

Schlumberger UK Limited

Registered number: 07373289

**Annual report and consolidated financial
statements**

For the year ended 31 December 2022

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Schlumberger UK Limited group

Strategic report for the year ended 31 December 2022

The Board of Directors ("Board") present their Strategic report for the year ended 31 December 2022.

Principal activities

The principal activity of the Company is to act as an intermediate holding company.

Schlumberger UK Limited and its consolidated subsidiaries (collectively, "SLB UK Group" or "Group") form a technology company that drives energy innovation for a balanced planet. SLB UK Group works each day on innovating oil and gas, delivering digital at scale, decarbonizing industries, and developing and scaling new energy systems that accelerate the energy transition. Schlumberger UK Limited (the "Company") is a wholly owned indirect subsidiary of Schlumberger Limited, a company listed on the New York Stock Exchange (Ticker: SLB) and has its principal operations in the United Kingdom.

Review of the business

The Company

The Company continued to operate according to its principal activity as a holding company throughout the year ended 31 December 2022.

The Company's 2022 loss for the financial year was £19 million (2021: £1.0 billion loss). The year-on-year decrease in loss for the financial year was driven by impairment charges related to investments of £1.0 billion recorded during 2021 that did not repeat in 2022.

As of 31 December 2022, the net assets of the Company were £664 million (2021: £200 million). The increase in net assets was driven primarily by the issuance of new shares to its immediate parent company with a total value of £483 million.

SLB UK Group

SLB UK Group's 2022 turnover of £1,664 million increased £386 million or 30% year on year. This increase was mainly driven by higher global oil & gas activity which drove increased demand for certain products manufactured by the Schlumberger UK Limited group as well as new projects and improved project performance for the Group's subsea production business. Year-on-year turnover increase was also driven by improved pricing and higher activity in the UK as the 2022 UK rig count increased 7% sequentially.

SLB UK Group's profit for the financial year was £98 million for 2022, which increased £126 million as compared to 2021. The SLB UK Group's gross profit margin of 22% for 2022 improved eight percentage points year-on-year. This increase was due to improved operating leverage from higher activity, a favourable activity mix and an improving pricing environment. Administrative expenses for 2022 decreased £8 million year-on-year to £188 million driven primarily by lower pension expense. Other operating (expense)/income for 2022 was a £5 million expense as compared to £15 million of income for 2021, primarily driven by foreign currency exchange losses as the US dollar strengthened during 2022.

As of 31 December 2022, SLB UK Group's net assets were £241 million (2021: £126 million net liabilities). The increase in net assets was driven primarily by the issuance of new shares to its immediate parent company for total consideration of £483 million.

Schlumberger UK Limited group

Strategic report for the year ended 31 December 2022 (continued)

Principal risks and uncertainties

From the perspective of SLB UK Group, the principal risks and uncertainties are integrated with the principal risks and uncertainties of the Schlumberger Limited Group and are not managed separately. For an analysis of the principal risk factors affecting the Schlumberger Limited Group, see item 1A, Risk Factors, in the 2022 Annual Report of Schlumberger Limited, copies of which can be obtained from www.slb.com.

Governance

The management of SLB UK Group adhere to the Schlumberger Limited Group's Code of Conduct "Together with Integrity" in order to achieve the highest levels of corporate governance, details of which can be viewed at [www.slb.com/about/who we are/our code-of-conduct](http://www.slb.com/about/who-we-are/our-code-of-conduct).

As part of the governance of SLB UK Group, the Board also consider the following principles in performing their duties:

Purpose and Leadership

Promotion of the SLB UK Group's values in line with the Code of Conduct "Together with Integrity".

Board composition

SLB UK Group aims to have a representative Board of Directors with a balance of skills, backgrounds, experience and knowledge to effectively manage all areas of the SLB UK Group.

Directors' responsibilities

The Board should have a clear understanding of their accountability and responsibilities. The Board's policies and procedures support effective decision-making and independent challenge.

Opportunity and risk

The Board promote the long-term sustainable success of the SLB UK Group by identifying opportunities to create and preserve value, and actively manage the SLB UK Group to identify and mitigate identified risks.

Stakeholder engagement

The Board works to foster effective stakeholder relationships aligned to SLB UK Group's purpose. The board is responsible for overseeing meaningful engagement with stakeholders, including employees, and regards their views when taking decisions (see Directors' statement on s172 below).

Employee participation

Employees are regularly provided with information on matters of concern to them as employees of the SLB UK group. They are further encouraged to be involved in the SLB UK Group's performance by being eligible to purchase stock of the ultimate parent company, Schlumberger Limited, at a discounted rate through a savings scheme.

Consultations with employees or their representatives has continued at all levels to ensure that their views are taken into account when decisions are made that are likely to affect their interests. SLB UK Group endeavours to achieve a common awareness of all employees in relation to the financial and economic factors that affect the performance of SLB UK Group.

Schlumberger UK Limited group

Strategic report for the year ended 31 December 2022 (continued)

Section 172(1) of the Companies Act 2006

Directors' Statement on performance of their statutory duties

The Board is required to act in a manner which complies with its duties as set out in the UK Companies Act 2006.

The Board has a duty to promote the success of the SLB UK Group for the benefit of the stakeholders as a whole and have regard to the interests of stakeholders in their decision making. The Board, acting responsibly and in good faith, considers what is most likely to promote the success of the SLB UK Group for its stakeholders in the long term.

Directors are briefed on these duties when appointed and provided with training and professional advice from the Company Secretary and Corporate Entity Management team, or from external independent advisors if necessary.

The values of the Board and the stewardship of SLB UK Group are aligned with those of the Schlumberger Limited Group, details of which can be viewed at www.slb.com/about/who-we-are.

The following table summarises examples of the stakeholder groups and actions management has taken to develop engagement:

Stakeholder	Engagement	Engagement actions
Employees	Diversity	Reflect the gender, cultural, and geographical diversity of the SLB UK Group when considering employees' assignment allocation. SLB UK Group's Diversity & Inclusion policy is that of the Schlumberger Limited Group, details of which, can be viewed at www.slb.com/about/who-we-are/diversity-and-inclusion
Employees	Global surveys on employee well being	Acting on results and implementing positive change.
Employees	In-house training and development	Provision of training opportunities through online academies and classroom programs.
Customers	Remain customer centric	Constantly align with our customers' ensuring their needs are our priority
Community	Commitment to invest in local communities.	Continue to implement social risks management process.

The Board ensures additional stakeholders like shareholders and suppliers have comprehensive levels of engagement in compliance with Section 172(1) of the Companies Act 2006.

The Board considers that it has acted in accordance with their duties under Section 172(1) in the decisions taken during the year ended 31 December 2022.

Schlumberger UK Limited group

Strategic report for the year ended 31 December 2022 (continued)

Streamlined energy and carbon reporting

Schlumberger Limited Group's emissions reduction strategy is at the centre of its identity and vision, and its commitment to a sustainable future is underscored by bold science-backed targets aligned with the Paris Agreement. In 2021, the Schlumberger Limited Group became the first group in the energy services industry to commit to a 2050 net-zero greenhouse gas ("GHG") emissions target including all three emission scopes. By setting targets based on Schlumberger Limited Group's total 2019 baseline GHG footprint—inclusive of Scope 3 emissions (which accounted for approximately 95% of Schlumberger Limited Group's baseline)—and not just its Scope 1 and 2 footprint, the Schlumberger Limited Group's comprehensive emissions reduction roadmap addresses the entire oil and gas value chain.

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

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

There are three key components to the Schlumberger Limited Group achieving the 2050 net-zero target: reducing operational emissions, reducing customer emissions that occur while using Schlumberger Limited Group's technology, and taking carbon negative actions of sufficient scale to offset any residual operating and technology emissions that the Schlumberger Limited Group may have in 2050. The Schlumberger Limited Group's Scope 1 and 2 emissions primarily come from fuel use and electricity consumption; Scope 3 emissions are indirect, such as emissions from customers' use of Schlumberger Limited Group's technology and emissions from its use of third-party goods and services.

During 2022, the SLB UK Group implemented a number of initiatives to increase the energy efficiency of its facilities and to reduce its carbon emissions. These initiatives included:

- Purchase of electricity via REGO backed contracts;
- Completion of energy efficiency audits in anticipation of ESOS compliance;
- Installation of natural gas connections for certain facilities to replace diesel generator heating system;
- Commencement of installing solar power for certain operating locations; and
- Active transition of facilities to LED lighting.

Schlumberger UK Limited group

Strategic report for the year ended 31 December 2022 (continued)

Streamlined energy and carbon reporting (continued)

Details of emissions for certain subsidiaries are presented in the following table:

	Unit	2022	2021
Scope 1 emissions			
- Combustion of gas	TCo2e	1,759	2,191
- Combustion of fuel for transport purposes	TCo2e	414	122
Scope 2 emissions			
- Emissions from purchased electricity	TCo2e	2,915	3,427
Scope 3 emissions			
- Emissions from business travel where the Group is responsible for fuel purchase	TCo2e	103	3
Total gross TCo2e		5,191	5,743
Energy consumption used to calculate above emissions	kWh	28,051,117	36,029,780
Intensity ratio - based on £M Turnover		4.50	6.02

*Emissions reporting for the Group includes only subsidiaries which are required to include Streamlined Energy and Carbon Reporting (SECR) in their own financial statements. These subsidiaries are Schlumberger Oilfield UK Limited, Westerngeco Limited, Onesubsea UK Limited and Cameron Flow Control Technology (UK) Limited.

Brexit

The United Kingdom left the European Union on 31 January 2020 and was in a transition process until 31 December 2022. The impact of Brexit is not expected to present significant risk to SLB UK Group.

Financial key performance indicators ("KPIs")

SLB UK Group directors monitor progress and strategy by reference to the following KPIs:

	2022	2021	Definition and analysis
Turnover growth	30%	n/a ¹	2022 Turnover increased as compared to 2021 driven primarily by increased activities following the loosening of Covid-19 restrictions.
Gross profit margin	22%	14%	Gross profit margin improved primarily driven by increased activity and improvements in pricing.
Net assets/(liabilities)	£241M	£(126)M	The increase in net assets was driven primarily by the issuance of new shares to its immediate parent company for total consideration of £483 million.

¹ 2021 is the first year consolidated financial statements of the SLB UK Group were prepared

Schlumberger UK Limited group

Strategic report for the year ended 31 December 2022 (continued)

Non financial key performance indicators ("KPIs")

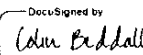
Health, Safety, and Environmental reporting

The long-term business success of SLB depends on our ability to continually improve the quality of our services and products while protecting people and the environment. Emphasis must be placed on ensuring human health, operational safety, environmental protection, quality enhancement and community goodwill. This commitment is in the best interests of our customers, our employees and contractors, our stockholders, and the communities in which we live and work.

SLB requires the active commitment to and accountability for, HSE from all employees and contractors.

