



## Total S.A. (France)

# Global Compact: Our Communication on Progress

Period: July 2011 - June 2012

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## **1. CEO STATEMENT OF CONTINUED SUPPORT TO THE GLOBAL COMPACT**

**Mr. Ban Ki-moon  
Secretary General**

**United Nations  
10017 New York  
U.S.A.**

123-2012

Paris, July 25<sup>th</sup>, 2012

Dear Mr. Secretary General,

Please find attached Total's 2011-2012 Communication on Progress, as well as a copy of our 2011 Society & Environment (CSR) report.

In 2011, Total launched a new internal "Business Integrity Policy" in order to further strengthen the prevention of fraud and corruption within the Group. This "zero tolerance" policy was accompanied by an extensive e-learning program, which has been taken by about 45,000 employees as of to date.

At the beginning of this year, Total updated its Code of Conduct (attached). This document is available in 27 languages and more than 500,000 copies have been distributed since 2000 to employees, customers, suppliers and partners.

After having implemented the recommendations contained within the VPSHR (Voluntary Principles on Security and Human Rights) for several years, Total became a full participant of this initiative in March 2012.

In 2012, Total also joined the 'Sustainable Energy for All' initiative that you launched and which aims to make sustainable energy for all a reality in 2030. Total has made commitments to two pillars of this program: renewables and access to energy. Total commits to develop the solar photovoltaic solutions market by providing access to solar lamps and kits to 5 million low income people by 2015, through the growth of an efficient and sustainable social business program called "Total Access to Solar", which was launched in 2011 in 3 countries (Cameroon, Kenya, Indonesia) and which is being deployed in several other countries in Africa, Asia and the Caribbean.

Personally, I was also very pleased to have the opportunity to speak during the United Nations Rio+20 conference on sustainable development, at an event organized by the Global Compact France on June 18, 2012, during which I teamed up with Fátima Jardim, the Environment minister of Angola.

Our engagement in the Global Compact is of utmost importance to us, and we will continue to deepen the implementation of the 24 criteria outlined in the Blueprint for Sustainable Leadership, which we strive to achieve through our involvement in the Global Compact LEAD.

Yours respectfully,

(original letter signed)

Christophe de Margerie  
Chairman and Chief Executive Officer

## **2. COMMUNICATION ON PROGRESS (JULY 2011 – JUNE 2012)**

This chapter has been completed by following the guidelines of the UN Global Compact GC Advanced Level Comprehensive Guide “*Communication on Progress and Differentiation*”.

Total's 2011 reporting process is composed of following elements:

- [Total's 2011 Registration document](#), which includes a new chapter (“Chapter 12”) on sustainable development following the French law “Grenelle II” (passed in 2010) and its section 225 on sustainability reporting;
- [Total's 2011 CSR report](#);
- Information published on Total's corporate web site ([www.total.com](http://www.total.com));
- Total also submitted a full-fledged report to the Global Reporting Initiative, including an Application Level Check. Level A+ was received following the GRI check.

The present Communication on Progress to the Global Compact refers to all components of Total's sustainability reporting.

### **2.1. Human rights (Principles 1-2)**

#### **2.1.1 Commitments, strategies and policies**

##### **Management's ongoing commitment to the process**

*“Respecting Human Rights in our activities remains a key requirement for us, working as we do in over a hundred countries, against varied, often challenging, cultural and political backdrops. It is therefore natural that Human Rights are one of the foundations of the common values that underpin our Group's identity and our ethical commitments everywhere we operate.”*

(Christophe de Margerie, June 2011, Introduction to the Human Rights Internal Guide)

Our businesses lead us to set up long-term operations in many developing countries. As a major economic player, our conduct there must be exemplary, especially in terms of upholding and promoting civil, economic and social rights. In situations in which insecurity prevails, we deploy internal processes to prevent human rights incidents within our sphere of operations. Operational managers are expected to exercise vigilance on a day-to-day basis and to ensure that the behavior of their teams is above reproach.

Total respects national sovereignty and maintains a positive working relationship with government authorities. Stressing dialogue all the way up to the highest levels, we reserve the right to voice our beliefs about the need to uphold human rights when it impacts our operations, employees, shareholders or partners. We do not remain in countries in which we would be unable to apply our [Code of Conduct](#) in our activities or in countries embargoed or boycotted by the United Nations or the European Union.

The Code of Conduct serves as a reference and a guide for employees, both in their daily decisions and their relations with stakeholders. The Code formally recognizes Total's support for:

- the principles of the 1948 [Universal Declaration of Human Rights](#),
- the [key conventions of the International Labour Organization](#),
- the [OECD Guidelines for Multinational Enterprises](#) and
- the principles of the United Nations [Global Compact](#).

Mindful that the respect of the four bedrock documents of our Code of Conduct impacts our employees as much as our external stakeholders, we commit to promoting and upholding human rights in business activities.

