation and stock ownership policies, and recommend changes to the Board as it deems appropriate in accordance with the Company's Corporate Governance Guidelines;
- monitor and review the Company's overall compensation and benefits program design to assess such programs' continued competitiveness and consistency with established Company compensation philosophy, corporate strategy and objectives, linkage of pay to performance, and alignment with stockholder interests, including any material risks

of such programs;

- review and make recommendations to the Board regarding people-related strategies and initiatives, such as recruitment, retention and diversity management;
- establish and administer stock ownership policies for executive officers and other key position holders;
- assess the results of the Company's most recent advisory vote on executive compensation;
- review and discuss with the Company's management the Compensation Discussion and Analysis required to be included in the Company's annual proxy statement;
- produce a Compensation Committee Report to be included in the Company's annual proxy statement; and
- be directly responsible for the appointment, compensation and oversight of the work of any consultants and other advisors retained by the Compensation Committee.

The Compensation Committee may delegate specific responsibilities to one or more individual committee members to the extent permitted by law, regulation, NYSE listing standards and Schlumberger's governing documents. The design and day-to-day administration of all compensation and benefits plans and related policies, as applicable to executive officers and other salaried employees, are handled by teams of the Company's human resources, finance and legal department employees.

Nominating and Governance Committee

The Nominating and Governance Committee consists of five directors, each of whom meets the independence requirements of the NYSE's listing standards.

The authority and responsibilities of the Nominating and Governance Committee include the following:

- lead the search for individuals qualified to become members of the Board;
- evaluate the suitability of potential nominees for membership on the Board;
- recommend to the Board the number and names of director nominees at the next annual general meeting of stockholders and to propose director nominees to fill any vacancies on the Board;
- annually review the qualifications and criteria taken into consideration in the evaluation of potential nominees for membership on the Board;
- consider the resignation of a director who has changed his or her principal occupation or employer, and inform the Board as to whether or not the Nominating and Governance Committee recommends that the Board accept the

resignation;

- assist the Board with its determination of the independence of its members;
- monitor trends, changes in law and NYSE listing standards, as well as best practices in corporate governance, and to periodically review the Company's Corporate Governance Guidelines and recommend changes as it deems appropriate in those guidelines, in the corporate governance provisions of the Company's By-Laws and in the policies and practices of the Board in light of such trends, changes and best practices as appropriate;
- consider issues involving "related person transactions" with directors and similar issues, including approval or ratification of any such transactions as appropriate;

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- periodically review the Company’s Ethics and Compliance Program including significant compliance allegations with the Company’s General Counsel or Director of Compliance, and oversee the Company’s Code of Conduct and policies and procedures for monitoring compliance;
- oversee the annual evaluation of Board effectiveness and report to the Board;
- annually review and make recommendations to the Board regarding its process for evaluating the effectiveness of the Board and its committees;
- annually review and make recommendations to the Board regarding new director orientation and director continuing education on governance issues;
- annually recommend to the Board committee membership and chairs, and review periodically with the Board committee rotation practices;
- approve the membership of any Schlumberger executive officer on another listed company’s board, and receive timely information from non-employee directors of any new listed company board to which they have been nominated for election as director and of any change in their status as director on any other listed company board;
- advise the Board on succession planning; and
- periodically review the Board’s leadership structure, and recommend changes to the Board as appropriate, including the appointment and duties of the lead independent director.

The Nominating and Governance Committee operates pursuant to a written charter, which is available on the Company’s website at http://www.slb.com/about/guiding_principles/corpgovernance/nomgov_committee.aspx.

Finance Committee

The Finance Committee consists of six directors, each of whom meets the independence requirements of the NYSE’s listing standards. The Finance Committee advises the Board and management of the Company on various matters, including dividends, financial policies and the investment of funds.

The authority and responsibilities of the Finance Committee include the following:

- recommend investment and derivative guidelines for the cash and currency exposures of the Company and its subsidiaries;
- review the actual and projected financial situation and capital needs of the Company as needed, regarding:
  - the capital structure of the Company, including the levels of debt and equity, the sources of financing and equity and the Company's financial ratios and credit rating policy;
  - the Company's dividend policy; and
  - the issuance and repurchase of Company stock;
- review the insurance principles and coverage of the Company and its subsidiaries, as well as financing risks, including those associated with currency and interest rates;
- oversee the investor relations and stockholder services of the Company;
- review the financial aspects of any acquisitions submitted to the Board and, as delegated to the Finance Committee by the Board, review and approve any acquisitions covered by such delegation;
- review the administration of the employee benefit plans of the Company and the performance of fiduciary responsibilities of the administrators of the plans; and
- function as the Finance Committee for pension and profit-sharing trusts as required by U.S. law.

The Finance Committee operates pursuant to a written charter, which is available on the Company's website at http://www.slb.com/about/ guiding_principles/corpgovernance/finance_committee.aspx.

Science and Technology Committee

The Science and Technology Committee advises the Board and management on matters involving the Company's research and development programs.

The authority and responsibilities of the Science and Technology Committee include the following:

- review, evaluate and advise the Board and management regarding the long-term strategic goals and objectives and the quality and direction of the Company's research and development programs;

- review and advise the Board and management on the Company’s major technology positions and strategies relative to emerging technologies and changing market requirements;
- monitor and evaluate trends in research and development, and recommend to the Board and management emerging technologies for building the Company’s technological strength;
- recommend approaches to acquiring and maintaining technology positions;
- advise the Board and management on the scientific aspects of major acquisitions and business development transactions; and
- assist the Board with its oversight responsibility for enterprise risk management in areas affecting the Company’s research and development.

The Science and Technology Committee operates pursuant to a written charter, which is available on the Company’s website at http://www.slb.com/about/guiding_principles/corpgovernance/ tech_committee.aspx.

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Role of the Independent Executive Compensation Consultant

The Compensation Committee has retained Pay Governance LLC ("Pay Governance") as its independent consultant with respect to executive compensation matters. Pay Governance reports only to, and acts solely at the direction of, the Compensation Committee. Schlumberger's management does not direct or oversee the activities of Pay Governance with respect to the Company's executive compensation program. Pay Governance prepares compensation surveys for review by the Compensation Committee at its October meeting. One of the purposes of the October meeting is to assess compensation decisions made in January of that year in light of comparative data to date; another purpose of the October meeting is to prepare for the annual executive officer compensation review the following January.

Pay Governance works with the Company's executive compensation department to compare compensation paid to the Company's executive officers with compensation paid for comparable positions at companies included in the compensation surveys conducted by Pay Governance at the direction of the Compensation Committee. Pay Governance and the Company's executive compensation department also compile annual compensation data for each executive officer. The Compensation Committee has also instructed Pay Governance to prepare an analysis of each named executive officer's compensation. The Compensation Committee has also retained Pay Governance as an independent consulting firm with respect to non-employee director compensation matters. Pay Governance prepares an analysis of competitive non-employee director compensation levels and market trends using the same two main peer groups as those used in the executive compensation review.

The Compensation Committee has assessed the independence of Pay Governance pursuant to SEC rules and has concluded that its work did not raise any conflict of interest that would prevent Pay Governance from independently representing the Compensation Committee.

Procedure for Determining Executive Compensation; Role of Management

The Compensation Committee evaluates all elements of executive officer compensation each January, after a review of achievement of financial and personal objectives with respect to the prior year's results. The purpose is to determine whether any changes in the officer's compensation are appropriate. The CEO does not participate in the Compensation Committee's deliberations with regard to his own compensation. At the Compensation Committee's request, the CEO reviews with the Compensation Committee the performance of the other executive officers, but no other named executive officer has any input in executive compensation decisions. The Compensation Committee gives substantial weight to the CEO's evaluations and recommendations because he is particularly able to assess the other executive officers' performance and contributions to the Company. The Compensation Committee independently determines each executive officer's mix of total direct compensation based on the factors described in "Compensation Discussion and Analysis—Framework for Setting Executive Compensation in 2016—Relative Size of Direct Compensation Elements." Early in the calendar year, financial and personal objectives for each executive officer are determined for that year. The Compensation Committee may, however, review and adjust compensation at other times as the result of new appointments or promotions during the year.

The following table summarizes the approximate timing of significant compensation events:

EVENT	**TIMING**
Establish Company financial objectives	January of each fiscal year for current year. However, for 2016, EPS goals were established in January for the first half of the year and in July for the second half of the year, due to the low industry visibility
Establish CEO personal objectives	Early in the first quarter of the fiscal year for current year and finalized during April
Perform competitive assessment to determine how Schlumberger's compensation decisions compared to decisions made by companies included in the compensation surveys	October of each fiscal year for current year
Independent compensation consultant provides analysis for the Compensation Committee to evaluate executive compensation	October of each year for compensation in the following fiscal year
Evaluate Company and executive performance (achievement of objectives established in previous fiscal year) and recommend incentive compensation based on those results	Results approved in January of each fiscal year for annual cash incentive compensation with respect to prior year. The incentive earned in prior fiscal year is paid in February of the current fiscal year
Review and recommend executive base salary and determine equity-based grants	January of each fiscal year for base salary for that year and for equity-based grants

The Compensation Committee operates pursuant to a written charter, which is available on the Company's website at http://www.slb.com/about/guiding_principles/corpgovernance/compensation_committee.aspx.

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Communication with the Board

The Board has established a process for all interested parties, including stockholders and other security holders, to send communications, other than sales-related communications, to one or more of its members, including to the independent or non-management directors as a group. Interested parties may contact the Board or any Schlumberger director (including the Chairman of the Board) by writing to them at the following address:

Schlumberger Limited
c/o the Secretary
5599 San Felipe, 17th Floor
Houston, Texas 77056

All such communications will be forwarded to the Board member or members specified.

Director Attendance at Annual General Meeting

The Board's policy regarding director attendance at the annual general meeting of stockholders is that directors are welcome, but not required, to attend, and that the Company will make all appropriate arrangements for directors who choose to attend. V. Maureen Kempston Darkes attended our annual general meeting of stockholders in 2016.

Policies and Procedures for Approval of Related Person Transactions

In January 2007, the Board formally adopted a written policy with respect to "related person transactions" to document procedures pursuant to which such transactions are reviewed, approved or ratified. Under SEC rules, "related persons" include any director, executive officer, director nominee, or greater than 5% stockholder of the Company since the beginning of the previous fiscal year, and their immediate family members. The policy applies to any transaction in which:

- the Company is a participant;
- any related person has a direct or indirect material interest; and
- the amount involved exceeds $120,000, but excludes any transaction that does not require disclosure under Item 404(a) of SEC Regulation S-K.

The Nominating and Governance Committee, with assistance from the Company's Secretary and General Counsel, is responsible for reviewing and, where appropriate, approving or ratifying any related person transaction involving Schlumberger or its subsidiaries and related persons. The Nominating and Governance Committee approves only those related person transactions that are in, or are not inconsistent with, the best interests of the Company and its stockholders.

Since the beginning of 2016, there were no related person transactions under the relevant standards.

Code of Conduct

Schlumberger has adopted a code of conduct entitled The Blue Print and The Blue Print in Action, which applies to all of its directors, officers and employees. Together, these documents describe the purpose, ambition and mindset of the Company and expectations for its employees. Both documents are located at www.slb.com/about/codeofconduct.aspx.

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ITEM 2. Advisory Resolution to Approve Executive Compensation

We are asking our stockholders to approve, on an advisory basis, the Company's executive compensation as reported in this proxy statement. As described below in the "Compensation Discussion and Analysis" section of this proxy statement, the Compensation Committee has structured our executive compensation program to achieve the following key objectives:

- to attract, motivate and retain talented executive officers;
- to motivate progress toward Company-wide financial and personal objectives while balancing rewards for short-term and long-term performance; and
- to align the interests of our executive officers with those of stockholders.

We urge stockholders to read the "Compensation Discussion and Analysis" beginning on page 26 of this proxy statement, which describes in more detail how our executive compensation policies and procedures operate and are designed to achieve our compensation objectives, as well as the Summary Compensation Table and other related compensation tables and narrative, appearing on pages 57 and 58, which provide detailed information on the compensation of our named executive officers. The Compensation Committee and the Board believe that the policies and procedures articulated in the "Compensation Discussion and Analysis" are effective in achieving our goals and that the compensation of our named executive officers reported in this proxy statement has contributed to the Company's recent and long-term success.