	<u>2022</u>	<u>2021</u>
RIRr (Risk Identification Reporting Rate)	36	41
TRIF (Total Recordable Incident/Injury/Illness Frequency)	1.11	1.07

This report was approved by the Board of Directors on November 13, 2023 and signed on its behalf by:

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Colin David Beddall
Director
November 13, 2023

Schlumberger UK Limited group

Directors' report for the year ended 31 December 2022

The Board present their report together with the audited consolidated financial statements of Schlumberger UK Limited (the "Company") and its consolidated subsidiaries (collectively, "SLB UK Group" or "Group") for the year ended 31 December 2022.

Principal activities, review of the business, principal risks and uncertainties and key performance indicators

Details of these matters have been included in the Strategic report on pages 1 to 6.

Directors

The directors of the Company who were in office during the year and up to the date of signing the financial statements, unless otherwise stated, were:

C Labbe

G Park (resigned on 31 July 2022)

G Varn (resigned on 4 August 2022)

C Walker (appointed on 18 August 2022)

C Beddall (appointed on 31 July 2022)

Qualifying third-party indemnity provisions

During the year and up to the date of approval of this report, SLB UK Group maintained liability insurance for its directors and officers. The SLB UK Group also provides indemnity for its directors, which is a qualifying third party indemnity provision for the purposes of the Companies Act 2006.

Financial risk management

SLB UK Group's operations expose it to a variety of financial risks that include the following:

Foreign exchange risk

SLB UK Group is exposed to foreign exchange risk, primarily with respect to turnover in US Dollars. SLB UK Group enters into various financial instruments such as foreign currency hedging to mitigate this risk.

Credit risk

SLB UK Group's principal financial assets are cash and cash equivalents and trade and other receivables. SLB UK Group's credit risk is primarily attributable to trade debtors. The amounts presented in the balance sheet under trade and other debtors are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identifiable event which, based on previous experience, is evidence of a reduction in the recoverability of cash flows. SLB UK Group minimizes this credit risk by entering into transactions with high-quality counterparties and performing ongoing credit evaluation of its customers' financial condition. Credit risk on liquid funds is limited because the counter parties are banks with high credit ratings assigned by international credit rating agencies.

Capital risk

SLB UK Group's objective when managing capital is to safeguard its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. SLB UK Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, SLB UK Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Schlumberger UK Limited group

Directors' report for the year ended 31 December 2022 (continued)

Going concern

As at 31 December 2022 SLB UK Group's balance sheet had net current assets excluding debtor amounts falling due after more than one year amounting to £736 million (2021: £666 million). The Company's balance sheet had net current liabilities amounting to £145 million (2021: £129 million).

The directors have reviewed the financial position of SLB UK Group and its anticipated cash flow forecasts for a period of at least 12 months from the date of approval of these financial statements and are satisfied that SLB UK Group and the Company will be able to meet its liabilities as they fall due for at least 12 months from the date of approval of these financial statements.

Taking into account the current forecasts for SLB UK Group for the next year, the facilities available to the Group and the net current assets position, the directors consider it appropriate to prepare the financial statements on a going concern basis. In addition, the directors have also received a letter of support from the directors of its parent undertaking Schlumberger B.V., confirming that it would provide financial support to the SLB UK Group to enable it to meet its liabilities, should it be required, for a period of at least 12 months from the date of approval of these financial statements. Having received this letter and having made the appropriate enquires of the directors of Schlumberger B.V., the directors of the Company are satisfied that Schlumberger B.V. would be able to provide support if necessary.

Dividends

The Board did not propose any interim or final dividends during the year (2021: £nil).

Political donations and political expenditure

Neither political contributions nor political expenditure were made during the year (2021: £nil).

Research and engineering

SLB UK Group undertakes contract research and engineering services for associated companies in the oilfield services industry. The amounts, expensed in cost of sales, in relation to these activities were £60 million (2021: £54 million).

Policy for quality, health, safety and environment

It is the SLB UK Group's policy to ensure that quality, health, safety and environmental considerations are a priority for management and employees. Prevention of accidents and loss from process failure is an integral part of the SLB UK Group's continuous improvement culture.

Policy for employment of disabled persons

It is the SLB UK Group's policy to give full and fair consideration to suitable applications for employment from disabled persons, having regard to their particular aptitudes and abilities. Disabled employees are eligible to participate in all career development opportunities available to staff. Opportunities also exist for employees of the SLB UK Group who become disabled to continue in their employment or to be trained for other positions in the SLB UK Group.

Stakeholder engagement

Employee participation

Employees are regularly provided with information on matters of concern to them as employees of the SLB UK Group. They are further encouraged to be involved in the SLB UK Group's performance by being eligible to purchase stock of the ultimate parent company, Schlumberger Limited, at a discounted rate through a savings scheme.

Schlumberger UK Limited group

Directors' report for the year ended 31 December 2022 (continued)

Stakeholder engagement (continued)

Consultations with employees or their representatives have continued at all levels to ensure that their views are taken into account when decisions are made that are likely to affect their interests. SLB UK Group endeavours to achieve a common awareness of all employees in relation to the financial and economic factors that affect the performance of the SLB UK Group.

Other stakeholders

SLB UK Group ensure that all other stakeholders are informed and updated as necessary on the relevant developments and affairs that affect each of them (see s172 statement within Strategic Report).

Foreign branches

Certain subsidiaries of Schlumberger UK Limited have foreign branches that operate in the United Arab Emirates, Libya and Israel.

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and the consolidated financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the Group and the Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law).

Under company law, directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Company and of the profit or loss of the Group for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are also responsible for safeguarding the assets of the Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

Directors' confirmations

In the case of each director in office at the date of the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the Group's and Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as director in order to make themselves aware of any relevant audit information and to establish that the Group's and Company's auditors are aware of that information.

Schlumberger UK Limited group

Directors' report for the year ended 31 December 2022 (continued)

Future outlook

Looking ahead, the SLB UK Group believes the macro backdrop and market fundamentals that underpin a strong multiyear upcycle for energy remain very compelling in both oil and gas and in low-carbon energy resources. First, global oil and gas demand is forecasted by the International Energy Agency ("IEA") to grow by 1.7 million barrels per day in 2023 despite concerns for a potential economic slowdown in certain regions. In parallel, markets remain very tightly supplied. Second, energy security is prompting a sense of urgency to make further investments to ensure capacity expansion and diversity of supply. And third, the secular trends of digital and decarbonization are set to accelerate with significant digital technology advancements, favourable government policy support, and increased spending on low-carbon initiatives and resources. Based on these factors, global upstream spending projections continue to trend positively. Activity growth is expected to be broad-based, marked by an acceleration in international basins. These positive activity dynamics will be amplified by higher service pricing and tighter service sector capacity.

The conflict in Ukraine that began in late February 2022 continues as of the date of this Annual report. The Schlumberger Limited Group continues to actively monitor this dynamic situation and comply with applicable international laws and sanctions. The extent to which Schlumberger Limited Group's operations and financial results may be affected by the ongoing conflict in Ukraine will depend on various factors, including the extent and duration of the conflict; the effects of the conflict on regional and global economic and geopolitical conditions; the effect of further international sanctions and trade control restrictions on Schlumberger's business, the global economy and global supply chains. Continuation or escalation of the conflict may also aggravate the risk factors that Schlumberger Limited identified in its Annual Report for the year ended December 31, 2022.

Streamlined energy and carbon reporting

Details of the Group's target and progress against its objectives in relation to streamlined energy and carbon reporting are disclosed on page 5 of the Strategic report.

First year of consolidation

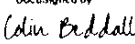
Historically, Schlumberger UK Limited and its subsidiaries have prepared standalone audited financial statements and have not been required to produce consolidated financial statements. For the year ended 31 December 2022, the directors decided to take advantage of Section 479A of the Companies Act of 2006 that exempts subsidiaries of a UK parent company from preparing audited financial statements if certain criteria are met. These criteria include having their financial results included in the consolidated financial statements of its UK parent. In order to meet these criteria, Schlumberger UK Limited has prepared these audited consolidated financial statements for the year ended 31 December 2022. Unaudited consolidated results for the year ended 31 December 2021 have been included for comparability.

Independent auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their reappointment will be proposed at the forthcoming Annual General Meeting.

This report was approved by the directors on November 13, 2023 and signed on its behalf by

Colin David Beddall
Director
November 13, 2023

DocuSigned by

Colin David Beddall

Independent auditors' report to the members of Schlumberger UK Limited

Report on the audit of the financial statements

Opinion

In our opinion, Schlumberger UK Limited's group financial statements and company financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the company's affairs as at 31 December 2022 and of the group's profit and the group's cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise: the Consolidated Balance Sheet and the Company Balance Sheet as at 31 December 2022; Consolidated Profit and Loss account, Consolidated statement of comprehensive Income, Consolidated statement of changes in equity, Company statement of changes in equity and Consolidated statement of cash flows for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group's and the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' Report for the year ended 31 December 2022 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the group and company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to The Health & Safety Act, 1934, data protection requirements in the jurisdictions in which the Company operates and holds data (including the General data protection regulation (GDPR) and employment laws, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as Companies Act, 2006 and tax legislation (Income tax, VAT & PAYE). We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase revenue and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing minutes of meetings of those charged with governance;
- Performing audit procedures to address the risk of management override of controls, including testing journal entries and other adjustments for appropriateness and evaluating the business rationale of significant transactions outside the normal course of business;
- Challenging assumptions and judgements made by the management in their significant accounting estimates, in particular in relation to revenue recognition, impairment of investments and pensions accounting;
- Incorporating elements of unpredictability into the audit procedures performed;
- Reviewing VAT, PAYE and Income tax calculations performed by management and submissions made by management to ensure compliance with local filing requirements.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

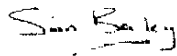
Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the company financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Other matter

The group financial statements for the year ended 31 December 2021, forming the corresponding figures of the group financial statements for the year ended 31 December 2022, are unaudited.

A handwritten signature in black ink, appearing to read 'Simon Bailey'.

Simon Bailey (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
13 November 2023

Schlumberger UK Limited group

Consolidated profit and loss account For the year ended 31 December 2022

	Note	2022 £m	2021 £m
Turnover	5	1,664	1,278
Cost of sales		(1,299)	(1,099)
Gross profit		365	179
Administrative expenses		(188)	(196)
Other operating (expense)/income		(5)	15
Operating profit/(loss)	7	172	(2)
Interest receivable and similar income	8	4	4
Interest payable and similar expenses	9	(43)	(33)
Net interest expense		(39)	(29)
Profit/(loss) before taxation		133	(31)
Tax on profit/(loss)	12	(35)	3
Profit/(Loss) for the financial year		98	(28)

All results for the year ended 31 December 2022 and 31 December 2021 are derived entirely from continuing operations.

The notes on pages 22 to 49 form part of these financial statements.

The company has elected to take the exemption under section 408 of the Companies Act 2006 from presenting the parent company profit and loss account.

Schlumberger UK Limited group

Consolidated statement of comprehensive income For the year ended 31 December 2022

	Note	2022 £m	2021 £m
Profit/(loss) for the financial year		98	(28)
Other comprehensive (expense)/income:			
Net actuarial loss on defined benefit pension plan	27	(103)	(13)
Changes in fair value of cash flow hedges		3	-
Currency translation adjustment		18	(22)
Other comprehensive expense before taxation		(82)	(35)
Total tax on components of other comprehensive expense	12	26	3
Other comprehensive expense for the financial year, net of tax		(56)	(32)
Total comprehensive income/(expense) for the financial year		42	(60)

The notes on pages 22 to 49 form part of these financial statements.