### **Global Compact**

Total has participated in the [Global Compact](#) since 2002. We take part in a number of working groups coordinated by the Global Compact, such as the Human Rights Working Group, the Responsible Investment in Conflict-Affected Countries Working Group and the Anti-Corruption Working Group.

In late 2010, Total was admitted to Global Compact LEAD, a new platform of 54 companies advanced in corporate social responsibility.

### **Global Business Initiative on Human Rights (GBI)**

The [Global Business Initiative on Human Rights](#) is an international initiative created in June 2009 to promote respect for human rights in the business world. Total joined the GBI on its creation, making us a founding company. As such, we participate in topical and regional working groups.

This forum for discussion has member companies based all over the world working in a variety of sectors and aims to share examples of good human rights practices and tools. Regional and national forums are organized regularly to initiate dialogue with as many stakeholders as possible (businesses, contractors, customers) in various parts of the world. The GBI has developed a partnership with the Swiss government, the Global Compact and the non-profit Partners in Change, based in India. The GBI also works closely with international agencies specializing in human rights, such as the former team of the United Nations Secretary General's Special Representative John Ruggie and the Danish Institute for Human Rights.

### **UN Special Representative on Business and Human rights, Professor John Ruggie**

We have spelled out our position regarding the initial draft of the framework. During the [International Business Consultation](#) organized in October 2010 by Pr. John Ruggie, Christophe de Margerie, Chairman and Chief Executive Officer, offered [his support](#) to the "Protect, Respect, Remedy" framework and encouraged businesses to implement it.

In 2011, the Special Representative proposed a set of "Guiding Principles on Business and Human Rights". They provide recommendations for the implementation of the United Nations "Protect, Respect and Remedy" framework. The UN Human Rights Council endorsed these Guiding Principles on June 16, 2011, by unanimous vote at the end of Pr. John Ruggie's second and last mandate.

Since 2005, Total has been attending and taking part in several consultations, meetings and working groups led by the Special Representative and his team. Subsequently, The Group has maintained close collaboration with Pr. John Ruggie's team, in particular with Andrea Shemberg, Legal Adviser to the Special Representative. Total is also engaged in ongoing collaboration with some of Pr. John Ruggie's members team with SHIFT, a non-profit association helping governments and companies in the implementation of the "Guiding Principles on Business and Human Rights".

Pr. John Ruggie also contributed to [Total's Society & Environment report 2011](#).

### **Security and human rights**

Total's approach to security in terms of using private or public security personnel is based on the Universal Declaration of Human Rights, the United Nations Basic Principles on the Use of Force and Firearms by Law Enforcement Officials and the United Nations Code of Conduct for Law Enforcement Officials.

Managing security is based on risk prevention, planning for potential crisis situations, training and dialogue. Like other companies, Total sometimes uses external security personnel to protect its employees and facilities. To forestall problems, we make it our top priority to ensure effective coordination between security teams and employees in charge of community relations, an outreach effort that promotes good local integration and thereby minimizes risks.

[Total's Corporate Security Policy Statement](#), signed in 2004 and updated at the end of 2011, as well as the [Corporate Security Charter](#), signed by Christophe de Margerie, Chairman and CEO, at the end of 2011, confirms the overriding priority of employees' security, which can be threatened in some situations, and defines our business principles in that respect. Among them, Total commits to implementing the recommendations of the [Voluntary Principles](#) on Security and Human Rights (VPSHR). The VPSHR are an international multi-stakeholder initiative providing extractive companies with guidelines aimed at ensuring the protection of their personnel and assets while preserving neighboring local communities and other stakeholders' Human Rights.

Our support for the VPSHR has been reinforced by our access to full membership in March 2012.

### **2.1.2 Management systems**

The [Ethics Committee](#) was created in March 2001. Its composition, scope of work and procedures are described in the Code of Conduct. The Committee reports directly to the Chairman and Chief Executive Officer and enjoys a large degree of independence. The Ethics Committee is responsible for establishing conditions to help employees embrace the Code of Conduct and for making sure it is properly applied. To this end, the Committee has devised a well-structured process allowing it to verify that employees are familiar with the Code of Conduct, understand its principles and apply them. It also provides individual feedback and assistance.

In 2008, a Compliance and Corporate Social Responsibility Department was created within Corporate Legal Affairs, notably comprised of legal specialists in the area of Human Rights.

In 2009, an assessment tool on the compliance of the Group's activities with human rights standards was created and tested in Angola in partnership with the Danish Institute for Human Rights. In 2010, it was implemented a second time in South Africa.

Human rights are included in the guidelines for ethical evaluations that are carried out annually (9 affiliates and one investment project were assessed in 2011). A [Human Rights Internal Guide](#) was published in June 2011 in order to strengthen vigilance and raise awareness of our employees on human rights issues.