In accordance with Section 14A of the Exchange Act, and as a matter of good corporate governance, we are asking stockholders to approve the following advisory resolution at the 2017 annual general meeting of stockholders:

RESOLVED, that the stockholders of Schlumberger Limited (the "Company") approve, on an advisory basis, the compensation of the Company's named executive officers disclosed in the Compensation Discussion and Analysis, the Summary Compensation Table and the related compensation tables, notes and narrative in the Proxy Statement for the Company's 2017 annual general meeting of stockholders.

This advisory resolution, commonly referred to as a "say-on-pay" resolution, is non-binding on our Board. Although non-binding, our Board and the Compensation Committee will review and consider the voting results when making future decisions regarding our executive compensation program.

The Board has adopted a policy providing for an annual "say-on-pay" advisory vote. Unless the Board of Directors modifies its policy on the frequency of holding "say-on-pay" advisory votes, the next "say-on-pay" advisory vote will occur in 2017.

Required Vote

A majority of the votes cast is required to approve this Item 2.

If you hold your shares in "street name," please note that brokers do not have discretion to vote on this proposal without your instruction. If you do not instruct your broker how to vote on this proposal, your broker will deliver a non-vote on this proposal.

The Board of Directors Recommends a Vote **FOR** Item 2.

ITEM 3. Advisory Vote on the Frequency of Future Advisory Votes on Executive Compensation

Pursuant to Section 14A of the Exchange Act, we are asking our stockholders to vote on whether future advisory votes on executive compensation of the nature reflected in Item 2 above should occur every year, every two years or every three years.

After careful consideration, our Board recommends that future advisory votes on executive compensation occur every year (annually). We believe that an annual advisory vote on executive compensation is the most appropriate option for us because it will allow our shareholders to provide more frequent, direct input on our compensation policies and practices, and the resulting compensation for our named executive officers. Shareholders will have the opportunity to consider our most recent compensation decisions and focus on increasing long-term shareholder value, and to provide feedback to us in a timely way. The Board also believes an annual advisory shareholder vote promotes corporate transparency and accountability for the Compensation Committee.

In making this recommendation, the Board took into account that a majority of the votes cast at our 2011 Annual General Meeting of Stockholders voted in favor of holding an annual advisory votes on executive compensation. In addition, we are aware of the significant interest in executive compensation matters by investors and the general public, and value and encourage constructive dialogue with our stockholders on these matters. We understand that our stockholders may have different views as to what is the best approach for Board of Directors, and we look forward to hearing from our stockholders on this Proposal.

This advisory resolution is non-binding on our Board. Although we currently believe that holding an advisory vote on executive compensation every year would reflect the right balance of considerations in the normal course, we will continue to periodically reassess that view and can provide for an advisory vote on executive compensation on a less frequent basis if long-term stability in our compensation program or other circumstances suggest that such a vote frequency would be more appropriate.

Required Vote

A majority of the votes cast is required to approve this Item 3. ***Brokers do not have discretion to vote on this proposal without your instruction. If you do not instruct your broker how to vote on this proposal, your broker will deliver a***

non-vote on this proposal.

The Board of Directors Recommends a Vote to Conduct Future Advisory Votes on Executive Compensation Every **ONE YEAR.**

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Compensation Discussion and Analysis

The following Compensation Discussion and Analysis ("CD&A") describes Schlumberger's compensation policies and practices as they relate to our executive officers identified in the Summary Compensation Table below (the "named executive officers," or the "NEOs"). The purpose of the CD&A is to explain what the elements of compensation are; why the Compensation Committee selects these elements; and how the Compensation Committee determines the relative size of each element of compensation. Based on engagement with our stockholders over the past year, we have expanded this CD&A to address in greater detail certain matters discussed with our stockholders.

2016 Executive Summary

2016 was another difficult year for our industry as the longest and deepest industry downturn in 30 years continued . Our customers cut their exploration and production ("E&P") spending by more than 65% from 2014, as the U.S. land rig count collapsed more than 80% from 2014, and the global offshore rig count fell more than 30% from 2014. This led to a significant revenue and net income decline in 2016. However, our management took decisive action to successfully navigate the sharp downturn amid very low operational visibility, and positioned the company for long-term growth and success.

Despite this exceedingly difficult environment, we outperformed our main competitors in 2016 in a number of important areas, including free cash flow, return on capital employed and operating margins, as we describe below in the section entitled "2016 Business Overview."

2016 was also a year of tremendous positive change for us, highlighted by our acquisition of Cameron International Corporation ("Cameron") in early 2016, creating the industry's first complete "pore-to-pipeline" offering and positioning us uniquely for the long-term.

We finished 2016 poised to outperform in a new industry landscape through our fundamental strengths: our best-in-class employees; our technology advantage; and our size and geographic reach.

Our 2016 Say-on-Pay Vote; Stockholder Outreach; Enhancements and Changes

Prior to 2016, we received very high levels of stockholder support for our executive compensation program. For example, we received stockholder support of 96.6%, 97.1% and 96.1% in 2015, 2014 and 2013, respectively. In 2016, however, 64.4% of the votes cast voted in favor of our executive compensation. While this vote represented solid majority support for our named executive officer compensation, we were disappointed by the result.

We determined that we should better understand our stockholders' concerns and opinions. Senior members of our management team engaged in stockholder outreach discussions at the direction of our Compensation Committee and our Board.

As part of our stockholder outreach efforts, we contacted 40 of our largest stockholders, representing more than 52% of our outstanding common stock, to obtain their views on our executive compensation program. We met with 22 of our largest stockholders, representing approximately 40% of our outstanding common stock.

Based on our stockholders' feedback, as well as our strong performance relative to our oil industry peer group, and our Compensation Committee's recognition of the need to motivate our officers in every part of the business cycle, our Compensation Committee approved a number of significant changes to our executive compensation as described below, including changes to our long-term incentive program. Some of these changes were implemented in 2016 and the rest will be implemented in 2017. Although these prospective changes are summarized here, the full impact of these decisions will be reflected in 2017 pay and next year's proxy statement.

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Long-Term Incentive ("LTI") Equity Awards

WHAT WE HEARD	WHAT WE DID
• Many stockholders we engaged with disapproved of the Compensation Committee's exercise of discretion when it awarded our executives 100% payout under the performance stock unit ("PSU") awards that vested in 2016, when the actual performance results called for an 81% payout.	• ***No Discretion.*** The Compensation Committee exercised no discretion with regard to the 2014 PSUs that were to vest in January 2017 , and our executives received no payout under those awards when we failed to reach target performance.
• Some stockholders preferred a relative metric, rather than an absolute metric, in our performance-based equity awards. Other stockholders urged us to consider the use of a relative metric in addition to an absolute metric.	• ***Diversity of Performance Metrics.*** We changed the performance metric for PSUs granted in January 2016 from an absolute Return on Capital Employed ("ROCE") metric to a ROCE metric that is relative to the ROCE performance of a number of key comparator companies in oilfield services.
• While some stockholders said that they considered stock options to be performance-based compensation, a majority of our stockholders we engaged with did not.	• ***For 2017, a Move to 100% Performance-Based Equity.*** In January 2017, the Compensation Committee approved a significant change in the mix of our LTI equity awards, from 50% stock options and 50% performance - based equity awards, to 100% performance-based equity awards, effective for 2017 compensation. • Also for 2017, we introduced PSUs with payouts contingent on achievement of a two-year target based on absolute free cash flow as a percentage of income, excluding charges and credits. These PSUs will be subject to a mandatory one-year hold period and will vest only upon expiration of the hold period. This new award replaces the stock options granted in prior years and constitutes 50% of our NEOs' 2017 LTI compensation, and is in addition to the relative ROCE metric that applies to other PSUs issued in January 2017.

Annual Cash Incentive

WHAT WE HEARD	WHAT WE DID
• Many stockholders said the disclosure of our NEOs' personal objectives was opaque. As a result, the achievement of those goals appeared to be based on the Compensation Committee's subjective determination.	• ***Better Disclosure of NEO Cash Incentive Achievement.*** We have enhanced our disclosure in this CD&A of our NEOs' 2016 key personal objectives, including quantifiable operational objectives.

• Some stockholders expressed concern that using two six-month earnings per share ("EPS") targets for our annual incentives did not result in rigorous performance standards being applied to our executives.	• ***Full-Year EPS Targets.*** In January 2017, the Compensation Committee approved full-year EPS targets for 2017, and expects to continue that practice in the future. • ***No Discretion.*** We did not meet the minimum EPS target for the first half of 2016, and the Compensation Committee did not exercise discretion. As a result, our executives received no payout with respect to EPS performance for the first half of 2016.
• Many of our stockholders said they wanted additional disclosure on the results of our performance against our competitors in connection with the relative performance incentive ("RPI") of the annual cash incentive program.	• ***Better Disclosure of Relative Performance.*** We have provided enhanced disclosure in this CD&A of the results of our performance against our RPI comparator companies by specific geographic area.

Overview of Compensation Decisions for 2016

We delivered strong financial results in 2016 despite the unprecedented industry downturn that began in 2014 and continued in 2016. For example, the price of crude oil collapsed from a high of $108 per barrel in 2014 to less than $27 per barrel in early 2016. This resulted in a precipitous decline in our customers' E&P spending in 2016, which in turn had a negative effect on activity and the pricing for our products and services. As a consequence, both our revenue and net income declined in 2016. In that environment, we were forced to reduce our employee base by 50,000. Despite these headwinds, we outperformed our main competitors in our most important financial measures, as detailed below in "—2016 Business Overview."

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While our results of operations were negatively affected by the highly depressed oil prices, market uncertainty and other factors beyond our control, the Compensation Committee continued to focus on strengthening the link between pay and performance; retaining and motivating our top executives; and appropriately rewarding our executives for outperforming our competitors in this industry downturn and increasing long-term stockholder value. In this context, and as more fully discussed elsewhere in this CD&A, the Compensation Committee approved the following actions in 2016:

- We did not achieve the threshold goals for the PSUs that were granted to our executives in 2014 and that were to vest in January 2017 . Accordingly, we paid out no shares under those awards.
- Payout of the EPS component of the annual cash incentive for the first six months of 2016 was zero, and payout for the second six-month period of 2016 was 160% of target. Payout of the RPI component of the annual cash incentive was 100%. These combined for a payout of 90% of the financial half of the 2016 annual cash incentive, well below the maximum potential payout.
- We held 2016 LTI grant values flat for all NEOs.
- We held 2016 base salaries flat for all NEOs, except to adjust for foreign currency fluctuations.
- We increased the target annual cash incentive range for Mr. Al Mogharbel from 75% to 100%, to maintain pay equity among our Group presidents.
- We changed the performance measure for the three-year PSUs granted in January 2016 from an absolute ROCE metric to a relative ROCE metric as compared to the average ROCE of key comparator companies in oilfield services.
- We made one-time grants of 15,000 three-year restricted stock units (“RSUs”) to each of Messrs. Belani, Schorn and Al Mogharbel to recognize their outstanding performance during the market downturn and for retention purposes amid the exceptional competition for our executive talent.

2016 Business Overview

Highlights of our 2016 performance include:

Our Free Cash Flow:

- We had industry-leading free cash flow in 2016. We had cash flow from operations of $6.3 billion in 2016, which resulted in $2.5 billion free cash flow. Our free cash flow was double the free cash flow that was generated by our top two competitors combined.
- We were able to return $3.4 billion to our stockholders in 2016 through cash dividends and share repurchases.
- We invested $1 billion in 2016 for research and engineering, and continued our strategic acquisitions for long-term growth.

Free Cash Flow[(1)]

Industry-Leading Pretax Income Margin:

- We delivered superior financial results by maintaining positive pretax income margin.
- This added to our continued industry-leading margins throughout the downturn.

Pretax Income Margin[(2)]

(1) 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. Please see the reconciliation in Appendix A to this proxy statement. Exceptional payments were excluded from free cash flow for Baker Hughes and Halliburton, including the payment and receipt of the Baker Hughes and Halliburton termination fee, and payments by Halliburton related to the settlement of litigation regarding the Macando incident. This presentation is consistent with how our management evaluates relative performance.