Schlumberger UK Limited group**Consolidated balance sheet
As at 31 December 2022**

	Note	2022 £m	2021 £m
Fixed assets			
Intangible assets	13	112	124
Tangible assets	14	273	233
Others long-term assets		10	5
		395	362
Current assets			
Stocks	16	363	294
Debtors, amounts falling due within one year	17	1,230	976
Debtors, amounts falling due after more than one year	18	124	82
Cash and cash equivalents		45	50
Creditors: amounts falling due within one year	19	(902)	(654)
Net current assets (excluding debtors amounts falling due after more than one year)		736	666
Debtors: amounts falling due after more than one year	18	124	82
Net current assets		860	748
Total assets less current liabilities		1,255	1,110
Creditors: amounts falling due after more than one year	20	(1,047)	(1,365)
Provisions for liabilities		(36)	(36)
Net pension asset	27	69	165
Net assets/(liabilities)		241	(126)
Capital and reserves			
Called up share capital	22	148	100
Share premium account	23	1,335	900
Share based payments reserve	11	222	206
Other reserves	24	(1,365)	(1,191)
Profit and loss account		(99)	(141)
Total shareholder's funds/(deficit)		241	(126)

The notes on pages 22 to 49 form part of these financial statements.

The financial statements on pages 15 to 49 were approved by the Board of Directors on November 13, 2023 and signed on its behalf by:

Christopher Allan Walker
Director
November 13, 2023

DocuSigned by
Christopher Allan Walker
E55174AC259E71804

Schlumberger UK Limited

Registered number: 07373289

Schlumberger UK Limited group

Company balance sheet As at 31 December 2022

	Note	2022 £m	2021 £m
Fixed assets			
Investments	15	809	809
Current assets			
Debtors: amounts falling due within one year	17	111	130
Creditors: amounts falling due within one year	19	(256)	(259)
Net current liabilities		(145)	(129)
Total assets less current liabilities		664	680
Creditors: amounts falling due after more than one year	20	-	(480)
Net assets		664	200
Capital and reserves			
Called up share capital	22	148	100
Share premium account	23	1,335	900
Capital reserve		200	200
Profit and loss account		(1,019)	(1,000)
Total equity		664	200

For the full year 2022 the Company recorded a loss for the financial year of £19 million (2021: £1.0 billion loss).

The notes on pages 22 to 49 form part of these financial statements.

These financial statements on pages 15 to 49 were approved by the Board of Directors on November 13, 2023 and were signed on its behalf by:

Christopher Allan Walker
Director
November 13, 2023

Schlumberger UK Limited

DocuSigned by
Christopher Allan Walker
C33A736230F14E9

Registered Number: 07373289

Schlumberger UK Limited group

Consolidated statement of changes in equity For the year ended 31 December 2022

		Called up share capital £m	Share premium £m	Share based payments reserve £m	Other reserve £m	Profit and loss account £m	Total shareholder's (deficit)/funds £m
	Note						
Balance as at 1 January 2021		100	900	191	(1,191)	(81)	(81)
Loss for the financial year		-	-	-	-	(28)	(28)
Other comprehensive expense for the financial year		-	-	-	-	(32)	(32)
Share-based compensation expense	11	-	-	15	-	-	15
Balance as at 31 December 2021		100	900	206	(1,191)	(141)	(126)
Balance as at 1 January 2022		100	900	206	(1,191)	(141)	(126)
Profit for the financial year		-	-	-	-	98	98
Other comprehensive expense for the financial year		-	-	-	-	(56)	(56)
Issuance of shares	22, 23	48	435	-	-	-	483
Transactions with entities under common control	24	-	-	-	(174)	-	(174)
Share-based compensation expense	11	-	-	16	-	-	16
Balance as at 31 December 2022		148	1,335	222	(1,365)	(99)	241

The notes on pages 15 to 49 form part of these financial statements.

Schlumberger UK Limited group

Consolidated statement of cash flows For the year ended 31 December 2022

Year Ended December 31,	2022	2021
	£m	£m
Cash flows from operating activities:		
Net income (loss)	98	(28)
Adjustments to reconcile net income (loss) to cash provided by operating activities:		
Depreciation and amortization ⁽¹⁾	73	71
Deferred taxes	1	(18)
Pension and other postretirement benefits expense	7	13
Stock-based compensation expense	16	15
Pension and other postretirement benefits funding	(14)	(17)
Change in operating assets and liabilities:		
Decrease (Increase) in stocks	(67)	35
Changes in net amounts owed by / to other Schlumberger Limited Group Companies	(53)	(35)
Decrease (Increase) in trade debtors	(115)	7
Decrease (Increase) in other debtors	9	(29)
(Increase) in prepayments and accrued income	(27)	(2)
Increase (decrease) in trade creditors	96	(4)
Increase (decrease) in taxation and social security	13	(17)
Increase in other creditors	6	6
Increase in accruals and deferred income	21	28
(Increase) in other long-term assets	(22)	(7)
(Decrease) in provision for liabilities	-	(3)
Other	(2)	2
NET CASH PROVIDED BY OPERATING ACTIVITIES	40	17
Cash flows from investing activities:		
Capital expenditures	(172)	(95)
Proceeds from disposal of fixed assets	89	57
Business acquisitions and investments, net of cash acquired	-	(3)
NET CASH USED IN INVESTING ACTIVITIES	(83)	(41)
Cash flows from financing activities:		
Proceeds from Issuance of shares	307	-
Proceeds from issuance of intercompany debt	48	54
Repayment of intercompany debt	(317)	(47)
NET CASH PROVIDED BY FINANCING ACTIVITIES	38	7
Net (decrease) in cash before translation effect	(5)	(17)
Cash, beginning of the year	50	67
Cash, end of the year	45	50
The following items are included within operating activities:		
	2022	2021
	£m	£m
Cash paid for interest on debt	24	33
Cash paid for income taxes (net of refunds)	14	39

⁽¹⁾ Includes depreciation of property, plant and equipment and amortization of intangible assets.

Schlumberger UK Limited group

Company statement of changes in equity For the year ended 31 December 2022

	Note	Called up share capital £m	Share premium £m	Capital reserves £m	Profit and loss account £m	Total equity £m
Balance as at 1 January 2021		100	900	200	28	1,228
Loss for the financial year and total comprehensive expense		-	-	-	(1,028)	(1,028)
Balance as at 31 December 2021		100	900	200	(1,000)	200
Increase in shares allotted	22, 23	48	435	-	-	483
Loss for the financial year and total comprehensive expense		-	-	-	(19)	(19)
Balance as at 31 December 2022		148	1,335	200	(1,019)	664

The notes on pages 15 to 49 form part of these financial statements.

Schlumberger UK Limited group

Notes to the consolidated financial statements For the year ended 31 December 2022 (continued)

1 General information

Schlumberger UK Limited and its consolidated subsidiaries (collectively, "SLB UK Group" or "Group") form a technology company that drives energy innovation for a balanced planet. The SLB UK Group works each day on innovating oil and gas, delivering digital at scale, decarbonizing industries, and developing and scaling new energy systems that accelerate the energy transition.

Schlumberger UK Limited is privately owned and limited by shares. The company is incorporated in England and domiciled in the United Kingdom. The address of its registered office is Minerva, Manor Royal, Crawley, United Kingdom, RH10 9BU.

2 Statement of compliance

The group and individual financial statements of Schlumberger UK Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standards 102, "The Financial Reporting Standards applicable in the United Kingdom and Republic of Ireland" ("FRS 102") and the Companies Act 2006.

For the Group's UK subsidiaries, BW Group Limited, Cameron Flow Control Technology (UK) Limited, Cameron Petroleum (UK) Limited, Cameron Petroleum Investments Limited, Cameron Systems Limited, Diamould Limited, Flaresim Limited, Independent Data Services (UK) Limited, Jiskoot Holdings Limited, M-I Drilling Fluids UK Limited, MI Holdings (UK) Limited, OneSubsea Investment UK Limited, OneSubsea IP UK Limited, OneSubsea Offshore Engineering Limited, OneSubsea Operations Limited, OneSubsea UK Limited, Peak Well Systems Limited, Petreco International (Middle East) Limited, Rubislaw Investments Limited, Schlumberger Cambridge Research Limited, Schlumberger Oilfield UK Limited, Schlumberger Public Limited Company, Schlumberger UK Holdings Limited, Sensor Highway Limited, Smith International (North Sea) Limited, Westerngeco Limited, Xtreme Innovations Limited, Xtreme Well Technology Limited, Zilift Holding Limited, Zilift Limited, advantage has been taken of the audit exemption available for companies conferred by section 479A of the Companies Act 2006.

For the Group's UK dormant subsidiaries, The Red Baron (Oil Tools Rental) Limited, Specialised Petroleum Services Group Limited, Silkwater Holdings Limited, Almida Group Limited, Cyclotech Limited, Schlumberger Common Investment Fund Limited, Schlumberger Trust Co Limited, Meta Downhole Limited, Cameron Pensions Trustee Limited, advantage has been taken of the audit exemption available for companies conferred by section 480 of the Companies Act 2006.

3 Accounting policies

The principal accounting policies applied in preparation of these consolidated and separate financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

These consolidated and separate financial statements have been prepared on a going concern basis, under the historical cost convention in accordance with the Companies Act 2006 and applicable United Kingdom Accounting Standards. The principal accounting policies are set out below and have been applied consistently in the current and preceding financial year.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are described in note 4.

The company has taken advantage of the exemption in section 408 of the Companies Act from presenting its individual profit and loss account.

Schlumberger UK Limited group

Notes to the consolidated financial statements For the year ended 31 December 2022 (continued)

3 Accounting policies (continued)

Basis of preparation (continued)

Unaudited consolidated results for the year ended 31 December 2021 have been included for comparability. All results are shown in £'millions unless stated otherwise.

Basis of consolidation

These SLB UK Group financial statements include the financial statements of Schlumberger UK Limited and a consolidation of its wholly owned subsidiaries and subsidiaries over which it exercises control. All intercompany transactions and balances have been eliminated. These Group financial statements have been prepared based on uniform accounting policies. The results of other entities are for the year end 31 December.

Going concern

As at 31 December 2022 SLB UK Group's balance sheet had net current assets excluding debtor amounts falling due after more than one year amounting to £736 million (2021: £666 million). The Company's balance sheet had net current liabilities amounting to £145 million (2021: £129 million).

The directors have reviewed the financial position of SLB UK Group and its anticipated cash flow forecasts for a period of at least 12 months from the date of approval of these financial statements and are satisfied that SLB UK Group and the Company will be able to meet its liabilities as they fall due for at least 12 months from the date of approval of these financial statements.

Taking into account the current forecasts for SLB UK Group for the next year, the facilities available to the SLB UK Group and the net current assets position, the directors consider it appropriate to prepare the financial statements on a going concern basis. In addition, the directors have also received a letter of support from the directors of its parent undertaking Schlumberger B.V., confirming that it would provide financial support to the SLB UK Group to enable it to meet its liabilities, should it be required, for a period of at least 12 months from the date of approval of these financial statements. Having received this letter and having made the appropriate enquiries of the directors of Schlumberger B.V., the directors of the Company are satisfied that Schlumberger B.V. would be able to provide support if necessary.