(2) Pretax income margin excluding charges and credits is a non-GAAP measure. We calculate pretax income margin excluding charges and credits as a ratio, the numerator of which is income from continuing operations before taxes excluding certain charges and credits, and the denominator of which is revenue. We believe that the exclusion of certain charges and credits from income from continuing operations before taxes better enables management to compare its underlying operational profitability period-over-period to that of the Company's peers, which could otherwise be masked by the excluded items. This presentation is consistent with how our management evaluates relative performance.

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Our Relative Return on Capital Employed:

- We maintained the highest ROCE of the major oilfield service companies in 2016.
- We continued to produce positive ROCE throughout the downturn, while two of our three major competitors had negative ROCE during that period.

Return on Capital Employed at Fiscal Year End[3]

Our Acquisition of Cameron:

- In April 2016, we closed our $15 billion acquisition of Cameron, a leading provider of flow equipment products, systems and services.
- The acquisition was accretive to our earnings and cash flow one quarter after we closed the transaction.
- The transaction positions us for long-term technology-led growth and creates the industry's first complete drilling and production system fully enabled by our unique expertise in instrumentation data processing, software optimization and system integration.
- Cameron became our fourth business Group and generated $4.2 billion in revenue in 2016. We were able to recognize $269 million in synergies in 2016 as a result of the acquisition.

INTEGRATED DRILLING SYSTEMS INTEGRATED PRODUCTION SYSTEMS

Our Executive Compensation Best Practices

The following is a summary of some of our executive compensation practices and policies.

WHAT WE DO

Pay for Performance. Beginning in 2017, our executive officers' equity-based compensation is 100% in the form of performance-based equity awards.

At-risk Pay. A significant portion of our executive pay is at risk. For our CEO, 87% of his 2016 compensation was at risk.

Clawbacks. We have a compensation recovery, or "clawback," policy that allows our Board to recoup performance-based cash awards in specified instances.

Executive Stock Ownership Guidelines. To further enhance the link between the interests of our stockholders and our executives, our CEO must own our stock valued at 6 times his annual base salary; our executive vice presidents and CFO must own at least 3 times their base salary; and all other executive officers must own at least 2 times their base salary.

WHAT WE DON'T DO

No gross-ups on excise taxes.

No hedging or pledging by directors or executive officers of their ownership of Schlumberger stock.

No automatic acceleration upon a change in control.

Our named executive officers have no employment, severance or change-in-control agreements.

Our named executive officers receive only very limited perquisites and do not participate in any executive pension or insurance plans, other than those generally available to employees.

Framework for Setting Executive Compensation in 2016

Executive Compensation Philosophy and Goals

Our compensation program is designed so that the higher an executive's position in the Company, the larger the proportion of compensation that is contingent on long-term stock price performance, the Company's financial performance and individual performance, described as "at-risk" compensation. The Company believes that having a significant portion of executive compensation at-risk more closely aligns the interests of its executives with the long-term interests of Schlumberger and its stockholders. Accordingly,

(3) We believe that ROCE, a non-GAAP measure, is a good indicator of long-term company and management performance. ROCE represents the profitability of our capital employed in our business compared with that of our peers. We calculate ROCE as a ratio, the numerator of which is income from continuing operations, excluding charges and credits, plus after-tax interest expense, and the denominator of which is average total equity plus total debt. This presentation is consistent with how our management evaluates relative performance.

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our named executive officers receive a greater percentage of their compensation through at-risk pay tied to Company performance than our other executives.

In reviewing and evaluating our executive compensation program following our 2016 say-on-pay voting results, the Compensation Committee remained committed to Schlumberger's long-standing compensation philosophy:

- The pay of our named executive officers and other senior executives should be strongly linked to performance that is evaluated against personal and Company financial goals, as described below in the section entitled "Elements of Total Direct Compensation; 2016 Decisions—Annual Cash Incentive Decisions for 2016" beginning on page 34.
- Our compensation program should enable us to recruit, develop, motivate and retain top global talent, both in the short-term and long-term, by establishing compensation that is competitive and by promoting the Company's values of people, technology and profitability;
- LTI equity awards should encourage the creation of long-term stockholder value, align our executives' compensation with the stock price returns of our stockholders, and incentivize our executives to achieve strategic and financial goals that support our long-term performance and leadership position in our industry; and
- our executives should be required to hold stock acquired through equity-based awards and stock ownership guidelines that align their interests with those of our other stockholders.

Promotion from within the Company is a key principle at Schlumberger, and all of the named executive officers have reached their current positions through career development with the Company. Schlumberger sees diversity of its workforce as both a very important part of its cultural philosophy and a business imperative, as it enables the Company to serve clients anywhere in the world. Schlumberger believes that its use of a consistent approach to compensation at all levels irrespective of nationality is a strong factor in achieving a diverse workforce comprising top global talent.

Pay-for-Performance Relative to the Oil Industry Peer Group

As part of the Compensation Committee's annual review of our executive compensation program, in July 2016 the Committee directed Pay Governance to prepare a comparative pay-for-performance assessment against companies in our oil industry peer group as identified in the section entitled "Other Aspects of our Executive Compensation

Framework—Peer Group Companies" beginning on page 42. The comparative assessment examined the degree of alignment between our NEOs' compensation and our performance relative to these companies as measured by total shareholder return ("TSR") and diluted earnings per share from continuing operations, excluding charges and credits ("adjusted EPS"), each on a one-year basis (2015), a three-year basis (2013-2015), and a five-year basis (2011-2015), and in all cases ending on December 31, 2015. TSR reflects share price appreciation, adjusted for dividends and stock splits.

For each of those time periods, the Compensation Committee reviewed the total realizable compensation of our CEO against that of other CEOs in the oil industry peer group. It then separately reviewed the total realizable compensation of Schlumberger's other executive officers against that of executive officers at other companies comprising the oil industry peer group; however, information regarding total realizable compensation of the second-through fifth-highest paid officers at the non-United States companies that are included in the oil industry peer group (e.g., BG Group, BP plc, Eni SpA, Royal Dutch Shell and Total) was not available. As a result, our NEOs' total realizable compensation (other than that of our CEO) was compared only against total realizable compensation of named executive officers at US-incorporated companies in the oil industry peer group (for which data was available).

The Compensation Committee included a review of five-year data because it believed it provided more insight into pay over a complete industry cycle and thus enabled the Committee to assess pay versus performance in the long term.

"Total realizable compensation" for each period consisted of the following:

- actual base salary paid;
- actual cash incentive payouts;
- the December 31, 2015 market value of the following:
  - in-the-money value of stock options granted from 2013-2015;
  - the current value of any RSUs; and
  - for performance-based incentive awards, (i) the actual award payout value awards granted in 2013 and (ii) the estimated payout values for awards granted in 2014 and 2015, based on company disclosures (and in all cases based on actual stock prices as of the end of the period, not as of the date of grant).

CEO Realizable Compensation and our Performance

- Our one-year and five-year total realizable compensation for our CEO and other NEOs was extremely low compared to the Company's relative performance.

- Our CEO's three-year total realizable compensation rank is tightly aligned with Schlumberger's three-year TSR percentile rank and generally aligned with Schlumberger's three-year adjusted EPS growth percentile rank.

The disparity between Schlumberger's one-year and five-year performance and total realizable compensation is due to several years of underwater options and no payout from the three-year PSUs awarded in 2014, and little or no expected payout of PSUs awarded in 2015.

One-Year (2015) SLB Performance		**One-Year SLB Total Realizable Compensation (%)**	
TSR:	50th percentile in oil industry group	CEO:	**11th** percentile in oil industry group
Adjusted EPS Growth:	80th percentile in oil industry group	Other NEOs:	**12th** percentile in the U.S. companies in the oil industry group

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Three-Year (2013-2015) SLB Performance	
Cumulative TSR:	60th percentile in oil industry group
Cumulative Adjusted EPS Growth:	83rd percentile in oil industry group

Three-Year SLB Total Realizable Compensation (%)	
CEO:	61st percentile in oil industry group
Other NEOs:	53rd percentile in the U.S. companies in the oil industry group

Five-Year (2011-2015) SLB Performance	
Cumulative TSR:	53rd percentile in oil industry group
Cumulative Adjusted EPS Growth:	82th percentile in oil industry group

Five-Year SLB Total Realizable Compensation (%)	
CEO:	**35th** percentile in oil industry group
Other NEOs:	**11th** percentile in the U.S. companies in the oil industry group

While our 2015 TSR was in the 50th percentile of the oil industry peer group, our CEO's total 2015 realizable compensation was only in the 11th percentile and that of our other NEOs was only in the 12th percentile.

The Competition for our Executive Talent

A primary consideration of the Compensation Committee in managing our executive compensation program is the need to motivate and retain what it considers to be the best executive talent in the energy industry. We are the world's largest oilfield services company and the only such company included in the Standard & Poor's S&P 100 Index. Our Compensation Committee believes that our success in delivering strong long-term stockholder returns and financial and operational results is a result of our ability to attract, develop and retain the best talent globally. A highly competitive compensation package is critical to this objective and, to this end, the Compensation Committee generally seeks to target total direct compensation for our NEOs and other executive officers at or near the 75th percentile of the Company's executive compensation comparator groups. Actual compensation, in any given year, may fall below that target level based on a variety of factors, including individual and company performance and tenure in a particular position.

Our Compensation Committee believes that the 75th percentile is an appropriate level to target because of Schlumberger's leading position in the oilfield services industry; because competition for our executive talent in the oil and gas industry is exceptionally fierce; and because our executives are very highly sought after, not only by our direct oilfield service competitors but also by other leading companies. Changes in senior management at other companies in 2016 also caused increased competition for our talent, as was the case with the merger transaction between Halliburton and Baker Hughes that was pending at the time compensation decisions for 2016 were made but that ultimately failed.

In approving this target level and when setting compensation in 2016, the Compensation Committee considered that many current and former senior executive officers of leading companies in the energy industry have previously served as senior executives at Schlumberger. For example, former senior Schlumberger executives either have been, or are, senior executives at the following competitors and customers:

Baker Hughes International *(past Chairman and CEO, and other senior executive positions)*	**Technip FMC** *(current Chairman, current CEO and current GC)*	**Weatherford International plc** *(acting CEO, CFO and other senior executive positions)*
Key Energy Services *(current President and CEO)*	**Expro** *(current CEO and previous CEO)*	**GE Oil & Gas** *(multiple current senior executive positions)*
Ensco plc *(current CEO and current GC)*	**OILSERV** *(current CEO and other senior executive positions)*	**Carbo Ceramics Inc.** *(current President & CEO)*
Smith International Inc. *(past CEO)*	**BG Group** *(past Chairman and past COO)*	**Shelf Drilling Holdings Limited** *(current CEO)*
Patterson-UTI Energy Inc. *(current CEO)*	**Frank's International N.V.** *(current CEO)*	**Quinterra Technologies** *(current Chairman)*
Shawcor Ltd. *(current CEO)*	**CGG -Veritas** *(current COO)*	**ConocoPhillips** *(past CTO)*
YPF *(past CEO)*		**Archer Limited** *(current CFO and GC, as well as other senior executive positions)*

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The Compensation Committee retains the flexibility to set elements of target compensation at higher percentiles based on strong business performance, for retention, for key skills in critical demand, and for positions that are of high internal value. Elements of our executives' total direct compensation and actual payments may also be below our main comparator groups' median as a result of our pay-for-performance philosophy, as discussed below.

CEO Realized Pay

In the course of the Compensation Committee's review of our executive compensation program, the Committee noted that for the past several years, our named executive officers' realized pay was, in general, substantially less than the total compensation as reported in our proxy statements for each such executive (his "reported pay"). We discussed this important topic with stockholders during our engagement efforts in 2016. "At risk" compensation refers to LTI awards and the annual cash incentive opportunity.

We calculate "realized pay" for a given year by adding together:

- actual base salary paid;
- the annual cash incentive payouts for that year;
- the value of time-vested RSUs and PSUs that vested during the year, valuing the shares based on the closing price of our common stock on the last business day of the year;
- the value of any perquisites; and
- the gain on any stock options that were exercised that year, based on the closing price of the stock on the day of the exercise as compared to the exercise price of the option.

To illustrate this point, the chart below shows the actual compensation delivered to our CEO from 2012 to 2016, and demonstrates that his realized pay was significantly lower than his reported pay for all but one year during this period. Most of the compensation of our CEO, like that of all of our other NEOs, was "at risk," and for 2016, 87% of his compensation was at risk.

CEO: Reported Pay vs. Realized Pay

As this chart shows, our CEO's realized pay was 30.3%, 35.4%, 102.3%, 48.6%, and 62.3% of his reported pay for years 2012, 2013, 2014, 2015 and 2016, respectively. Our CEO's 2014 realized pay was nearly that of his 2014 reported pay because he exercised stock options in 2014, some of which were issued as early as 2006, and because one-time transitional PSUs that were awarded in 2013 vested in 2014.

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Pay Mix and Internal Pay Equity Review

In January 2016, the Compensation Committee carried out an analysis of pay mix and internal pay equity. In carrying out its analysis, the Compensation Committee considered the relative size of direct compensation elements of companies in Schlumberger’s two main comparator groups in the section entitled “Other Aspects of our Executive Compensation Framework—Peer Group Companies” as well as internal factors. With regard to pay mix, the Compensation Committee also reviewed the elements of compensation for the Company’s NEOs, both in relation to one another and in comparison with the average pay mix of the Company’s executive officers. Based on its review, the Committee concluded that the mix of base salary, incentive cash bonus and LTI was appropriate for each of Schlumberger’s NEOs.

The Compensation Committee also reviewed internal pay equity in October 2016. Our executive officers operate as team. Therefore, the Compensation Committee considers internal pay equity to be an important factor in its executive compensation decisions. The Committee reviewed the CEO position in relation to the other executive officer positions, and the executive officer positions both in relation to one another and in comparison with the average of the other executive officer positions. The Compensation Committee noted that the ratio of target total direct compensation between the CEO and the second-highest paid executive officer was similar to that in the three prior years. The Compensation Committee also noted that the levels of target total direct compensation for the third to the fifth-highest paid officers were very closely clustered together, consistent with their relative positions within the Company. As a result, the Compensation Committee concluded that internal pay equity was appropriate.

Elements of Total Direct Compensation; 2016 Decisions

Base Salary

Base salary is the fixed portion of an executive’s annual cash compensation, which provides some stability of income since the other compensation elements are variable and not guaranteed. On appointment to an executive officer position, base salary is set at a level that is competitive with base salaries in the applicable comparator groups for that position and takes into account other factors described below.

Base salaries for each executive officer position are compared annually with similar positions in the applicable peer groups. Base salary changes for executive officers, except the CEO, are recommended by the CEO and subject to approval by the Compensation Committee, taking into account:

- comparable salaries for executives with similar responsibilities in the applicable peer groups;
- comparison to internal peer positions;
- the Company's performance during the year relative to the previous year and to its market peers;
- individual business experience and potential; and
- overall individual performance.

The base salary of the CEO is reviewed by the Compensation Committee in executive session and recommended by the Compensation Committee to the independent members of our Board for approval, based on the same criteria as above. In addition to periodic reviews based on the factors described above, the Compensation Committee may adjust an executive officer's base salary during the year if the executive officer is promoted or if there is a significant change in his or her responsibilities. In this situation, the CEO (in the case of executive officers other than himself) and the Compensation Committee carefully consider these new responsibilities, external pay practices, retention considerations and internal pay equity, as well as past performance and experience. Base salary may also be reduced, such as when an executive officer moves to a position of lesser responsibility in the Company. Alternatively, base salary can be frozen for a number of years until it falls in line with comparable positions in the applicable compensation peer groups.

Base Salary Decisions in 2016

The Compensation Committee carried out a review of the compensation of each of our executive officers in January 2016. Upon review of comparative market data for the applicable comparator groups, and taking into consideration that most of our NEOs were already positioned competitively from a market perspective, the Compensation Committee determined to maintain salaries at their current levels for all of our NEOs. In July of 2016, in response to the significant devaluation of the British pound, the Compensation Committee approved a change in the currency used to establish compensation for executive officers based in London and Paris to U.S. dollars. The Committee based its decision on the need to protect against further currency fluctuations that would negatively and unfairly affect their compensation. As a result, the base salary of Mr. Schorn was reset to $800,000, which was the target amount approved by the Compensation Committee in July 2013.

Annual Cash Incentive

The Company pays annual performance-based cash incentives to its executives to foster a results-driven, pay for performance culture and to align their interests with those of Schlumberger's stockholders.

The Compensation Committee selects performance-based measures that it believes strike a balance between motivating an executive to increase operating results in the near-term and driving profitable

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long-term Company growth and value for stockholders. Incentive cash payments are made each February according to the achievement of both personal and Company financial objectives.

One half of Schlumberger's potential cash incentive payout is based on the achievement of pre-established personal objectives, while the other half is based on the Company's achievement of pre-established financial goals. The financial half of the annual cash incentive for NEOs has an incremental financial element, which means that the maximum incentive opportunity can be up to 300% of target with respect to the financial part, based on achievement of superior financial results. This enhanced incentive applies to the CEO and our other executive officers. The personal half of the incentive cash payment has no positive incremental element, meaning the maximum payout with respect to this half of the target annual cash incentive is 100% of target. Under this approach, the maximum incentive opportunity based on both financial and personal objectives combined cannot exceed 200% of target.

The Compensation Committee reviews and recommends to the independent directors of the Board the financial objectives for the CEO and reviews and approves the financial objectives for the other executive officers. The Compensation Committee believes that, with regard to financial targets or financial performance goals, it is important to establish criteria that, while very difficult to achieve in an uncertain global economy, are realistic. When considering the Company's operating results for purposes of the financial portion of the annual cash incentive, the Compensation Committee has the discretion to decide whether to take into account unusual or infrequent charges or gains, depending on the nature of the item. The Compensation Committee exercises its discretion when it believes that executives and other employees would be inappropriately penalized by, or would inappropriately benefit from, these items.

The Compensation Committee approves the personal objectives for the CEO and assesses his performance against those objectives in determining his annual cash incentive award, subject to final approval by the independent directors of the Board. The CEO approves the personal objectives for the other executive officers, including the other NEOs, and assesses each such officer's performance against their pre-determined objectives, subject to final approval of the Committee.

Annual Cash Incentive Decisions for 2016

The Compensation Committee increased the target annual cash incentive percentage for only one of our NEOs in 2016, Mr. Al Mogharbel, from 75% to 100%. The Committee approved this increase so that all of our Group

Presidents would have the same target annual cash incentive opportunity as of January 2016. As a result, the 2016 target annual cash incentive for our CEO was 150% of his base salary, and 100% of base salary for the other NEOs.

Financial Objectives

Consistent with prior years, the financial half of the NEOs' 2016 annual cash incentive was based equally on achievement of (i) diluted earnings per share from continuing operations, excluding charges and credits ("adjusted EPS"), targets and (ii) the RPI criteria.

2016 Adjusted EPS Targets

The Compensation Committee selected adjusted EPS as an absolute measure upon which to base half of the financial portion of the annual cash incentive because it is the primary absolute basis on which we set our performance expectations for the year. It is also consistent with the manner in which we present adjusted EPS in our earnings announcements and presentations to investors. We believe that consistent adjusted EPS growth leads to long-term stockholder value; and adjusted EPS is the metric most widely used by investors and analysts to evaluate the performance of Schlumberger.

The process used to set annual adjusted EPS targets starts with a review of plans and projections following bottom-up planning from the field, which considers factors such as:

- activity growth potential;
- pricing, including pricing concessions and the period it takes to recoup previous pricing levels;
- anticipated E&P spending; and
- introduction of new technology.

In light of the continued low industry visibility in early 2016, the Compensation Committee determined at its January 2016 meeting to divide the adjusted EPS component of the financial half of our annual cash incentive program into two six-month periods for 2016, as it did in 2015. As a result, the Compensation Committee approved adjusted EPS targets for the six-month period from January 1 through June 30 at its January 2016 meeting, and approved adjusted EPS targets for the six-month period from July 1 through December 31 at its July 2016 meeting.

The Compensation Committee approved the following adjusted EPS performance targets and corresponding payouts for the first six-month period of 2016:

H1 2016 EPS Performance Targets		**% of EPS Portion of Financial Half (Payout %)**
Less than	$0.82	0%
	$0.82	25%
	$1.12	50%
	$1.42	100%
	$1.72	150%

The Compensation Committee approved the following adjusted EPS performance targets and corresponding payouts for the second half of 2016:

H2 2016 EPS Performance Targets		**% of EPS Portion of Financial Half (Payout %)**
Less than	$0.30	0%
	$0.30	25%
	$0.40	50%
	$0.60	100%
	$0.80	150%

(1) "Adjusted EPS" is diluted earnings per share from continuing operations, excluding charges and credits.

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For adjusted EPS results between any two targets, the payout is prorated. No cash incentive is paid if the minimum adjusted EPS target is not met for the applicable six-month period.

The Compensation Committee approved these targets based on the continued deterioration of market conditions, reflected in the lowest activity to date in the second quarter of 2016, management's continued low visibility as to when customer spending would meaningfully improve, and its awareness that pricing concessions granted to customers during the downturn would not be recovered immediately, thereby limiting adjusted EPS gains.

Based on the shareholder feedback that we received through the shareholder engagement program described beginning on page 26 in the section entitled "Our 2016 Say-on-Pay Vote; Stockholder Outreach; Enhancements and Changes," in January 2017 the Compensation Committee approved an annual adjusted EPS target for 2017 rather than two semi-annual targets. The Compensation Committee expects to continue using annual adjusted EPS targets for the foreseeable future.

2016 Adjusted EPS Results

Schlumberger's adjusted EPS was $0.62 for the six-month period from January 1, 2016 to June 30, 2016, while the loss per share on a GAAP basis was $1.26 for the same period, reflecting $2.9 billion of pretax charges attributable to workforce reductions and an incentivized leave of absence program, impairments of fixed assets, inventory, and multiclient seismic data, and merger and integration charges related to the Cameron acquisition.(1)

Schlumberger's adjusted EPS was $0.52 for the six-month period from July 1, 2016 to December 31, 2016, while the loss per share on a GAAP basis was $0.02, reflecting $912 million of pretax charges attributable to workforce reductions, facility closure costs, write-downs of assets, merger and integration charges related to the Cameron acquisition, contract termination costs, the devaluation of certain foreign currencies and other items associated with publicly reported market conditions.(1)

As in prior years, the Compensation Committee evaluated performance based on adjusted EPS, consistent with the manner in which the Company presents adjusted EPS in its earnings announcements and presentations to investors. Furthermore, the Committee believed that the $2.9 billion of pretax charges in the first half of 2016 and the $912 million of pretax charges in the second half of 2016 resulted in earnings per share on a GAAP basis that did not reflect Schlumberger's operating trends and arose from actions that management took in order to proactively address the industry downturn, expenses related to the Cameron acquisition and other events outside of management control.

Based on these results, the Compensation Committee approved a payout of zero for the first half of 2016 and 160% of target for the second of 2016, resulting in a combined percentage of 80% of target for the adjusted EPS component of the annual cash incentive.

2016 Relative Performance Incentive (RPI)

The RPI component of the 2016 annual cash incentive is based on our year-over-year performance in each of our four geographic areas as compared against the relative performance of Halliburton and Baker Hughes in their corresponding publicly reported geographic areas, measured by:

- revenue change (%), and
- pretax operating margin change (basis points).

The Compensation Committee believes that the RPI cash incentive component:

- creates a strong link between our named executive officers and our senior management in the field, a portion of whose annual cash incentive opportunities is tied to relative performance as against our two main competitors;
- is very rigorous, as our size and leading industry position mean that year-over-year relative improvement compared to the RPI comparator companies is difficult to achieve; and
- better assesses management's effectiveness against the RPI comparator companies, because performance is not significantly skewed by general economic conditions.

The Compensation Committee selected Halliburton and Baker Hughes as our RPI comparator companies for 2016 because we believe they are the only oilfield service companies that resemble us in terms of scale, scope and nature of business operations, and because we and our investors believe these two companies constitute our main global business competitors. The performance of our RPI comparator companies for purposes of calculating relative performance is derived from their reported company results.

The RPI payout, if any, to our NEOs is based on the sum of our overall rankings achieved in each of our four geographic areas worldwide, comparing changes in year-over-year revenue and margins in each geographic area against that of our two RPI comparator companies.