Exemption for qualified entities under FRS 102

In its adoption of FRS 102, the Company as a qualifying entity has taken advantage of certain disclosure exemptions permitted, subject to certain conditions, which have been complied with, being the notification of, and no objection to the use of these exemptions by the Company's shareholders.

The Company has taken advantage of the following exemptions in its individual financial statements:

- i) from preparing a statement of cash flows, on the basis that it is a qualifying entity and the consolidated statement of cash flows of Schlumberger Limited, includes the Company's cash flow. (FRS 102 paragraph 1.12(b));
- ii) from the financial instrument disclosures, required under FRS 102 as the information is provided in the consolidated financial statements of Schlumberger Limited (paragraphs 11.39 to 11.48A and paragraphs 12.26 to 12.29);
- iii) from the related party transactions disclosures, required under FRS 102 as the information is provided in the consolidated financial statements of Schlumberger Limited (paragraph 33.1A); and
- iv) from the share-based payment disclosure, required under FRS 102. The disclosure exemptions are available under 1.12(e) FRS102 due to the equivalent disclosures having been given in the Schlumberger Limited financial statements as the share-based payment is being settled in the equity instruments of another group entity. The disclosure exemption applied to the following section 26 disclosures are:

Schlumberger UK Limited group

Notes to the consolidated financial statements For the year ended 31 December 2022 (continued)

3 Accounting policies (continued)

Exemption for qualified entities under FRS 102 (continued)

- Paragraph 26.18(b) of FRS 102 (the number and weighted average exercise prices of share options) for each of the following groups of options:
 - a) Outstanding at the beginning of the period.
 - b) Granted during the period.
 - c) Forfeited during the period.
 - d) Exercised during the period.
 - e) Expired during the period.
 - f) Outstanding at the end of the period.
 - g) Exercisable at the end of the period.
- Paragraphs 26.19-26.21 (determination of fair values and information about modifications; and
- Paragraph 26.23 (impact on profit or loss).

Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, Value Added Tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Sale of goods

Turnover from the sale of goods is recognised when all of the following conditions are satisfied:

- the company has transferred the significant risks and rewards of ownership to the buyer;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Turnover from a contract to provide services is recognised in the year in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of turnover can be measured reliably;
- it is probable that the company will receive the consideration due under the contract;
- the stage of completion of the contract can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

Contracts which meet the criteria for long term contracts are included within turnover using percentage completion accounting. This is normally measured by the proportion that contract costs incurred for work performed to date bear the estimated total contract costs, except where this would not be a representative of the stage of completion.

Variations in contract work, claims and incentive payments are included to the extent that the amount can be measured reliably, and its receipt is considered probable. Where the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred where it is probable, they will be recoverable. Contract costs are recognised as expenses in the year they are incurred.

When it is probable that contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Schlumberger UK Limited group

Notes to the consolidated financial statements For the year ended 31 December 2022 (continued)

3 Accounting policies (continued)

Turnover (continued)

Contract work in progress is stated at cost incurred after deducting foreseeable losses and payments on account not matched with turnover. Amounts recoverable on contracts are included in debtors and represent turnover recognised in excess of payments on account. Payments received in excess of recorded turnover are recorded in creditors as payments received on account.

Administrative expenses

Included within administrative expenses is the retained cost of the SLB UK Group's centralised support functions, the retained cost of its management organisation and share-based payment expense. Due to the wide-ranging nature of SLB UK Group's activities, the directors consider all other expenses not separately classified in the profit and loss account to be cost of sales.

Pensions and post-retirement benefits

Schlumberger Public Limited Company (SL plc), a subsidiary undertaking, operates the SLB UK Group Pension Scheme, providing retirement benefits on both a defined benefit and a defined contribution basis. Pension costs are assessed in accordance with the advice of qualified, independent actuaries and are recognised in accordance with FRS 102 Employee Benefits section 28.

As permitted by FRS 102, SL plc acts as a designated employer and accounts for the Group scheme as a defined benefits scheme as it cannot separately identify its share of the scheme assets and liabilities. Any payments to other group pension schemes are made on a defined contribution basis.

The assets of the defined benefit section of the scheme are measured at their market value at the balance sheet date and the liabilities are measured using the projected unit method. The main financial assumption is the real discount rate, representing the excess of the discount rate over the rate of inflation. The discount rate used is based on the yield at the balance sheet date on AA rated corporate bonds of an equivalent term to the liabilities.

The pension surplus is recognised in the balance sheet as an asset, given the surplus could be recovered by the SLB UK Group.

Current and deferred tax

The tax expense for the year comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in shareholders' equity. In this case, the tax is also recognised in other comprehensive income or directly in shareholders' equity.

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date. Provisions are made on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; or arise from the initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither.

Recognition of a deferred tax asset is dependent upon future taxable profits arising in the Company. The Directors do not consider it appropriate at present to recognise the full asset but are satisfied that expected future taxable profits support those deferred tax assets recognised.

Schlumberger UK Limited group

Notes to the consolidated financial statements For the year ended 31 December 2022 (continued)

3 Accounting policies (continued)

Employee share schemes

SLB UK Group participates in a number of the Schlumberger Limited Group employee share schemes under which they make equity-settled share based payments in Schlumberger Limited shares to certain employees. These are detailed in the annual report of Schlumberger Limited.

Equity settled share based payments are measured at fair value at the date of grant (excluding the effect of non market based vesting conditions). The fair value determined using the Black Scholes Method at the grant date is expensed on a straight line basis together with the corresponding increase in equity over the vesting period, based on the Group's estimate of the number of shares that will vest.

Research and engineering

Research and engineering expenditure is included in cost of sales and is expensed in the year in which it is incurred.

Leases

Where the Group is a lessee under finance leases (including hire purchase contracts), the leased assets are capitalised and included in tangible fixed assets and the corresponding liability to the lessor is included in creditors. Finance charges payable are recognised over the periods of the leases, based on the interest rates implicit in the leases.

All other leases are classified as operating leases. Rentals payable and receivable under operating leases are accounted for on the straight-line basis over the periods of the leases and are included in the profit and loss account.

Foreign currencies

SLB UK Group's functional and presentation currency is the pound sterling.

Trading transactions in foreign currencies are translated into sterling at the exchange rate on the transaction date.

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates at the balance sheet date. All revaluation differences and realised foreign exchange differences are taken to the profit and loss account.

The trading results of group undertakings are translated into sterling at the average exchange rates for the year. The assets and liabilities of overseas undertakings are translated at the exchange rates ruling at year-end. Exchange adjustments arising from the retranslation of opening net investments and from the translation of the profits or losses at average rates are recognised in 'Other comprehensive income'.

Tangible assets and depreciation

Tangible assets are stated at historic purchase cost less accumulated depreciation and impairment. Depreciation is provided on a straight-line basis over the expected useful lives of each category of tangible assets at the following rates:

Buildings	10-50 years
Leasehold buildings	50 years or the life of the lease if shorter
Plant and machinery	3-5 years
Fixtures, fittings, tools and equipment	2-10 years
Computer equipment	2-3 years
Freehold land	Not depreciated

Schlumberger UK Limited group

Notes to the consolidated financial statements For the year ended 31 December 2022 (continued)

3 Accounting policies (continued)

Business combinations and goodwill

Schlumberger UK Limited ("SLBUK") is a first-time adopter of FRS 102 because it has not presented consolidated financial statements for previous periods. As a result of being a first-time adoption, the SLB UK Group has elected to use of certain exemptions in preparing its first financial statements under FRS 102.

The Group has elected to apply section 35.10(a) of FRS 102 which allows a first-time adopter to elect to not apply Section 19 of FRS 102 **Business Combinations and Goodwill to business combinations** (including "Group reconstructions") that were effected before the date of the transition to FRS 102. When applying section 19 exemption, FRS 102 states that no adjustment shall be made to the carrying value of goodwill. Included in the stand-alone balance sheets of SLBUK subsidiaries is goodwill with a carrying value of £118 million as at January 1, 2021 relating to the acquisitions of previously commonly controlled businesses. Therefore, the carrying value of this goodwill will remain in the consolidated balance sheet of the SLBUK, even though under merger accounting these balances would have been recorded as part of equity.

Accounting for the acquisition of commonly controlled businesses

FRS 102 section 19.27 permits preparers to make a policy election to account for the acquisition of commonly controlled businesses using the merger accounting method. Under the merger accounting method acquired assets and liabilities are recorded at their carrying value and any difference between the consideration and the carrying value of the acquired assets and liabilities is recorded in Other reserves in the equity of the consolidated balance sheet. In addition, the acquired businesses should be reflected in the consolidated financial statements as if they were acquired prior to the earliest period presented. SLBUK has elected to adopt this accounting policy.

During 2022, subsidiaries of the Group acquired certain commonly controlled entities from other members of the Schlumberger Limited Group. As a result of the above the Group's accounting policy election, the results of these entities will be consolidated in the financial statements of Schlumberger UK Limited using the merger accounting method as if they joined the SLBUK group on 31 December 2020.

Investments in subsidiaries

Investments are included in the Company's balance sheet at cost less any provisions for impairment.

Intangible assets

Goodwill acquired prior to adoption of FRS 102 is amortised through the profit and loss account over a period up to 20 years, on a straight-line basis, based on the periods over which the directors estimate that the value of the underlying businesses is expected to exceed the value of the underlying assets. Goodwill acquired after adoption of FRS 102 is amortised over its expected useful life through the profit and loss account over a period of up to 10 years.

Impairment review

The carrying values of fixed assets, intangible assets and investments are reviewed for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable. Any impairment in the value of assets below their carrying value is charged to the profit and loss account. Any impairment is determined by comparing the carrying value of assets with their recoverable amount, where the recoverable amount is the higher of net realisable value or value in use. Value in use is calculated using the present value of future cash flows discounted at an appropriate rate.

Stocks

Stocks are valued at the lower of cost and net realisable value using the weighted average method. On completely manufactured items, for both finished goods and work in progress, cost includes direct materials, direct labour and manufacturing overheads incurred in bringing each product to its present location and condition. On assembly only products, for both finished goods and work in progress, labour and overheads are not included. Net realisable value is based on estimated selling price less further costs to completion and selling costs. Provision is made in the financial statements for slow moving and obsolete stock.

Schlumberger UK Limited group

Notes to the consolidated financial statements For the year ended 31 December 2022 (continued)

3 Accounting policies (continued)

Cash and cash equivalents

Cash and cash equivalents include current bank account balances, cash held on overnight deposit or cash in hand and other short-term investments in market with maturities within 12 months.

Financial assets and liabilities

The classification of financial assets and liabilities depends on the purpose for which the financial assets were acquired or the financial liabilities were incurred. Management determines the classification of its financial assets and liabilities at initial recognition and applies sections 11 and 12 of FRS102 in respect of recognition and measurement of financial instruments. The Company classifies its financial assets in the following categories: loans and receivables and derivatives and its financial liabilities in the following categories: Other financial liabilities and derivatives.

(a) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance sheet date, which are classified as non-current assets.

The Group's loans and receivables mainly comprise basic financial assets including debtors (including amounts owed by Schlumberger Limited group companies) and cash at bank and in hand.

(b) Other financial liabilities

The Group's other financial liabilities mainly comprise basic financial liabilities including creditors (including amounts owed to Schlumberger Limited group companies and bonds) and borrowings.

Borrowings

In the case of bank loans and other loans, fair value approximates the carrying value reported in the balance sheet as the majority are at a floating rate where payments are reset to market rates at intervals of less than one year.

(i) Fair value estimation

The fair value of financial instruments is determined by using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance sheet date. The fair value of forward foreign exchange contracts is determined using quoted forward exchange rates at the balance sheet date.

Fair value is the amount at which a financial instrument could be exchanged in an arm's length transaction between informed and willing parties. Where available, market values have been used to determine fair values. Where market values are not available, fair values have been calculated by discounting expected cash flows at prevailing interest rates and by applying appropriate exchange rates.

The carrying values of intercompany receivables and payables approximate their fair values.

(ii) Foreign exchange swaps

Fair value is based on the market price of comparable instruments at the balance sheet date.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Schlumberger UK Limited group

Notes to the consolidated financial statements For the year ended 31 December 2022 (continued)

4 Critical accounting judgements, estimates and assumptions

(a) Critical judgments and estimates in applying the entity's accounting policies

The SLB UK Group makes judgments and estimates concerning the future. As regards estimates and assumptions, these will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described below.

(i) Pension Accounting

The Directors enlist the specialist knowledge of actuaries who are able to assess the most reliable market data in terms of mortality rates, investment returns and salary/cost inflation to determine the closing liability and calculation of reportable surplus/deficit for each financial year. In the current year a judgement as to how much of the actuarial surplus will be recovered by the scheme has been made with the assistance of an actuarial advisor. Due to the long-term nature of these plans, such estimates are subject to uncertainties. Details of the assumptions used are provided in Note 27.

(ii) Impairment of investments

The Company makes judgments about whether an investment should be subjected to an impairment review and estimates in performing the impairment review concerning the recoverable value of investments. The estimates will, by definition, seldom equal the related actual results. For the purposes of assessing any impairment triggers, managements' assessment of the carrying values of its investments in subsidiaries was based on expectations as at the balance sheet date. The Directors of the company considered using future cash flow models to calculate the value in use. Usage of the future cash flow models could have produced a different and potentially higher valuation of the value in use. The directors acknowledge that this is a highly judgmental area, sensitive to different key management assumptions.

(b) Other accounting estimates and assumptions

The SLB UK Group makes other estimates and assumptions concerning the future. The following are the estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting financial year.

(i) Intangible assets and fixed assets

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

(ii) Revenue recognition for certain long-term construction-type contracts

The SLB UK Group recognizes revenue for certain long-term contracts over time. These contracts involve significant design and engineering efforts in order to satisfy custom designs for customer-specific applications. Under this method, revenue is recognized as work progresses on each contract. Progress is measured by the ratio of actual costs incurred to date on the project in relation to total estimated project costs.

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

Schlumberger UK Limited group

Notes to the consolidated financial statements For the year ended 31 December 2022 (continued)

4 Critical accounting judgements, estimates and assumptions (continued)

(b) Other accounting estimates and assumptions (continued)

(iii) Impairment of debtors

The SLB UK Group makes an estimate of recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the credit rating of the debtors, the ageing profile of debtors and historical experience.

(iv) Amounts due from group undertakings

The company makes an estimate of recoverable value of amounts due from group undertakings. When assessing recoverability and potential impairment, management considers factors including the financial result and balance sheet position of the group undertakings. The company assesses the recoverability of the amounts due from group companies at each reporting date. The directors have satisfied themselves the parent company has adequate capacity and financial ability to settle intercompany receivables when required.

(v) Deferred tax asset

Recognition of a deferred tax asset is dependent upon future taxable profits arising in the Company. The Directors do not consider it appropriate at present to recognise the full asset but are satisfied that expected future taxable profits support those deferred tax assets recognised.

Schlumberger UK Limited group

Notes to the consolidated financial statements For the year ended 31 December 2022 (continued)

5 Turnover

The analysis of turnover by destination is as follows:

	2022	2021
	£m	£m
United Kingdom	395	290
Rest of Europe	221	215
Asia	354	288
Africa / Australasia	208	203
Americas	486	282
Total turnover	1,664	1,278

The analysis of the turnover by category is as follows:

	2022	2021
	£m	£m
Service revenue	700	543
Sales of goods	964	735
Total	1,664	1,278

6 Staff numbers and costs

The average monthly number of persons employed by SLB UK Group during the year (including directors) was as follows:

By activity:	2022 Number	2021 Number
Direct labour	2,768	2,604
Indirect production	964	941
Selling, marketing and distribution	379	369
Research and development	502	541
Administration	2,288	2,125
Total staff numbers	6,901	6,580

The aggregate payroll costs were as follows:

	2022 £m	2021 £m
Wages and salaries	386	377
Social security costs	55	38
Share-based compensation expense (see Note 11)	16	15
Other pension costs (see Note 27)	19	26
Total wages and salaries	476	456

The Company did not employ any staff during the year (2021: none).

Schlumberger UK Limited group

Notes to the consolidated financial statements For the year ended 31 December 2022 (continued)

7 Operating profit/(loss)

Operating profit/(loss) is stated after charging/(crediting) the following items:

	2022	2021
	£m	£m
Amortisation of intangible assets (note 13)	16	19
Depreciation of tangible assets (note 14)	57	52
Pension costs (note 27)	7	15
Define contribution schemes (note 27)	12	11
Auditors' remuneration:		
Audit fees payable to the company's auditors	1	1
Operating lease rentals:		
Office & building	14	10
Contract research and engineering costs	60	54
Impairment of stocks	1	4
Change in provision for doubtful trade receivables	(1)	1
Stocks recognised as expenses	560	435
Loss/(gain) on disposal of tangible assets	2	(2)
Loss/(gain) on foreign currency exchange	15	(9)
Derivative loss	2	-

8 Interest receivable and similar income

	2022	2021
	£m	£m
Third party interest receivable	1	3
Interest on amounts owed by other Schlumberger Limited group companies	3	1
Total interest receivable	4	4

9 Interest payable and similar expenses

	2022	2021
	£m	£m
Third party interest payable	2	4
Interest due on amounts owed to other Schlumberger Limited group companies	41	29
Total interest payable	43	33

10 Directors' emoluments

Of the five (2021: three) directors in office during the year, three were remunerated by SLB UK Group (2021: three), the remaining two being remunerated by the ultimate parent companies. During the year, one (2021: two) of the directors were members of the Schlumberger UK Pension Scheme, which includes both defined benefit and defined contribution sections.

The total emoluments of the directors remunerated by SLB UK Group, excluding pension contributions and compensation for loss of office, amounted to £0.7 million (2021: £0.7 million). The emoluments of the highest paid director, excluding pension contributions and compensation for loss of office, amounted to £0.3 million (2021: £0.3 million).

Schlumberger UK Limited group

Notes to the consolidated financial statements For the year ended 31 December 2022 (continued)

10 Directors' emoluments (continued)

During either 2022 or 2021, none of the directors exercised share options granted by SLB UK Group. The value of shares granted by SLB UK Group in the year under long term incentive scheme amounted to £nil (2021: £0.11 million). The value of shares granted by SLB UK Group to the highest paid director in the year under long term incentive scheme amounted to £nil (2021: £0.05 million).

The pension contributions for the directors to the defined contribution scheme amounted to £0.01 million (2021: £0.03 million). The pension contributions for the highest paid director to the defined contribution scheme amounted to £0.01 million (2021: £0.02 million). The total compensation for loss of office paid to directors amounted to £nil (2021: £0.05 million).

The Company does not have any other key management personnel other than directors.

11 Share based compensation plans

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

Restricted Stock

Schlumberger Limited grants restricted stock units to certain employees of SLB UK Group. The restricted stock awards generally vest at the end of three years or vest rateably in equal tranches over a three-year period.

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

During 2022 and 2021, Schlumberger Limited granted the following shares of restricted stock to the employees of SLB UK Group:

	2022	2021
Number of shares	588,460	623,330
Weighted-average fair market value per share	£29.90	£18.87

Discounted Stock Purchase Plan

Under the terms of the DSPP, employees can choose to have a portion of their earnings withheld, subject to certain restrictions, to purchase Schlumberger Limited common stock. Until July 1, 2022, the purchase price of the stock was 92.5% of the lower of the stock price at the beginning or end of the plan period at six-month intervals. Effective July 1, 2022, the purchase price of the stock was changed to 85% of the lower of the stock price at the beginning or end of the plan period at six-month intervals. Schlumberger Limited sold approximately 0.4 million shares during 2022 and 2021 under this plan to SLB UK Group employees.

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

	2022	2021
Dividend yield	1.8%	2.0%
Expected volatility	47%	67%
Risk-free interest rates	1.32%	0.07%
Weighted average fair value per share	£6.58	£4.87

Schlumberger UK Limited group

Notes to the consolidated financial statements For the year ended 31 December 2022 (continued)

11 Share based compensation plans (continued)

Stock Options

Key employees may be granted stock options under Schlumberger Limited stock option plans. For all the stock options granted, the exercise price of each option equals the average of the high and low sales prices of Schlumberger Limited stock on the date of grant. An option's maximum term is ten years, and options generally vest in increment over five years.

There were no stock option grants during 2022 and 2021.

The following summarizes share based payment expense for the SLB UK Group:

	2022 £m	2021 £m
Share Option Scheme	2	3
Restricted Share Option Scheme	12	10
DSPP	2	2
Total	16	15

At 31 December 2022, there was £18 million of total unrecognized compensation cost related to nonvested share based compensation arrangements, of which £11 million is expected to be recognized in 2023, £6 million in 2024 and £1 million in 2025.

12 Tax on profit/(loss)

(a) Tax on profit/(loss)

The taxation charge/(credit) based on the loss for the year may be analysed as follows:

	2022 £m	2021 £m
Current tax		
UK corporation tax on loss for the year	-	(1)
Adjustments in respect of prior years	5	13
Foreign tax suffered	24	11
Total current tax	29	23

	2022 £m	2021 £m
Deferred tax		
Origination and reversal of timing differences	7	(4)
Adjustments in respect of prior years	(4)	(13)
Effect of change in tax rates	3	(9)
Total deferred tax (Note 21)	6	(26)
Tax on profit/(loss)	35	(3)

Schlumberger UK Limited group

Notes to the consolidated financial statements For the year ended 31 December 2022 (continued)

12 Tax on profit/(loss) (continued)

(b) Tax income included in other comprehensive expense

	2022 £m	2021 £m
Deferred tax		
Origination and reversal of timing differences	(26)	(3)
Total tax income included in other comprehensive expense	(26)	(3)

(c) Reconciliation of tax charge

The corporation tax charge/ (credit) for the year is higher (2021: lower) than standard effective rate of corporation tax in the UK of 19% (2021: 19%). The differences are explained below:

	2022 £m	2021 £m
Profit/ (Loss) before taxation	133	(31)
Tax charge/ (credit) on loss before tax at standard rate of 19%	25	(6)
Effects of:		
Expenses not deductible for tax purposes	4	3
Adjustments in respect of prior years*	1	-
Effect of overseas taxes	3	14
Tax rate changes	3	(10)
Utilisation of losses on Deferred tax asset not previously recognised	(1)	-
Manual adjustment required to be made to share based payments	-	(4)
Tax charge/ (credit) for the year	35	(3)

* Reflects the differences between initial accounting estimates and tax returns submitted to tax authorities.