The best performance achievable by us in each geographic area is an overall ranking of “1,” meaning that we achieved the best revenue and margin performance overall in a geographic area as compared against our two RPI comparator companies; conversely, the worst performance achievable by us in a given geographic area is an overall ranking of “3.” Thus, our best overall possible achievement in all geographic areas combined for a given year is “4” — being the sum of overall “1” rankings in each geographic area — which would require that our performance equal or exceed that of our two RPI comparator companies in both financial performance criteria

(1) See the reconciliation of these non-GAAP measures to the comparable GAAP measures in Appendix A to this proxy statement.

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for all four geographic areas. Conversely, our worst overall possible achievement in all geographic areas would be "12," which would require that our two RPI comparator companies outperform us in all four geographic areas as described above.

The following table illustrates how a hypothetical overall ranking would be determined for three companies in North America, taking into account their year-over-year relative performance in both revenue and margin change:

North America	Revenue Rank	Margin Rank	Overall Area Rank
Company A	3	3	3
Company B	1	2	1
Company C	2	1	1

In this example, Company B ranked highest in revenue change in the area, and second-highest in margin performance, for a raw score of 3 (sum of "1" and "2" scores). Company C, meanwhile, ranked second-highest in revenue and highest in margin performance, for a raw score of 3 (sum of "2" and "1" scores). Company A, meanwhile, performed behind both Company B and C in both categories, for a raw score of 6 (sum of "3" scores in both categories). Thus, Company B and C tied for the best overall area rank — "1"— because each achieved the lowest total raw score of "3."

The Compensation Committee approved the following performance payout matrix in January 2016:

RPI Performance Payout Matrix

Total Areas Ranking (RPI Achievement)	% of Total RPI Portion Payout
4-5	250%

6	175%
7	100%
8	50%
9-12	0%

The Compensation Committee may increase the total RPI payout to a maximum of 300% upon an RPI achievement of 4, being the highest achievement level attainable, as the Compensation Committee deems appropriate. The Compensation Committee also may increase or decrease the total RPI payout to take into account such factors as overall Company performance, extraordinary items affecting financial results or such other factors as the Compensation Committee deems appropriate.

2016 RPI Results

Our 2016 RPI results were as follows:

North America	**Revenue Rank**	**Margin Rank**	**Overall Area Rank**
Schlumberger	2	3	2
Halliburton	1	1	1
Baker Hughes	3	2	2

Latin America	**Revenue Rank**	**Margin Rank**	**Overall Area Rank**
Schlumberger	1	1	1
Halliburton	2	2	2
Baker Hughes	3	3	3

Middle East & Asia	**Revenue Rank**	**Margin Rank**	**Overall Area Rank**
Schlumberger	1	3	2
Halliburton	3	2	3
Baker Hughes	2	1	1

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Europe/CIS/Africa	**Revenue Rank**	**Margin Rank**	**Overall Area Rank**
Schlumberger	3	2	2
Halliburton	1	1	1
Baker Hughes	2	3	2

Based on the RPI Performance Payout Matrix above, we achieved an RPI result in 2016 of 7, corresponding to a total RPI payout of 100% of target, which was approved by the Compensation Committee.

Personal Objectives

Fifty percent of an executive's annual cash incentive opportunity is tied to achievement of personal objectives that are specific to each executive officer position and may relate to:

- Group or geographical profitability or revenue growth;
- market penetration;
- acquisitions or divestitures;
- non-financial goals that are important to the Company's success, including:
  - people-related objectives such as retention and diversity;
  - ethics, compliance and governance;
  - health, safety and environmental objectives;
  - new technology introduction; and
- any other business priorities.

The award for the personal half of the annual cash incentive opportunity was based on the specific results each named executive officer achieved, as approved by the Compensation Committee. Personal objectives are established at the start of the fiscal year. At the end of the fiscal year, the Compensation Committee evaluates the performance of the CEO against his personal objectives, taking into account performance for the just-completed fiscal year versus predefined commitments for the fiscal year; unforeseen financial, operational and strategic issues of the Company; and any other information it determines is relevant, subject to approval by the independent directors of the Board. The CEO evaluates the performance of the other NEOs in a similar way, subject to approval by the Compensation Committee of the Board.

In 2016, Mr. Kibsgaard was evaluated against the following goals, which were established at the beginning of the year and constituted 60% of the personal half of his annual cash incentive:

GOAL	**ACHIEVEMENT**
• Implement the integration plan for Cameron, the Company's largest acquisition ever; ensure transaction is accretive by end of 2016.	• Achieved. The Cameron acquisition was accretive to earnings and cash flow one quarter after we closed the transaction.
• Free cash flow conversion of at least 75% (as a percentage of income from continuing operations, before noncontrolling interests and charges and credits).	• Achieved.
• Maintain decremental margins at less than 35% in 2016.	• Achieved.
• Reduce overhead costs by at least 10% in 2016.	• Achieved.
• Increase SPM production under management above pre-established baseline; pursue a baseline number of suitable strategic transactions.	• Mostly achieved.

In addition to the above goals, Mr. Kibsgaard was evaluated against strategic personal objectives related to mergers and acquisitions, market share, R&D, manufacturing, the continuation of the Company's Transformation implementation, and employee engagement. These goals represented 40% of the personal half of his annual cash incentive, and he achieved 100% of each of them.

In total, Mr. Kibsgaard achieved 95% of the personal half of his annual cash incentive opportunity.

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In 2016, Messrs. Belani, Schorn, Al Mogharbel and Ayat shared the following quantitative objectives, which constituted 60% of each of their personal half of the annual cash incentive:

GOAL	ACHIEVEMENT
• Increase the quarterly revenue of the Company as a whole 3% faster than the quarterly increase in the drilling rig count.	• Partially achieved.
• Increase the rate at which the Company won tenders by 5% from the previous year's figure, and have the Company tender win rate over 60% through his leadership and involvement.	• Achieved.
• Support the Company in achieving a figure of over 100% for free cash flow as a percentage of income from continuing operations, before noncontrolling interests and charges and credits.	• Achieved. The Company had 158% of cash flow conversion in 2016.
• Decrease international decremental margins compared to 2015.	• Achieved.

In addition, Mr. Ayat had the following personal objectives:

GOAL	ACHIEVEMENT
• Investigate and close finance-related compliance investigations in fewer than 90 days.	• Achieved.
• Ensure that the Company completes over 95% of tasks in 2016 under the Company's Transformation program.	• Achieved.

Mr. Ayat achieved 100% of these personal objectives.

In total, Mr. Ayat achieved 95% of his shared and personal objectives for the annual cash incentive.

In addition, Mr. Belani had the following personal objectives:

GOAL	ACHIEVEMENT
• Ensure that the Company completes over 95% of tasks in 2016 under the Company's Transformation program.	• Achieved.
• Improve Company reliability and sustainable operations by reducing non-productive time for the whole Company.	• Substantially achieved.
• Achieve major delivery milestones for new product development (NPD).	• Mostly achieved.

Mr. Belani achieved 87.5% of these personal objectives.

In total, Mr. Belani achieved 90% of his shared and personal objectives for the annual cash incentive.

In addition, Mr. Schorn had the following personal objectives:

GOAL	ACHIEVEMENT
• Ensure that the Company Groups, other than Cameron, under his leadership complete over 95% of tasks in 2016 under the Company's Transformation program.	• Achieved.

• Improve Company reliability and sustainable operations by reducing non-productive time for the whole Company.	• Substantially achieved.
• HSE: Reduce Total Recordable Incident Frequency and Automotive Accident Rate for the whole Company.	• Achieved.

Mr. Schorn achieved 90% of these personal objectives.

In total, Mr. Schorn achieved 91% of his shared and personal objectives for the annual cash incentive.

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In addition, Mr. Al Mogharbel had the following personal objectives:

GOAL	ACHIEVEMENT
• HSE: Reduce Total Recordable Incident Frequency and Automotive Accident Rate for the Drilling Group.	• Achieved.
• Improve Company reliability and sustainable operations by reducing non-productive time for the four segments of the Drilling Group.	• Mostly achieved.
• Ensure that the Drilling Group completes over 95% of tasks in 2016 under the Company's Transformation program.	• Achieved.

Mr. Al Mogharbel achieved 87.5% of these personal objectives.

In total, Mr. Al Mogharbel achieved 90% of his shared and personal objectives for the annual cash incentive.

2016 Annual Cash Incentive as a Percentage of Base Salary

Name	Total Incentive Range Eligibility (%)	Financial Half Range Eligibility (%)	Financial Half Incentive Achieved (%) (1)	Personal Half Range Eligibility (%)	Personal Half Incentive Achieved (%) (2)	Total 2016 Incentive Paid as a % of Base Salary (3)
P. Kibsgaard	0-150	75	67.5	75	71.25	138.75
S. Ayat	0-100	50	45	50	47.50	92.50
A. Belani	0-100	50	45	50	45	90
P. Schorn	0-100	50	45	50	45.50	90.50
K. Al Mogharbel	0-100	50	45	50	45	90

(1) Represents the average of the combined adjusted EPS payout percentage of 80% of target and the RPI payout percentage of 100% of target, multiplied by the percentage of base salary attributable to the financial half of the annual cash incentive opportunity.

(2) Represents the personal objectives payout percentage (out of a range of 0 to 100%) multiplied by the percentage of base salary attributable to the personal objectives half of the annual cash incentive opportunity.

(3) Equals the sum of both the financial half and the personal half of the annual cash incentive achieved, expressed as a percentage of base salary.

Long-Term Equity Incentives

Long-term equity incentives make up the largest portion of compensation for our NEOs. They are designed to give NEOs and other high-value employees a longer-term stake in the Company, provide incentives for the creation of sustained stockholder value, act as long-term retention and motivation tools, and directly tie employee and stockholder interests over the longer term.

In January 2016 (as in 2015) our NEOs and other executive officers received 50% of their target LTI compensation in the form of three-year PSUs and 50% in the form of stock options.

For the 2016 PSU grants, the Committee established performance goals using a new relative performance measurement based on our ROCE as compared to key comparator companies in oilfield services to determine payouts, as more fully discussed below under "— New 2016 PSU Performance Measure and Goals." The 2014 and 2015 PSU grants used an absolute ROCE performance measure.

Awards of PSUs are currently limited to our NEOs and other senior executive officers. The PSUs granted in 2016 will become earned and vested at the end of the three-year performance period ending December 31, 2018, contingent on achievement of pre-determined performance targets, and will convert to shares of our common stock after the expiration of the performance period and certification by our Compensation Committee of performance. No shares will vest under the PSUs if we do not achieve a pre-established threshold performance level. No dividends will accrue or be paid on any PSUs during the performance period.

Stock options vest ratably in equal installments over five years.

How We Determined 2016 Long-Term Equity Awards

The value of an LTI grant to our executives increases with the level of an executive's responsibility at the Company, and for the CEO and our other NEOs is the largest element of their total direct compensation package. In determining the value of LTI awards granted to executive officers, the Compensation Committee (in approving the CEO's grant) and the CEO (in recommending grants for the other NEOs)

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first considers market data on the LTI value for the most comparable positions in the Company’s two main comparator groups, as well as several other factors, which may include:

- the Company’s financial and operating performance during the relevant period;
- the size and mix of the compensation elements for the executive officer;
- retention;
- achievement of non-financial goals;
- the executive officer’s contribution to the Company’s success;
- the level of competition for executives with comparable skills and experience;
- the total value and number of equity-based awards granted to an executive over the course of his or her career, together with the retentive effect of additional equity-based awards; and
- internal equity of peer position career grants.

The Compensation Committee determined the target dollar value of LTI awards for our NEOs in 2016 at its January meeting, based on the relevant factors above, allocating the target dollar value 50% in PSUs and 50% in stock options. For 2016 compensation, the target number of PSUs awarded to an NEO was determined by dividing 50% of the total target LTI value by the estimated grant date fair value of a PSU; the number of options awarded was determined by dividing 50% of the total target LTI value by the estimated grant date fair value using the Black-Scholes formula.

The actual grant date fair value of each grant, computed in accordance with applicable accounting standards, is disclosed in the Grants of Plan-Based Awards for Fiscal Year 2016 table below. The tables below detail the estimated grant date fair value and number of PSUs and stock options granted in 2016 to the NEOs.