(d) Tax legislation changes

On 20 June 2023, Finance (No.2) Act 2023 was substantively enacted in the UK, introducing a global minimum effective tax rate of 15%. The legislation implements a domestic top-up tax and a multinational top-up tax, effective for accounting periods starting on or after 31 December 2023. The Group has applied the exception allowed by an amendment to FRS 102 to recognising and disclosing information about deferred tax assets and liabilities related to top-up income taxes.

Schlumberger UK Limited group

Notes to the consolidated financial statements For the year ended 31 December 2022 (continued)

13 Intangible assets

	Goodwill £m	Patents £m	Others £m	Group Total £m
Cost				
At 1 January 2022	304	30	6	340
Foreign exchange translation	11	3	-	14
At 31 December 2022	315	33	6	354
Accumulated amortisation and impairment				
At 1 January 2022	191	24	1	216
Amortisation charge for the year	11	4	1	16
Foreign exchange translation	8	2	-	10
At 31 December 2022	210	30	2	242
Net book amount at 31 December 2022	105	3	4	112
Net book amount at 31 December 2021	113	6	5	124

The Company had no intangible assets as at either 31 December 2022 or 2021.

14 Tangible assets

	Land and buildings £m	Plant and machinery £m	Fixtures, fittings, tools and equipment £m	Others £m	Group Total £m
Cost					
At 1 January 2022	174	404	68	7	653
Additions	13	151	3	5	172
Disposals	(3)	(132)	(14)	(4)	(153)
Foreign exchange translation	6	17	1	-	24
At 31 December 2022	190	440	58	8	696
Accumulated Depreciation					
At 1 January 2022	98	281	37	4	420
Charge for the year	7	48	2	-	57
Disposals	(1)	(63)	(2)	-	(66)
Foreign exchange translation	1	11	-	-	12
At 31 December 2022	105	277	37	4	423
Net book amount at 31 December 2022	85	163	21	4	273
Net book amount at 31 December 2021	76	123	31	3	233

Schlumberger UK Limited group

Notes to the consolidated financial statements For the year ended 31 December 2022 (continued)

14 Tangible assets (continued)

Land and buildings may be further analysed as follows:

	Group			
	Freehold land	Freehold buildings	Leasehold buildings	Total
	£m	£m	£m	£m
Cost				
At 1 January 2022	27	71	76	174
Additions	-	-	13	13
Disposals	-	(3)	-	(3)
Foreign exchange translation	2	4	-	6
At 31 December 2022	29	72	89	190
Accumulated depreciation				
At 1 January 2022	7	31	60	98
Charge for the year	1	3	3	7
Disposals	-	(1)	-	(1)
Foreign exchange translation	-	1	-	1
At 31 December 2022	8	34	63	105
Net book amount at 31 December 2022	21	38	26	85
Net book amount at 31 December 2021	20	40	16	76

The Company had no tangible assets as at either 31 December 2022 or 2021.

15 Investment in subsidiaries

	Company	
	2022	2021
	£m	£m
Net book amount at 1 January	809	1,817
Additions	-	-
Impairment	-	(1,008)
Net book amount at 31 December	809	809

During the year, and in accordance with accounting policy, the Company has considered whether there have been any events or circumstances which suggest that the Company's investments may not be recoverable. As a result of the assessment, the Company has not recorded any impairment charges during 2022.

In determining the impairment, management considers factors including the net assets of a subsidiary or projected future cash flows using a long-term growth rate and an appropriate discount rate. There was no impact of the tax associated with the impairment charges recorded during 2021.

The directors believe that the remaining carrying values of the investments are supported by their underlying recoverable amounts.

Schlumberger UK Limited group

Notes to the consolidated financial statements For the year ended 31 December 2022 (continued)

15 Investment in subsidiaries (continued)

The principal subsidiary undertakings at 31 December 2022 are:

Name of Company	Percentage of ownership	Registered Address
Schlumberger Public Limited Company	100%	Minerva, Manor Royal, Crawley, United Kingdom, RH10 9BU
MI Holdings (UK) Limited	100%	1 Enterprise Drive, Westhill Industrial Estate, Westhill, Aberdeen, Aberdeenshire, Scotland, Scotland, AB32 6TQ
The Red Baron (Oil Tools Rental) Limited	100%	1 Enterprise Drive, Westhill Industrial Estate, Westhill, Aberdeen, Aberdeenshire, Scotland, Scotland, AB32 6TQ

Indirect subsidiaries as at 31 December 2022 are:

Name of Company	Minority shareholder	Country	Percentage of Ownership	Registered Address
Specialised Petroleum Services Group Limited	MI Holdings (UK Limited)	United Kingdom	100%	1 Enterprise Drive, Westhill Industrial Estate, Westhill, Aberdeen, Aberdeenshire, Scotland, Scotland, AB32 6TQ
BW Group Limited	MI Holdings (UK Limited)	United Kingdom	100%	
Meta Downhole Limited	Schlumberger Oilfield UK Limited	United Kingdom	100%	
M-I Drilling Fluids UK Limited	Schlumberger Oilfield UK Limited	United Kingdom	100%	
Peak Well Systems Limited	Schlumberger Oilfield UK Limited	United Kingdom	100%	
Rubislaw Investment Limited	Schlumberger Oilfield UK Limited	United Kingdom	100%	
Xtreme Innovations Limited	Peak Well Systems Limited	United Kingdom	100%	
Xtreme Well Technology Limited	Xtreme Innovations Limited	United Kingdom	100%	
OSS Technologies Guyana, Inc.	OneSubsea UK Limited	Guyana	100%	1, Area X, Houston, Georgetown Guyana
Cameron Petroleum (UK) Limited	Schlumberger Oilfield UK Limited	United Kingdom	100%	100 New Bridge Street, London, EC4V 6JA
Diamould Limited	Schlumberger Oilfield UK Limited	United Kingdom	100%	
Cameron Petroleum Investments Limited	Cameron Petroleum (UK) Limited	United Kingdom	100%	
Cameron Systems Limited	Cameron Petroleum (UK) Limited	United Kingdom	100%	
Jiskoot Holdings Limited	Cameron Flow Control Technology (UK) Limited	United Kingdom	100%	
Petresco International (Middle East) Limited	Cameron Flow Control Technology (UK) Limited	United Kingdom	100%	
OneSubsea UK Limited	OneSubsea Investments UK Limited	United Kingdom	100%	
OneSubsea Offshore Engineering Limited	OneSubsea UK Limited	United Kingdom	100%	
OneSubsea Investments UK Limited	Schlumberger Oilfield UK Limited	United Kingdom	100%	
Cameron Flow Control Services (UK) Limited	Cameron Petroleum (UK) Limited	United Kingdom	100%	
Cameron Flow Control Technology (UK) Limited	Cameron Petroleum (UK) Limited	United Kingdom	100%	
OneSubsea Malaysia Systems Sdn Bhd	OneSubsea Australia Holdings Pty Ltd	Malaysia	73%	12th Floor, Menara Symphony No. 5, Jalan Prof. Khoo Kay Kim Seksyen 13, 46200 Petaling Jaya, Selangor, Malaysia
OneSubsea (Shenzhen) Systems Co. Ltd.	OneSubsea Lux SARL	China	100%	18E 1979 Plaza Phase II No. 111 Taizi Road, Shuiwan Community, Zhaoshang Street Nanshan District, Shenzhen China

Schlumberger UK Limited group

Notes to the consolidated financial statements For the year ended 31 December 2022 (continued)

15 Investment in subsidiaries (continued)

Name of Company	Minority shareholder	Country	Percentage of Ownership	Registered Address
OneSubsea Canada ULC	OneSubsea Lux SARL	Canada	100%	4500, 855 - 2nd Street SW Calgary AB T2P 4K7, Canada
OneSubsea Lux SARL	OneSubsea UK Limited	Luxembourg	100%	5 Place de la Gare, Luxembourg, L-1616
OneSubsea IP UK Limited	OneSubsea Investments UK Limited	United Kingdom	100%	62 Buckingham Gate London, SW1E 6AJ
OneSubsea do Brasil Servicos Submarinos Ltda	OneSubsea Lux SARL	Brazil	100%	Avenida Rodrigues Alves, 261, 4 floor, Gamboa Rio de Janeiro, 20220-902, Brazil
OneSubsea Operations Limited UK	OneSubsea UK Limited	United Kingdom	100%	Badentoy Avenue, Portlethen, Aberdeenshire, AB12 4YB
Cameron Pensions Trustee Limited	OneSubsea UK Limited	United Kingdom	100%	C/O Baker & McKenzie 100 New Bridge Street, London, EC4V 6JA
OneSubsea Offshore Systems Nigeria Limited	OneSubsea UK Limited	Nigeria	100%	c/o George Ikoli & Okagbue Intercontinental Plaza 4th Floor Plot 999C Danmole Street, Lagos, Nigeria
OneSubsea Australia Holdings Pty Ltd	OneSubsea Investments UK Limited	Australia	100%	c/o McBurney & Partners Pty Ltd, Level 10, 68 Pitt Street, Sydney NSW 2000, Australia
OneSubsea Australia Pty Ltd	OneSubsea Australia Holdings Pty Ltd	Australia	100%	
Independent Data Services (UK) Limited	Schlumberger Oilfield UK Limited	United Kingdom	100%	Gascoyne House Moseleys Farm Business Centre, Fornham All Saints Bury St Edmunds, Suffolk, United Kingdom, IP28 6JY
Silkwater Holdings Limited	MI Holdings (UK Limited)	United Kingdom	100%	Minerva, Manor Royal, Crawley, United Kingdom, RH10 9BU
Almida Group Limited	Silkwater Holdings Limited	United Kingdom	100%	
Cyclotech Limited	Almida Group Limited	United Kingdom	100%	
Schlumberger Common Investment Fund Limited	Schlumberger Public Limited Company	United Kingdom	100%	
Schlumberger Trust Company Limited	Schlumberger Public Limited Company	United Kingdom	100%	
Schlumberger UK Holdings Limited	Schlumberger Public Limited Company	United Kingdom	100%	
Schlumberger Oilfield UK Limited	Schlumberger Public Limited Company	United Kingdom	100%	
Flaresim Limited	Schlumberger Oilfield UK Limited	United Kingdom	100%	
Schlumberger Cambridge Research Limited	Schlumberger Oilfield UK Limited	United Kingdom	100%	
Schlumberger Finance UK Limited	Schlumberger Oilfield UK Limited	United Kingdom	100%	
Sensor Highway Limited	Schlumberger Oilfield UK Limited	United Kingdom	100%	
Simprentis Limited	Schlumberger Oilfield UK Limited	United Kingdom	100%	
Smith International (North Sea) Limited	Schlumberger Oilfield UK Limited	United Kingdom	100%	
WesternGeco Limited	Schlumberger Oilfield UK Limited	United Kingdom	100%	
Cameron Flow Control Technology Africa SARL	Cameron Petroleum (UK) Limited	Senegal	100%	Km 3 5 Boulevard du Centenaire de la Commune de Dakar, Dakar, Senegal

Schlumberger UK Limited group

Notes to the consolidated financial statements For the year ended 31 December 2022 (continued)

15 Investment in subsidiaries (continued)

Name of Company	Minority shareholder	Country	Percentage of Ownership	Registered Address
Cameron Manufacturing (India) Private Limited	Cameron Petroleum Investments Limited	India	100%	Module Nos. 301-304 and 306 Tidel Park, ELC, Civil Aerodrome (Post), Coimbatore, Tamil Nadu, 641014, India
RW Naftafluids Sarl	BW Group Limited	Tunisia	60%	Parc d'Activites Economique de Zarzis Zone franche de Zarzis, Zarzis, 4137 Tunisia
OneSubsea MX, S. de R.L. de C.V.	OneSubsea UK Limited	Mexico	100%	Paseo de los Tamarindos No. 400 Torre A - Piso 5 Col. Bosques de las Lomas, Mexico D.F., 05120, Mexico
OneSubsea Angola – Prestacao de Servicos, LDA	OneSubsea UK Limited	Angola	100%	Rua 6 - I.L. Boavista, Sonlis OSC Base, P. O. Box 2289, Luanda, Angola
Zilift Limited	Zilift Holding Limited	United Kingdom	100%	Units 17 - 19 Greenrole Trading Estate, Howe Moss Drive, Aberdeen, Scotland, AB21 0GL
Zilift Holdings Limited	Schlumberger Oilfield UK Limited	United Kingdom	100%	Units 17-19 Greenrole Trading Estate, Dyce Aberdeen, Scotland AB21 0GL

All the above subsidiaries were included in the consolidation.

The following indirect subsidiaries of the Company were dissolved during 2022:

Name of Company	Date
OneSubsea Holding Limited	Closed on 31 May 2022
Geoservices UK Ltd	Dissolved on 13 September 2022
Asset Development and Improvement Limited	Dissolved on 25 October 2022

The following indirect subsidiaries of the Company were dissolved during 2023:

Name of Company	Date
Schlumberger Finance UK Limited	Dissolved on 31 January 2023
Cameron Flow Control Services (UK) Limited	Dissolved on 20 June 2023
Simprenitis Limited	Dissolved on 27 June 2023

A subsidiary of the Company also has a minority interest in the following UK registered companies:

Name of Company	Minority shareholder	Percentage of Ownership
Rockwash Geodata Limited	Schlumberger Oilfield UK Limited	20%
BiSN Holdings Limited	Schlumberger Oilfield UK Limited	18.5%
nH2 Limited	Schlumberger Oilfield UK Limited	1.5%
QLM Technology Limited	Schlumberger Oilfield UK Limited	27%
Paloak Limited	Schlumberger Oilfield UK Limited	3.0%
East Energy Pathfinder S.A.E.	Schlumberger UK Holdings Ltd	1%

Schlumberger UK Limited group

Notes to the consolidated financial statements For the year ended 31 December 2022 (continued)

16 Stocks

	2022 £m	Group 2021 £m
Raw materials	53	38
Work in progress	197	157
Finished goods	113	99
Total stocks	363	294

There is no significant difference between the replacement cost of raw material, work in progress and finished goods and their carrying amounts.

A provision of inventory obsolescence was recognised at year end in amount of £13 million (2021: £11 million). The company had no inventories at 31 December 2022 or 2021.

17 Debtors: amounts falling due within one year

	2022 £m	Group 2021 £m	Company 2022 £m	Company 2021 £m
Trade debtors	262	145	-	-
Amounts owed by SLB UK group undertakings	-	-	111	130
Amounts owed by other Schlumberger Limited group companies	826	709	-	-
Other debtors	51	60	-	-
Prepayments and accrued income	91	62	-	-
Total debtors – within one year	1,230	976	111	130

Trade debtors are stated after provisions for doubtful debts of £10 million (2021: £11 million).

Group

Amounts owed by other Schlumberger group companies include cash pool balances receivable from Cameron Lux V SARL and Schlumberger WTA (Malaysia) Sdn Bhd amounting to £44 million (2021: £21 million) and £58 million (2021: £27 million), respectively. The balances are unsecured, repayable on demand.

Company

Amount owed by group undertakings include cash pool balances receivables from Schlumberger Oilfield UK Plc, a subsidiary, of £110 million (2021: £130 million), which are unsecured, repayable on demand and accrue interest at a rate of Sterling Overnight Index Average ("SONIA") with credit spread adjustment of 3 basis points and a margin of 15 basis points.

18 Debtors: amounts falling due after more than one year

	2022 £m	Group 2021 £m
Deferred tax (see note 21)	79	54
Other long-term debtors	45	28
Total debtors – more than one year	124	82

The Company had no debtors falling due after more than one year as at 31 December 2022 or 2021.

Schlumberger UK Limited group

Notes to the consolidated financial statements For the year ended 31 December 2022 (continued)

19 Creditors: amounts falling due within one year

	Group		Company	
	2022	2021	2022	2021
	£m	£m	£m	£m
Trade creditors	235	136	-	-
Amounts owed to SLB UK group undertakings	-	-	47	50
Loans owed to SLB UK group undertakings	-	-	209	209
Amounts owed to other Schlumberger Limited group companies	302	242	-	-
Loans owed to other Schlumberger Limited group company	102	54	-	-
Taxation and social security	16	3	-	-
Other creditors	43	37	-	-
Accruals and deferred income	204	182	-	-
Creditors – within one year	902	654	256	259

Group

Amounts owed to other Schlumberger Limited group companies include cash pool balances payable to OneSubsea SARL of £57 million (2021: £53 million) which is unsecured and repayable on demand and accrue interest at a rate at the Overnight USD LIBOR interest rate and margin of 5 basis points.

Unsecured loans owed to a fellow Schlumberger Limited group company of £102 million as of 31 December 2022, were owed to Schlumberger Finance BV and accrue interest at a fixed rate of 12.10%. These loans were repaid in full during 2023.

Company

Amounts owed to SLB UK group undertakings are non-trading balances which are unsecured and repayable on demand.

The Company has an unsecured loan facility with a subsidiary company for £209 million as of 31 December 2022 and 2021. The loan earns interest at a rate of SONIA with credit adjustment spread in 12 basis points and a margin of 125 basis points per annum. As of 31 December 2022, this facility was due to mature on 31 December 2023. Subsequent to the year end, the facility maturity was extended to 31 December 2024.

20 Creditors: amounts falling due after more than one year

	Group		Company	
	2022	2021	2022	2021
	£m	£m	£m	£m
Loans owed to other Schlumberger group companies	1,047	1,365	-	480
Creditors – more than one year	1,047	1,365	-	480

Group

The Group has an unsecured facility with Schlumberger Investment SA for \$200 million that accrues interest at a floating rate of USD Libor plus 1.18%. Effective 1 January 2023, the interest rate was amended to Secured Overnight Financing Rate ("SOFR") with credit adjustment spread of 20 basis points and interest margin of 118 basis points. The loan is due for repayment in January 2025.

The Group has an unsecured facility with Schlumberger Investment SA for £1.2 billion that accrues interest at a floating rate of SONIA plus credit adjustment of 11.93 basis points and a margin of 125 basis points. The loan is due for repayment in January 2026.

The Group has an unsecured facility with Schlumberger Investment SA for £700 million. The loan accrues interest at a fixed rate of 5.11% per annum and is due for repayment in January 2028.

Schlumberger UK Limited group

Notes to the consolidated financial statements For the year ended 31 December 2022 (continued)

20 Creditors: amounts falling due after more than one year (continued)

Company

The Company has an unsecured loan facility with a subsidiary company for £165 million. The loan earns interest at a rate SONIA with the credit adjustment spread in 12 basis points and a margin of 125 basis points per annum. As at 31 December 2022, no amounts were outstanding related to this facility.

The Company has an unsecured loan facility with a subsidiary company for £492 million. The loan accrues interest at 4.3% per annum. As at 31 December 2022, no amounts were outstanding related to this facility.

21 Deferred tax

	2022 £m	Group 2021 £m
Balance at 1 January	54	29
Amount recognised in Other comprehensive income (note 12)	26	3
Amount recognised in the Consolidated profit and loss account (note 12)	(6)	26
Others	5	(4)
Balance at 31 December	79	54

The deferred tax asset of £79 million as at 31 December 2022 (2021: £54 million) is expected to reverse after more than one year (see note 18).

At 31 December 2022 and 2021 deferred tax balances are represented by the following timing differences:

	2022 £m	2021 £m
Accelerated capital allowances	43	40
Short term timing differences	18	(5)
Losses and other deductions	18	19
Total	79	54

Recognition of a deferred tax asset is dependent upon future taxable profits arising in the Company. The Directors do not consider it appropriate at present to recognise the full asset but are satisfied that expected future taxable profits support those deferred tax assets recognised.

The Schlumberger UK Group has unrecognised deferred tax assets related to losses, fixed assets and other timing items of £13 million (2021: £13 million), £8 million of the losses unrecognised arise in respect of OSS Investments UK Ltd, a company which has no income and only interest expense, hence the non-recognition approach taken. These losses have no expiry date.

No deferred tax liability has been provided on £94 million (2021: £29 million) of unremitted profits of overseas subsidiaries as the group is able to control the timing of distributions from these subsidiaries and is not expected to distribute these profits in the foreseeable future.

The 2021 UK Budget announcements on 3 March 2021 included measures to support economic recovery as a result of the ongoing COVID-19 pandemic. These included an increase to the UK's main corporation tax rate to 25%, which is due to be effective from 1 April 2023. This increase in the UK's main corporation tax rate was substantively enacted on 24 May 2021, i.e. as at the balance sheet date of 31 December 2021. Therefore, this increase has been reflected in the measurement of the closing deferred tax balances, which have been recognised at 25% (2021: 25%).

The Company had no deferred tax as at 31 December 2022 or 2021.

Schlumberger UK Limited group

Notes to the consolidated financial statements For the year ended 31 December 2022 (continued)

22 Called up share capital

<u>Allotted, called up and fully paid ordinary shares of £1 each</u>	Group and Company	
	£m	No. of shares
Balance at 1 January 2021 and 2022	100	100,000,002
Issuance of share	48	48,300,518
Balance at 31 December 2022	148	148,300,520

On 15 December 2022, the Company issued, to its parent, 48,300,518 ordinary shares with a nominal value £1 each. The company received £483 million of consideration consisting of £307 million of cash and £176 million equivalent promissory note receivable from an entity under common control. The promissory note is considered cash consideration pursuant to Section 583(3)(e) of the Companies Act.