LTI Grants for 2016

The Compensation Committee approved (and in the case of Mr. Kibsgaard, our Chairman and CEO, the independent members of the Board approved) the following awards for the NEOs in January 2016. The Compensation Committee, based on its review of comparator peer group data, determined to hold LTI grant values flat in 2016 for all of our NEOs. The following table shows the grant values of the NEOs' 2016 annual LTI awards and the year-over-year percentage change between the two amounts.

Name	**Number of Options Granted**	**Target Number of PSUs**	**Target Value of 2016 Grants**	**Target Value of 2015 Grants**	**% Change**
P. Kibsgaard	426,000	107,100	$12,000,000	$12,000,000	0%
S. Ayat	142,000	35,700	$4,000,000	$4,000,000	0%
A. Belani	128,000	32,100	$3,600,000	$3,600,000	0%
P. Schorn	114,000	28,600	$3,200,000	$3,200,000	0%
K. Al Mogharbel	114,000	28,600	$3,200,000	$3,200,000	0%

No 2017 Payout under Three-Year PSUs Granted in 2014

In January 2014, our Compensation Committee granted three-year PSUs to our NEOs and conditioned payout based on the Company's achievement of absolute ROCE against goals over the applicable performance period. In January 2017, the Compensation Committee determined the results of the three-year performance period for the 2014 PSUs, relative to the performance criteria established at that time.

We achieved average annual ROCE of 10.4% for the period 2014-2016, representing achievement below threshold. As a result, the Compensation Committee determined that no shares were earned under the 2014 PSUs, and our NEOs received no payout award.

New 2016 PSU Performance Measure and Goals

In January 2016, the Compensation Committee set goals for the 2016 PSUs based on the ROCE of the Company as compared to the average ROCE of a group of key comparator companies in oilfield services over the three-year performance period. ROCE is a measure of the efficiency of our capital employed and is a comprehensive indicator of long-term Company and management performance.

We selected a ROCE metric that is relative because we believe it is better suited to the cyclical nature of our industry, and because it allows us to directly compare how we deploy our capital as against key comparator companies in oilfield services.

Our selection of ROCE as the performance metric for the 2016 PSUs is also consistent with our strategic direction and transformation initiatives. Furthermore, ROCE measures performance in a way that is tracked and understood by investors. The Compensation Committee believes that tying a part of our senior executives' LTI pay to our efficiency goals and comparing them to that of key comparator companies in oilfield services will motivate our executives to continue to be innovative despite our strong leadership role in the industry. The Compensation Committee also believes that improvements in efficiency through innovation will increase revenue and improve margins through our continued focus on pricing and cost control.

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We calculate ROCE as a ratio, the numerator of which is (a) income from continuing operations, excluding charges and credits plus (b) after-tax net interest expense, and the denominator of which is (x) stockholders' equity, including noncontrolling interests (average of beginning and end of each quarter in the year), plus (y) net debt (average of beginning and end of each quarter in the year). The Compensation Committee has the discretion to adjust the Company's income from continuing operations to take into account the effect of significant impacts or activities that are not representative of underlying business operations, such as acquisitions, divestitures, asset impairments and restructurings. Furthermore, the Compensation Committee evaluates, and may adjust for, the effect of acquisitions or divestments on a case-by-case basis for purposes of the ROCE calculation.

In January 2016, the Compensation Committee selected Halliburton, Weatherford, National Oilwell Varco and FMC Technologies as the group of competing oilfield services companies for the 2016 PSUs. The Committee excluded Baker Hughes at that time because of its pending merger with Halliburton. In July 2016, the Compensation Committee approved the addition of Baker Hughes to this group, following the failure of the proposed Baker Hughes – Halliburton merger. In addition, the Committee approved the inclusion of TechnipFMC in lieu of FMC, subject to the completion of the Technip – FMC merger.

The performance period for the 2016 PSUs began on January 1, 2016 and ends on December 31, 2018. Vesting is conditioned upon the Company's achievement of a pre-determined threshold of relative annual ROCE of no less than 600 basis points ("bps") below the average of the comparator group for the performance period. If the relative ROCE achieved is less than or equal to 600 bps below the average of the competitor group, no shares will vest. In calculating this achievement, the Committee will certify the average ROCE for each of the Company and for the comparator group as a whole over the three-year performance period.

The number of PSUs that will vest and convert to shares as of the vesting date can range from 0% to 250% of the number of PSUs awarded. In no event will payout exceed 250%. The percentage achieved will depend on our performance compared to that of our competitors during the performance period as illustrated in the following table. At the end of the measurement period, the Compensation Committee will certify the relative ROCE achieved and will determine the percentage of target shares earned based on the table below.

Average Annual Relative ROCE Achieved	**% of Target Shares Earned (Payout %)** [(1)]
Less than or equal to 600 bps below the average of the PSU comparator group	0%
Inclusive of and between 50 bps above the average of the PSU comparator group and 50 bps below the average of the PSU	100%

comparator group	
Greater than or equal to 600 bps above the average of the PSU comparator group	250%

(1) Fractional shares rounded up to the next whole share. Number of shares determined by linear interpolation between performance levels.

2016 Exceptional Restricted Stock Unit Grants

At its July 2016 meeting, the Compensation Committee considered the need to retain certain key individuals, including three NEOs, to recognize their outstanding performance during the market downturn and for retention purposes amid the exceptional competition for our executive talent. At that meeting, and as a result of the foregoing considerations, the Compensation Committee approved exceptional grants of 15,000 RSUs to each of Messrs. Belani, Al Mogharbel and Schorn, which will all vest in July 2019, subject to their continued employment with us through that date.

Changes in 2017 Long-Term Incentive Compensation

Since the introduction of PSUs in 2013 and through 2016, our NEOs have received 50% of their target LTI compensation in the form of three-year PSUs and 50% in the form of stock options.

In January 2017, the Compensation Committee, taking into consideration stockholder feedback, approved a significant change to our LTI award mix, with the result that our executives received 100% of their 2017 LTI awards in the form of performance-based equity awards. Fifty percent of the PSU grants are in the form of three-year PSUs, using relative ROCE as the performance measure, as in 2016. The other 50% of the PSU grants are in the form of PSUs with a cumulative two-year performance period based on absolute free cash flow as a percentage of net income, excluding charges and credits. Any PSUs earned will be in the form of restricted stock subject to a mandatory one-year hold period, and will vest contingent on continued employment with the company at the conclusion of the one-year hold period. We believe this hold period will foster retention of our executive talent and better align the interests of our executives with that of our stockholders.

The Compensation Committee approved the change to the LTI mix based on the following factors:

- to create a stronger and more visible link between executive pay and Company performance;
- to further align our executives’ interests with those of our stockholders;

- to mitigate the impact of the volatility of the stock market on our LTI program;
- to better incentivize and retain our senior executives during any business cycle;
- the view of many of our stockholders favoring PSUs to stock options as performance-based incentive compensation; and
- to tie management incentives to metrics that our management can more readily control.

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Other Aspects of our Executive Compensation Framework

Peer Group Companies

The Compensation Committee considers formal executive compensation survey data prepared by Pay Governance when it reviews and determines executive compensation. The Compensation Committee also reviews information on the executive compensation practices at various “peer group” companies when considering changes to the Company’s executive compensation program. To prepare for its executive compensation analysis, the Company’s executive compensation department works with Pay Governance to match Company positions and responsibilities against survey positions and responsibilities and to compile the annual compensation data for each executive officer.

The Company has two main executive compensation peer groups, the oil industry and general industry peer groups (our “main comparator groups”). The survey data prepared by Pay Governance summarize the compensation levels and practices of our main comparator groups, as follows:

- the “higher-revenue oil industry peer group,” which is comprised of companies in the oil services, E&P, refining and pipeline industries, and with annual revenue greater than $13 billion; and
- the “general industry peer group,” which is comprised of large companies with significant international operations.

The Compensation Committee’s selection criteria for companies comprising the main comparator groups include:

- competition for executive talent;
- revenue and market capitalization;
- global presence and scope of international operations; and
- companies viewed as leaders in their industry.

The Compensation Committee, with the assistance of Pay Governance, annually reviews specific criteria and recommendations regarding companies to add to or remove from the comparator groups. As a general matter, the Company selects suitable comparator companies such that companies in each of our two main comparator groups, at the median, approximate Schlumberger's estimated revenue in the then-current year and its then-current market capitalization. The Compensation Committee modifies the peer group criteria as appropriate while seeking a satisfactory degree of stability, to provide a consistent basis for comparison. A challenge facing the Company in determining the companies appropriate for inclusion in our two main comparator groups for 2016 executive compensation decisions was the Company's relatively high market capitalization, rendering it difficult to position Schlumberger at the median of each peer group.

Higher-Revenue Oil Industry Peer Group

The higher-revenue oil industry peer group comprises companies in the oilfield services, E&P, refining and pipeline industries with annual revenue greater than $13 billion. Because of Schlumberger's significant international operations, this peer group includes non-U.S. energy and energy-related companies that also meet the criteria set forth above. Some members of this peer group frequently target Company employees for executive positions at the peer company.

The Compensation Committee includes E&P companies in this peer group based on a number of factors. First, because Schlumberger is significantly larger than all of its direct competitors in the oilfield services industry in terms of revenue and market capitalization, the Compensation Committee believes that the addition of E&P companies provides a more appropriate and complete comparator group. In addition, the Compensation Committee believes that the inclusion of E&P companies is appropriate because market consolidation has reduced the number of direct competitors in the oilfield services industry, thus increasing the prominence of E&P companies as competitors for executive talent.

In July 2015, the Compensation Committee reviewed the companies constituting our two main comparator groups for purposes of 2016 executive compensation, based on the criteria set forth above. At the time of its review, Schlumberger's full-year 2015 revenue was forecast to be approximately $40 billion. Applying the selection criteria set forth above, the Compensation Committee approved the removal of Hess and Enterprise Products Partners from the higher-revenue oil industry peer group. Hess was removed because it was not expected to meet the revenue threshold of $13 billion per year, and Enterprise Products Partners LP was removed because its business model, which is oil transport and storage, did not fit the criteria above. The Compensation Committee also approved the addition of Imperial Oil Limited and EOG Resources to this group based on the selection criteria set forth above, effective for 2016 compensation decisions.

As a result of the foregoing:

- Schlumberger was in the 48th percentile of the oil industry peer group in terms of revenue, and in the 71st percentile of that peer group in terms of market capitalization, and

• the number of companies in the oil industry peer group remained the same.

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The following companies comprised the oil industry peer group effective for relevant 2016 compensation decisions:

Higher-Revenue Oil Industry Peer Group

Oil services, E&P, refining and pipeline companies with annual revenue of more than $13B

Apache Corp.	Baker Hughes	BG Group	BHP Billiton	BP plc
Chevron	ConocoPhillips	Eni SpA	EOG Resources*	Exxon Mobil
Halliburton	Imperial Oil Limited*	Marathon Petroleum	National Oilwell Varco	Occidental Petroleum
Phillips 66	Royal Dutch Shell	Suncor Energy	Total	Valero
Weatherford				

* Added to the group for 2016 executive compensation decisions.

General Industry Peer Group

The Compensation Committee considers data from the general industry peer group as it deems necessary or advisable to the extent that data from the first peer group may not exist, or may be insufficient, for some executive officer positions. The second group is also particularly relevant for non-operations positions, where the skills and experience may be easily transferable to other industries outside the oil and gas industry.

The general industry peer group provides data of large companies with significant international operations, and supplements the compensation data from the oil industry peer group, whose companies are closer to Schlumberger in industry type but have widely varying revenue sizes. The general industry peer group:

- includes multi-national companies with (i) non-U.S. annual revenue of at least 20 percent of consolidated revenue; (ii) a technical focus; (iii) annual revenue between $25 billion to $91 billion; and (iv) market capitalization of at least $8 billion;
- excludes companies that do not have a significant international scope; and
- excludes companies in industries that are least comparable to Schlumberger’s, such as entertainment, finance and retail.

In July 2015, the Compensation Committee, applying the selection criteria set forth, approved the addition of four companies — BASF, Siemens, Lockheed Martin and Rolls Royce — to the general industry peer group, effective for 2016 compensation decisions. No companies were removed from this peer group. As a result of the foregoing:

- Schlumberger was positioned at the 60th percentile of the general industry peer group in terms of revenue, and close to the median — the 56th percentile — of that peer group in terms of market capitalization, and
- the number of companies in the general industry peer group increased from 46 to 50.

The following companies comprised the general industry peer group effective for relevant 2016 compensation decisions:

General Industry Peer Group

Annual revenue between $25B to $91B with technical and global focus

3M	ABB Ltd.	Airbus Group	Alstom SA	Amazon.com
Anglo American	Archer Daniels Midland	AstraZeneca PLC	BAE Systems	BASF*
Bayer AG	Boeing	Caterpillar Inc.	Cisco Systems	Coca-Cola
Compagnie de Saint-Gobain	Danone	Deere & Co	Dow Chemical	E.I. Dupont de Nemours
FedEx	Fluor Corporation	General Dynamics	GlaxoSmithKline	Google, Inc.
Honeywell	Intel	International Paper	Johnson Controls	Johnson & Johnson
Koninklijke Philips	Lockheed Martin*	LyondellBasell	Merck & Co.	Microsoft
Novartis AG	Oracle	PepsiCo, Inc.	Pfizer	Procter & Gamble
Raytheon	Roche Holding AG	Rio Tinto plc	Rolls Royce*	Sanofi
Schneider Electric	Siemens*	Unilever	United Technologies	UPS

* Added to the group for 2016 executive compensation decisions.

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Additional Peer Groups for Select Positions

The Compensation Committee refers to two additional executive compensation peer groups, which are effective for 2016 compensation decisions only as to our EVP Technology. These are:

- the "lower-revenue oil industry peer group," which is comprised of smaller companies in the oil services, E&P, refining and pipeline industries with annual revenues between $2.5 billion to $10 billion; and
- a "R&D-focused peer group," which is comprised of various companies from the S&P 500 Index with research and development ("R&D") expenditures, at the median, close to Schlumberger's R&D expenditures.

These two additional peer groups serve as a point of reference for the Compensation Committee, given the scope and level of responsibility of executive positions as to which the Compensation Committee requires additional compensation data. Prior to the introduction of these two peer groups, the Compensation Committee had determined that select executives who held very senior positions within the Company (including our EVP Technology) could, by virtue of their leadership experience and professional background at Schlumberger, become chief executives of other, smaller companies in the oil and gas industry.

As a result, the Compensation Committee believed that it was appropriate, when reviewing and setting the compensation of our EVP Technology and other select executives for 2016, also to compare their total direct compensation against those of chief executive officers at smaller oil and gas companies with then-current annual revenues between $2.5 billion and $10 billion.

In addition, the Compensation Committee determined that it was appropriate to compare the compensation of our EVP Technology against that of the top R&D executives at other companies in the S&P 500 with R&D expenditures, at the median, very close to Schlumberger's R&D expenditures.

The Compensation Committee applies the same selection criteria for companies comprising these two peer groups as for the main comparator groups; however, the global scope of international operations criteria does not apply to the lower-revenue oil industry peer group.

Lower-Revenue Oil Industry Peer Group

Among our NEOs, the lower-revenue oil industry peer group is relevant only for the compensation of our EVP Technology. In 2015, the Compensation Committee did not add or remove any companies from this peer group. In July 2016, the Compensation Committee approved the removal of Cameron International Corporation following Schlumberger's acquisition of that company, with the result that the following 17 companies formed this peer group effective for relevant 2016 compensation decisions:

Smaller Oil Industry Companies Peer Group

Oil services, E&P, refining and pipeline companies with annual revenue between $2.5B and $10B

AMEC plc	CGG-Veritas	Diamond Offshore Drilling	Dresser-Rand Group Inc.	Ensco plc
Exterran Holdings	FMC Technologies	Helmerich & Payne, Inc.	John Wood Group plc	McDermott International
Noble Corp.	Oceaneering International	Oil States International	Patterson-UTI Energy	SBM Offshore
Subsea 7 SA	Superior Energy Services			

R&D Focused Peer Group — Similar R&D Expenditures

The R&D-focused peer group comprises large companies with significant international operations, some of which also are in our general industry peer group. While the 2013 consolidated revenue of these companies ranged from approximately $2.4 billion to $86.6 billion, their R&D expenditures, at the median, approximated Schlumberger's R&D expenditures in that year. As with the lower-revenue oil industry peer group, this peer group is relevant only for the compensation of our EVP Technology.

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In October 2014, the Compensation Committee reviewed the criteria for the R&D-focused peer group. In 2015, the Compensation Committee did not add or remove any companies from this peer group. The following 40 companies comprised the R&D-focused peer group effective for relevant 2016 compensation decisions:

General Industry Peer Group Companies with R&D Focus

Median R&D expenses similar to Schlumberger's R&D expenses

3M Company	AbbVie Inc.	Adobe Systems	Advanced Micro Devices	Allergan Inc.
Applied Materials	Baxter International	Biogen Idec Inc.	Boeing	Boston Scientific
Broadcom Corp.	Caterpillar Inc.	Celgene Corp.	Corning Inc.	Cummins Inc.
Danaher Corp.	Deere & Co.	Dell Inc.	Dow Chemical	E.I. Dupont de Nemours
eBay Inc.	Electronic Arts Inc.	EMC Corp.	Forest Laboratories	Gilead Sciences
Juniper Networks	LSI Corp.	Medtronic, Inc.	Micron Technology	Monsanto
Motorola Solutions	NetApp, Inc.	NVIDIA Corp.	Raytheon Co.	Seagate Technology
Symantec	Texas Instruments	United Technologies	Western Digital Corp.	Yahoo! Inc.

The table below summarizes the executive compensation peer groups that are referred to when reviewing and establishing the compensation of our various NEOs for 2016.

	Higher-Revenue Oil Industry Peer Group *Revenue more than $15 billion*	**General Industry Peer Group** *Revenue $25 billion – $95 billion*	**Smaller Oil Industry Peer Group** *Revenue $2.5 billion-$10 billion*	**R&D-Focused Peer Group** *Similar R&D Expenditures*
All NEOs (except EVP Technology)				
EVP Technology				

Relative Size of Direct Compensation Elements

Schlumberger's executive compensation program consists of three primary elements, comprising our executives' total direct compensation:

- long-term equity incentives;
- annual cash incentives, based upon Company and individual performance; and
- base salary.

These elements allow the Company to remain competitive and attract, retain and motivate top executive talent with current and potential future financial rewards. At the same time, this relatively simple compensation program is applied and communicated consistently to our exempt employees of more than 140 nationalities operating in approximately 85 countries.

The Compensation Committee reviews the elements of total direct compensation for the NEOs throughout the year, to evaluate whether each element of direct compensation remains at levels that are competitive with companies in Schlumberger's two main peer groups described above. The Compensation Committee relies on its own judgment in making these compensation decisions after its review of external market practices of companies comprising the two peer groups, including the size and mix of direct compensation for executives in those companies. The Compensation Committee seeks to achieve an appropriate balance between annual cash rewards that encourage achievement of annual financial and non-financial objectives, and LTI awards that encourage positive long-term stock price performance, with a greater emphasis on LTI awards for more senior executives. However, the Compensation Committee does not aim to achieve a specific target of cash versus equity-based compensation.

While external market data provide important guidance in making decisions on executive compensation, the Compensation Committee does not set compensation based on market data alone. When determining the size and mix of each element of an NEO's total direct compensation, the Compensation Committee also considers the following factors:

- the size and complexity of the executive's scope of responsibilities;
- leadership, management and technical expertise, performance history, growth potential, and position in reporting structure;
- overall Company and individual performance;
- retention needs;
- the recommendations of the CEO (except for his own compensation); and
- internal pay equity.

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The charts below show the percentage of 2016 base salary, target annual cash incentive and 2016 LTI compensation established by the Compensation Committee in January 2016 for our CEO and other NEOs. Approximately 88 percent of the direct compensation delivered to our CEO and 86 percent delivered to our other NEOs was at risk, demonstrating management's alignment with stockholders' interests. In 2016, the portion of total compensation that was at risk is illustrated as follows:

Schlumberger CEO 2016 Pay Mix   Schlumberger Other NEO 2016 Pay Mix

Based on market data provided by Pay Governance, Schlumberger's pay mix generally aligns with that of both of our main comparator groups. The Compensation Committee may, at its discretion, modify the CEO's, or any other NEO's mix of base pay, annual cash incentive and LTIs, or otherwise adjust an NEO's total compensation, to best fit his specific circumstances. This provides flexibility to the Compensation Committee to compensate NEOs appropriately as they near retirement, when they might not receive any LTI awards for their final years of service. The Compensation Committee may also increase the size of an LTI award to an NEO if the aggregate career LTI awards granted do not adequately reflect the executive's current position and level of responsibility within the Company, taking into account external market practices and the other factors described above.

Management of Executive Compensation

The Compensation Committee reviews and recommends our CEO's compensation to the independent members of the Board and reviews and approves the compensation of our other executive officers. The specific duties and responsibilities of the Compensation Committee are described in the section of this proxy statement entitled "Corporate Governance—Board Committees—Compensation Committee" on page 20.

Role of Compensation Consultant

The Compensation Committee has engaged the independent executive compensation consulting firm of Pay Governance LLC with respect to executive compensation matters. For more information on this engagement, see the of this proxy statement entitled "Corporate Governance—Board Committees—Role of the Independent Executive

Compensation Consultant” on page 22.

Long-Term Equity Awards — Granting Process

The Compensation Committee is responsible for granting long-term equity-based compensation under our stock option and omnibus incentive plans. The Compensation Committee approves a preliminary budget for equity-based grants for the following year at each October meeting. Management determines the allocation for groups within the Company and individual recommendations are made by the heads of the Groups and approved by the CEO. The Compensation Committee approves and grants all equity-based awards, including executive officer awards, which are recommended by the CEO, except for his own. Awards for executive officers other than the CEO are granted by the Compensation Committee and discussed with the Board. Awards for the CEO are granted by the Committee following approval by the full Board.

The regular Board and Compensation Committee meeting schedule is set at least a year in advance with Board meetings held quarterly, generally toward the end of January, April, July and October. The timing of these committee meetings is not determined by any of the Company’s executive officers and is usually two days in advance of the Company’s announcement of earnings. The Compensation Committee sets the equity award grant date as the day of the Board meeting. The Company does not time the release of material non-public information for the purpose of affecting the values of executive compensation. At the time equity grant decisions are made, the Compensation Committee is aware of the earnings results and takes them into account, but it does not adjust the size or the mix of grants to reflect possible market reaction.

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Annual grants of equity-based awards to the NEOs, other senior executive officers and the rest of the Company's eligible employees are made at the January meeting of the Compensation Committee. However, specific grants may be made at other regular meetings, to recognize the promotion of an employee, a change in responsibility or a specific achievement. The exercise price for all stock options granted to executive officers and other employees is the average of the high and low trading price of the Schlumberger common stock on the NYSE on the date of grant, which has been Schlumberger's practice for many years. The Board and the Compensation Committee have the discretion to grant equity awards with different vesting schedules as they deem necessary.

Important Factors in Understanding Schlumberger's Stock Options

Our equity incentive plans do not permit the following:

- granting stock options at a price below the fair market value on the grant date;
- re-pricing, or reducing the exercise price of an out-of-the-money stock option;
- exchanging an out-of-the-money option grant for a new option grant with a lower (or no) exercise price or for cash; or
- granting options with a "reload" feature.

Executive Stock Ownership Guidelines

The Compensation Committee and management believe strongly in linking executive long-term rewards to stockholder value. Our Board, upon recommendation of the Nominating and Governance Committee and the Compensation Committee, adopted revised executive stock ownership guidelines in 2011 applicable to executive officers and other key position holders. Senior executives are required to hold the numbers of shares equal to the multiple of base salary set forth below.

Title	Stock Ownership Multiple
Chief Executive Officer	6x base salary

Executive Vice Presidents	3x base salary
Executive Officers (non-EVP)	2x base salary
Key Staff Positions	1x base salary

All executives subject to the guidelines must retain 50% of net shares acquired upon the exercise of stock options and the vesting of PSUs and RSUs, after payment of applicable taxes, until they achieve the required ownership level.