23 Share premium account

	Group and Company	
	2022	2021
	£m	£m
Balance at 1 January	900	900
Premium on shares issued during the year	435	-
Balance at 31 December	1,335	900

24 Other reserves

	Group	
	2022	2021
	£m	£m
Balance at 1 January	(1,191)	(1,191)
Transaction with entities under common control	(174)	-
Balance at 31 December	(1,365)	(1,191)

The SLB UK Group elected to account for the acquisition of commonly controlled business under the merger accounting method. Under the merger accounting method acquired assets and liabilities are recorded at their carrying value and any difference between the consideration and the carrying value of the acquired assets and liabilities is recorded in Other reserves in the equity of the consolidated balance sheet. In addition, the acquired businesses should be reflected in the consolidated financial statements as if they were acquired prior to the earliest period presented.

These are the SLB UK Group's first consolidated financial statements, as such the balance in Other reserves as of 1 January 2022 represents the consolidation of Schlumberger UK Limited's subsidiaries' net assets at that date.

During 2022, subsidiaries of the Group acquired certain commonly controlled entities from other members of the Schlumberger Limited Group for total consideration of £174 million. The net assets and results of these entities have been reflected in these consolidated financial statements as if acquired prior to the earliest presented, the consideration paid has been recorded as a movement in Other reserves during 2022.

Schlumberger UK Limited group

Notes to the consolidated financial statements For the year ended 31 December 2022 (continued)

25 Lease and other commitments

SLB UK Group's future minimum operating leases payments under non-cancellable operating leases are as follows:

	2022 £m	Group 2021 £m
Operating leases which expire:		
Within one year	19	13
Between two and five years	71	47
In more than five years	59	104
Total commitments	149	164

The Company had no obligations under any leases at either 31 December 2022 or 2021.

Parent Guarantee

Under Section 479C of the Companies Act 2006 ("the Act"), the parent company Schlumberger UK Limited (Company Number: 07373289) has guaranteed all outstanding liabilities as at 31 December 2022 of the following subsidiaries:

Company Name	Company Number
BW Group Limited	SC159419
Cameron Flow Control Technology (UK) Limited	8379585
Cameron Petroleum (UK) Limited	4589882
Cameron Petroleum Investments Limited	4550385
Cameron Systems Limited	04291991
Diamould Limited	3797278
Flaresim Limited	08749061
Independent Data Services (UK) Limited	4855776
Jiskoot Holdings Limited	00692441
M-I Drilling Fluids UK Limited	SC161934
MI Holdings (UK) Limited	SC235399
OneSubsea Investment UK Limited	8431671
OneSubsea IP UK Limited	8432197
OneSubsea Offshore Engineering Limited	2107702
OneSubsea Operations Limited	SC226359
OneSubsea UK Limited	400176
Peak Well Systems Limited	SC337516
Petresco International (Middle East) Limited	03485833
Rubislaw Investments Limited	SC239426
Schlumberger Cambridge Research Limited	606177
Schlumberger Oilfield UK Limited	4157867
Schlumberger Public Limited Company	1332348
Schlumberger UK Holdings Limited	1686572
Sensor Highway Limited	03148432
Smith International (North Sea) Limited	02533968
Westerngeco Limited	1389716
Xtreme Innovations Limited	SC410971
Xtreme Well Technology Limited	SC341269
Zilift Holding Limited	SC445696
Zilift Limited	SC360024

Schlumberger UK Limited group

Notes to the consolidated financial statements For the year ended 31 December 2022 (continued)

25 Lease and other commitments (continued)

The guarantee is in effect until the liabilities outstanding as of 31 December 2022 are satisfied in full.

These subsidiaries are exempt from the requirement of the Companies Act 2006 relating to the audit of individual financial statements by virtue of Section 479A of the Act.

26 Contingent liabilities

Contingent liabilities not provided for in these financial statements relate to the following:

	Group	
	2022	2021
	£m	£m
Bank guarantees and performance bonds	27	1
Value added tax / Duty deferment	11	11
Total contingent liabilities	38	12

27 Net pension asset

Schlumberger UK Pension Scheme

The Schlumberger UK Pension Scheme provides retirement benefits on both a defined benefit (DB) and defined contribution (DC) basis. In the Final Salary Benefit Section (FSB), members accrue both types of benefit while members of the Personal Money Fund (PMF) Section accrue only defined contribution benefits. The FSB Section has been closed to new members since 1 April 1999. New entrants are therefore normally admitted to the PMF Section.

As permitted by FRS 102, Schlumberger Public Limited Company ("SL plc"), a subsidiary undertaking, acts as a designated employer and accounts for the Group scheme as a defined benefit scheme as it does not separately identify its share of the scheme assets and liabilities.

On 13 June 2022 Cameron Pensions Trustee Limited (a sole corporate trustee of the Cameron Iron Works Retirement Benefits Plan (1974), a defined benefit pension scheme ("CIWRBP")), Schlumberger Trust Company Limited (a sole corporate trustee of the Schlumberger UK Pension Scheme ("SUKPS")), Cameron Flow Control Technology (UK) Limited (a principal employer of the CIWRBP), OneSubsea UK Limited (a participating employer of the CIWRBP) and Schlumberger Public Limited Company (acts as a designated employer and accounts for the Schlumberger UK Pension Scheme) entered into transfer deed and made a transfer of the assets and liabilities of the CIWRBP to the Schlumberger UK Pension Scheme with the merger date being 16 June 2022. Effective 16 June 2022, the assets, liabilities, and associated pension expense are recorded in the Financial Statements of Schlumberger Public Limited Company.

Defined Benefit Scheme

For UK employees, the Group operates a defined benefit pension scheme with assets held in a separately administered fund. The scheme provides retirement benefits based on member's final salary. The plan is administered by an independent trustee, who is responsible for ensuring that the plan is sufficiently funded to meet current and future obligations. The Group has agreed a funding plan with the trustee, whereby ordinary contributions are made into the scheme based on a percentage of active employees' salary. Additional contributions are agreed with the trustee to reduce the actuarial funding deficit where necessary.

Schlumberger UK Limited group

Notes to the consolidated financial statements For the year ended 31 December 2022 (continued)

27 Net pension asset (continued)

A comprehensive valuation of SLB UK Group pension scheme was carried out at 31 December 2022 by Willis Towers Watson, independent consulting actuaries. Adjustments to the valuation at that date have been made based on the following assumptions:

	2022	2021
	%pa	%pa
Rate of Inflation	3.3	3.3
Expected rate of increase in salaries	4.0	4.0
Rate of increase of pensions in payment	3.1	3.1
Rate of increase for deferred pensioners	2.6	2.5
Discount rate	4.9	2.0

The mortality assumptions used were as follows:

	2022 years	2021 years
Longevity at age 60 for current pensioners		
- Men	26.9	26.8
- Women	29.3	29.2
Longevity at age 60 for future pensioners		
- Men	28.4	28.4
- Women	30.8	30.6

Reconciliation of Scheme Assets and Liabilities:

£m	Assets	Liabilities	Total
At 1 January 2022	1,951	(1,573)	378
Benefits Paid	(60)	60	-
Employer Contributions	14	-	14
Current Service Cost	-	(12)	(12)
Interest Income/ (Expense)	39	(32)	7
Administrative Expenses paid	(4)	-	(4)
Scheme changes, settlements and curtailments	-	2	2
Re-measurement Gains/ (losses)			
- Actuarial Gains	-	565	565
- Return on Plan Assets less than discount rate (excluding interest income)	(641)	-	(641)
At 31 December 2022	1,299	(990)	309
Effect of limit on unrecoverable surplus			(240)
Net Defined Benefit Asset at 31 December 2022	1,299	(990)	69

Schlumberger UK Limited group

Notes to the consolidated financial statements For the year ended 31 December 2022 (continued)

27 Net pension asset (continued)

Total expense recognised in the Profit and loss account:

£m	2022	2021
Current service cost	12	14
Scheme introductions, settlements, curtailments	(2)	-
Administrative expenses paid	4	4
Net interest income	(7)	(3)
	7	15

The fair value of plan assets was:

£m	2022	2021
Equity Instruments	244	265
Fixed Income Securities	363	982
Index Linked Gilts	736	790
Property	87	96
Semi Liquid Credit	237	346
Derivatives, Futures, Repos	(699)	(847)
Direct Lending	194	152
Commercial Real Estate	47	72
Distressed Debt	55	69
Other Investments – Cash, STI, Hedge Funds	35	26
At 31 December	1,299	1,951

The plan assets do not include any of the Group's financial instruments nor is any property occupied by any Group entity.

The remeasurement effects recognised via Other Comprehensive Income was:

£m	2022	2021
Actuarial gains	(565)	(133)
Change in unrecoverable plan surplus	27	213
Return on plan assets greater than discount rate	641	(67)
	103	13

Defined Contribution Scheme

The Group also provides defined contribution schemes for its employees.

The amount recognised as an expense for the defined contribution schemes was:

	2022 £m	2021 £m
Current period contributions	12	11

Schlumberger UK Limited group

Notes to the consolidated financial statements For the year ended 31 December 2022 (continued)

28 Controlling parties

Schlumberger B.V., a company registered in the Netherlands, is the immediate parent company.

Schlumberger Limited, a company incorporated in Curacao, and the registered office 5599 San Felipe, 17th Floor Houston, Texas, United States of America, is the ultimate parent company (and ultimate controlling party). Schlumberger Limited is also the parent undertaking of the smallest and largest group of undertakings of which Schlumberger UK Limited is a member and for which group financial statements are drawn up.

Copies of the financial statements of Schlumberger Limited can be obtained from the Group website at slb.com.

29 Related party transactions

During the year, the SLB UK Group's sales to other Schlumberger Limited group companies were £513 million (2021: £413 million).

During the year, the SLB UK Group's purchases from other Schlumberger Limited group companies were £463 million (2021: £282 million).

Research and engineering expenses with associated companies incurred in the year were £60 million (2021: £54 million).

The amounts of Group's outstanding balances with the related parties are disclosed in the Note 17 Amounts owed by other Schlumberger Limited group companies and Notes 19- 20 Amounts owed to other Schlumberger Limited group companies.

Transactions with key management personnel are disclosed in the Notes 10 and 11.

30 Subsequent events

On October 2, 2023, SLB, Aker Solutions, and Subsea7 closed their previously announced joint venture. The new business, OneSubsea, will drive innovation and efficiency in subsea production by helping customers unlock reserves and reduce cycle time. OneSubsea now comprises SLB's and Aker Solutions' subsea businesses, which include an extensive complementary subsea production and processing technology portfolio, world-class manufacturing scale and capacity, access to industry-leading reservoir and digital domain expertise, unique pore-to-process integration capabilities, and strengthened research and development capabilities.

In connection with this transaction, OneSubsea UK Investments Limited, an indirect wholly owned subsidiary of Schlumberger UK Limited, acquired certain of Aker Solutions' global subsea businesses with an estimated fair value of approximately USD\$0.6 billion in consideration for 30% of its outstanding share capital. Following this transaction, the SLB UK Group owns 70% of the outstanding share capital of OneSubsea UK Investments Limited, and will consolidate it and its subsidiaries for financial reporting purposes.