The guidelines provide that executives have five years to satisfy the ownership requirements. After the five-year period, executives who have not met their minimum stock ownership requirement must retain 100% of the net shares acquired upon stock option exercises and any PSU and RSU vesting until they achieve their required ownership level. Stock ownership for the purpose of these guidelines does not include shares underlying vested or unvested stock options, unvested RSUs or unvested PSUs. As of December 31, 2016 all of our NEOs are in compliance with our stock ownership guidelines.

Other Executive Benefits and Policies

Prohibition on Speculation in Schlumberger Stock

Schlumberger's insider trading policy prohibits executives from speculating in the Company's stock, which includes, short selling; buying or selling publicly-traded options, including writing covered calls; pledging; and hedging or any other type of derivative arrangement on the Company's stock that has a similar economic effect.

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Retirement Benefits

In line with Schlumberger's aim to encourage long-term careers with the Company and to promote retention, retirement plans are provided, where possible, for all employees, including named executive officers, according to local market practice. Schlumberger considers longer-term benefit plans to be an important element of the total compensation package. The pension plans provide for lifetime benefits upon retirement after a specified number of years of service and take into account local practice with respect to retirement ages. They are designed to complement but not be a substitute for local government plans, which may vary considerably in terms of the replacement income they provide, and other Company sponsored savings plans. Employees may participate in multiple retirement plans in the course of their career with the Company or its subsidiaries, in which case they become entitled to a benefit from each plan based upon the benefits earned during the years of service related to each plan. The qualified plans are funded through cash contributions made by the Company and its subsidiaries based on actuarial valuations and/or regulatory requirements.

Some of the Schlumberger U.S. retirement plans are non-qualified plans that provide an eligible employee with additional retirement savings opportunities that cannot be achieved with tax-qualified plans due to limits on annual compensation that can be taken into account or annual benefits that can be provided under qualified plans.

Officers and other employees in the United States whose compensation exceeds the qualified plan limits are eligible to participate in non-qualified excess benefit programs for 401(k), profit-sharing and pension, whereby they receive correspondingly higher benefits. Employees and executive officers assigned outside the United States are entitled to participate in the applicable plans of the country where they are assigned, including supplemental plans where available.

Retirement Practices

The Company has a practice of phased retirement, which, at the discretion of the Company, may be offered to executive officers (other than the CEO) who are approaching retirement. This practice involves a transition into retirement whereby the individual ceases being an executive officer and relinquishes primary responsibilities. He or she remains an employee and generally receives lesser salary over time for reduced responsibilities and reduced working time. The arrangements are typically in place for an average of two to three years, as agreed at the start of the term. The purpose is to allow the outgoing executive officer to support the incoming executive officer for a period of time to provide for a smooth succession and to provide resources to the Company in particular areas of expertise while refraining from joining a competitor. In these circumstances, the Company maintains pension contributions and other benefits such as medical and insurance, and the executive officer continues to vest in previously granted stock based awards. The executive officer, however, is no longer eligible for additional equity incentive compensation or, once his or her work time is reduced, for an annual cash incentive.

Other Benefits

Schlumberger seeks to provide benefit plans, such as medical coverage and life and disability insurance, on a country-by-country basis in line with market conditions. Where the local practice is considered to be less than the Schlumberger minimum standard, the Company generally offers this Schlumberger standard. Executive officers are eligible for the same benefit plans provided to other employees, including medical coverage and life and disability insurance as well as supplemental plans chosen and paid for by employees who wish additional coverage. There are no special insurance plans for our named executive officers.

Limited Perquisites

Schlumberger provides only minimum perquisites to its named executive officers, which are identified in the narrative notes to the Summary Compensation Table.

No Employment Agreements or Other Arrangements

Our named executive officers do not have employment, severance or change-in-control agreements. The Company's named executive officers serve at the will of the Board, which enables the Company to terminate their employment using judgment as to the terms of any severance arrangement and based on specific circumstances at the time they cease being executive officers.

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Recoupment of Performance-Based Cash Awards

On the recommendation of the Compensation Committee in July 2006, our Board adopted a policy on recouping performance-based cash awards in the event of specified restatements of financial results. Under the policy, if financial results are significantly restated due to fraud or intentional misconduct, the Board will review any performance-based cash awards paid to executive officers who are found to be personally responsible for the fraud or intentional misconduct that caused the need for the restatement and will, to the extent permitted by applicable law, require recoupment of any amounts paid in excess of the amounts that would have been paid based on the restated financial results.

Impact of Tax Treatment

Section 162(m) of the Internal Revenue Code limits the deductibility of certain compensation expenses in excess of $1,000,000 per individual covered employee. The Company's equity incentive plans are intended to provide stock options that qualify as performance-based compensation for purposes of Section 162(m) so that stock options are not expected to be subject to the $1 million limitation. PSUs are also intended to meet the requirements for qualified performance-based compensation exempt from the deduction limitations of Section 162(m). The Compensation Committee believes that the lost deduction on compensation payable in excess of the $1 million limitation for the named executive officers is not material relative to the benefit of being able to manage incentives as determined appropriate under a plan that is not subject to the conditions of Section 162(m). Accordingly, the Compensation Committee retains the discretion to pay compensation that is subject to the $1 million deductibility limit.

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Compensation Committee Report

The Compensation Committee has reviewed and discussed with the Company's management the Compensation Discussion and Analysis included in this proxy statement. Based on that review and discussion, the Compensation Committee has recommended to the Board of Directors that the Compensation Discussion and Analysis be included in this proxy statement.

SUBMITTED BY THE COMPENSATION COMMITTEE OF THE SCHLUMBERGER BOARD OF DIRECTORS

Peter L.S. Currie	Indra K. Nooyi
Michael E. Marks, Chair	Leo Rafael Reif

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Executive Compensation Tables and Accompanying Narrative

2016 Summary Compensation Table

The following table sets forth the compensation paid by the Company and its subsidiaries for the fiscal year ended December 31, 2016 to the Chief Executive Officer, the Chief Financial Officer and the next three most highly compensated executive officers who were serving as executive officers as of December 31, 2016 (each an "NEO" or a "named executive officer").

Name	Year	Salary ($)	Bonus ($) [1]	Stock Awards ($) [2]	Option Awards ($) [3]	Non-Equity Incentive Plan Compensation ($) [1]	Change in Pension Value & Nonqualified Deferred Compensation Earnings ($) [4]	Estimated All Other Compensation ($) [5]
Paal Kibsgaard	2016	2,000,000	N/A	6,000,813	5,998,080	2,775,000	1,733,155	52,546 [6]
Chairman & CEO	2015	1,925,000	N/A	6,022,706	5,995,640	3,254,600	931,676	145,180
	2014	1,700,000	N/A	5,999,742	5,993,880	2,916,650	1,765,398	142,704
Simon Ayat	2016	1,000,000	N/A	2,000,271	1,999,360	925,000	539,375	84,616 [7]
EVP & CFO	2015	1,000,000	N/A	2,005,173	2,006,060	1,115,400	388,393	130,126
	2014	1,000,000	N/A	1,999,914	1,987,920	1,168,750	1,002,252	131,986
Ashok Belani	2016	900,000	N/A	2,907,663	1,802,240	810,000	609,364	84,466 [8]
EVP Technology	2015	900,000	N/A	1,803,937	1,803,200	1,015,100	348,110	116,708
	2014	900,000	N/A	1,798,242	1,807,200	1,045,150	1,001,860	118,896
Patrick Schorn	2016	800,000	N/A	2,711,558	1,605,120	724,000	919,928	154,240 [9]
President,	2015	768,049	N/A	1,609,888	1,600,340	856,682	357,054	213,989
Operations	2014	827,815	N/A	1,596,570	1,596,360	702,649	877,258	177,201
Khaled Al Mogharbel	2016	770,000	N/A	2,711,558	1,605,120	693,000	119,065	254,702 [10]
President Drilling Group	2015	764,167	N/A	1,609,888	1,600,340	639,300	128,734	313,939

(1) The annual cash incentive paid to our NEOs is included in the column "Non-Equity Incentive Plan Compensation."

(2) Includes the value of PSU awards and RSU awards. For 2014, each amount reflected in the "Stock Award" column is the aggregate grant date fair value for standard three-year PSUs at target level performance that were granted in

January 2014. For 2015, each amount reflected in the "Stock Award" column is the aggregate grant date fair value for standard three-year PSUs at target level performance that were granted in January 2015. For 2016, these amounts include the exceptional RSU awards that were granted to Messrs. Belani, Schorn and Al Mogharbel in July 2016. Each amount reflects an accounting expense and does not correspond to actual value that may be realized by an NEO in the future. The number of equity awards granted in 2016 to each NEO is provided in the Grants of Plan-Based Awards for Fiscal Year 2016 table on page 53. The grant date fair value of these awards is calculated in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 718, Compensation—Stock Compensation (ASC Topic 718), as described in Note 13, "Stock-based Compensation Plans," to the Consolidated Financial Statements contained in our Annual Report on Form 10-K for the year ended December 31, 2016.

The value of the 2016 PSUs at the grant date, assuming achievement of the maximum performance level of 250%, would be: Mr. Kibsgaard — $15,002,033; Mr. Ayat — $5,000,678; Mr. Belani — $4,496,408; Mr. Schorn — $4,006,145; and Mr. Al Mogharbel — $4,006,145.

The NEOs may never realize any value from the PSUs and, to the extent that they do, the amounts realized may have no correlation to the amounts reported above.

(3) The amount reflected in the "Option Awards" column is the aggregate grant date fair value for option grants, computed in accordance with ASC Topic 718. This amount reflects an accounting expense and does not correspond to actual value that may be realized by the NEOs in the future. The number of options granted in 2016 to each NEO is provided in the Grants of Plan-Based Awards for Fiscal Year 2016 table on page 53. The fair value of each grant is established on the date of grant using the Black-Scholes option-pricing model with the following assumptions for the grant date indicated.

	1/21/2016 (5-year vest options)
Dividend yield	3.25%
Expected volatility	30.76%
Risk-free interest rate	1.88%
Expected option life	7 years

The NEOs may never realize any value from these stock options and, to the extent that they do, the amounts realized may have no correlation to the amounts reported above.

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(4) The changes in pension value reported in this column represent the increase in the actuarial present value of a named executive officer's accumulated benefit under all benefit and actuarial pension plans in which he participates. This change in present value is not a current cash payment. It represents the change in the value of the named executive officer's pensions, which are only paid after retirement. There are no nonqualified deferred compensation earnings reflected in this column because no NEO received above-market or preferential earnings on such compensation during 2016, 2015 or 2014.

(5) All of the perquisites included and described in the column "All Other Compensation" and the accompanying footnotes are generally available to all of the Company's professional-level employees. Relocation assistance is provided to all employees on a Company-wide basis.

(6) The amount disclosed for Mr. Kibsgaard consists of the following:

Item	
Unfunded credits to the Schlumberger Supplementary Benefit Plan	$49,896
Contributions to Schlumberger Profit-Sharing Plans	2,650
TOTAL	$52,546

(7) The amount disclosed for Mr. Ayat consists of the following:

Item	
Unfunded credits to the Schlumberger Supplementary Benefit Plan	$18,504
Unfunded credits to the Schlumberger Restoration Savings Plan	55,512
Contributions to Schlumberger Profit-Sharing Plans	2,650
Contributions to Schlumberger 401(k) Plan	7,950
TOTAL	$84,616

(8) The amount disclosed for Mr. Belani consists of the following:

Item	
Unfunded credits to the Schlumberger Supplementary Benefit Plan	$16,501
Unfunded matching credits to the Schlumberger Restoration Savings Plan	49,503
Contributions to Schlumberger Profit-Sharing Plans	2,650
Contributions to Schlumberger 401(k) Plan	7,950
Perquisites:	
Relocation expenses	7,862
TOTAL	$84,466

(9) The amount disclosed for Mr. Schorn consists of the following:

Item	
Unfunded credits to the Schlumberger Non-US Profit Sharing Plan	$42,000

Perquisites:	
Tax Assistance Related to Relocation	1,675
Vacation Travel Allowance	5,974
Children Education	23,069
Housing Allowance	81,522
TOTAL	$154,240

(10) The amount disclosed for Mr. Al Mogharbel consists of the following:

Item