Total subsidiaries adopt specific ethics guidelines and charters whenever it seems necessary to clarify priority human rights issues in a particular situation. Aligned with our Code of Conduct, these documents are designed to extend or accentuate certain principles or rights mentioned in it. They can also serve as reference documents for contracts. [Total E&P Myanmar](#), [Total E&P Sudan](#) and or [Total South Africa](#) are three examples of subsidiaries that have adopted specific charters that they publicize in their business and institutional dealings.

In terms of Security and Human Rights, Total set up five implementation priorities based on the Corporate Security Directive: formal relations between subsidiaries and governments, hiring criteria for security personnel, training for security personnel, rules for the transfer of equipment and procedures for responding to human rights violations.

## Training for Total employees

Presentations on Total's Ethics Process (in 2011, 58 presentations including dedicated seminars) were made to heighten our employees' awareness of human rights and of the procedures implemented within the Group. Employees are also trained on human rights through various seminars:

- ***Our Ethical, Environmental and Social Responsibilities seminar***  
This [seminar](#) covers how we implement our ethical, environmental and social responsibility policies in the field. It helps managers better understand our action priorities and presents the tools and methods available to them. Human rights are discussed in some of the workshops offered.
- ***Ethics & Business seminar***  
This [seminar](#) details procedures for implementing the ethics process across our businesses. It is a one and a half day retreat for senior executives and line and corporate managers enabling them to better understand the resources and procedures available to help them apply the Code of Conduct. All newly appointed senior executives are required to attend the seminar within two years after taking on their new responsibilities. Human rights are covered in a specific presentation that includes the Voluntary Principles on Security and Human Rights and are incorporated into the seminar's workshops based on case studies.
- ***Business & Human Rights seminar***  
Developed internally based on the International Petroleum Industry Environmental Conservation Association (IPIECA) kit, this seminar is available to business units who request it.
- ***Total Inside seminar***  
This seminar for all new hires features extensive coverage of issues involving ethics and integrity in business relations.
- ***Voluntary Principles on Security and Human Rights seminar***  
Aimed at Total employees and contracted personnel potentially exposed to security risks, this seminar held in Paris focuses on related human rights issues, using the VPSHR as a starting point. Dedicated VPSHR training is also held in subsidiaries. Several sessions were organized in different countries; since 2012, the training program has been revised and expanded.

Total uses the [Human Rights Training Toolkit](#) for the Oil & Gas Industry for these seminars. Devised by [IPIECA](#), this external toolkit aims to explain the human rights issues specific to extractive industries and to highlight the industry's initiatives. As a member of the association's Social Responsibility Working Group and Human Rights Task Force, we played an active role in creating the toolkit.

### **2.1.3 Monitoring and evaluation mechanisms**

For several years, we have been working with three external organizations to assess our practices. In 2010, we renewed all three arrangements for a two or three-year period depending on the partner.

#### **Ethical assessments**

The Ethics Committee completes the ethics process through the use of [ethical assessments](#) to determine how the Code is applied in various business units. These assessments provide subsidiaries/entities with advice in their dealings with stakeholders (customers, suppliers, partners, shareholders and host countries) and enable them to implement additional or corrective measures if needed. The process was introduced in 2002 in partnership with [GoodCorporation](#), an independent British accreditation company specialized in analyzing and certifying local ethics performance, validated by the [Institute of Business Ethics](#) in London.

Using GoodCorporation's methodology, a process was developed that covers all ethical aspects of the Code of Conduct through 87 compliance criteria known as "evidence points", a quarter of which are related to human rights. Each evidence point is assessed to ensure that policies are being correctly applied. The scores obtained make up the unit's "ethical profile," providing an outside view of its ethical and corporate responsibility performance.

Since 2002, more than 85 assessments have been completed. In 2011, nine affiliates and an investment project were assessed with the assistance of GoodCorporation.

To verify processes, documents are reviewed and roughly 100 individual, confidential interviews are conducted with senior management and representatives of the different stakeholder categories (employees, suppliers, customers, partners, host communities, etc.).

The Ethics Committee formally presents the assessment process and findings to the unit's senior management team, which then implements the recommended action plan. A follow-up assessment is generally carried out two years after the initial assessment to measure the plan's effectiveness.

In 2010, a pilot project in Angola (the first Total's investment project to be assessed) has been launched with the assistance of GoodCorporation. The objective is to promote good practices and fundamental principles in the supply chain by verifying the compliance of the suppliers' practices and policies with our standards.

### **Self-assessment process on human rights risks and compliance**

In September 2006, Total joined the Human Rights and Business Project created by the [Danish Institute for Human Rights](#). Through this project, a dedicated tool for businesses, the Human Rights Compliance Assessment (HRCA), has been designed to gauge the human rights risks and compliance of their own activities and raise human rights awareness by stimulating collective deliberation and discussion. The questionnaire is based on the Universal Declaration of Human Rights and 80 fundamental international conventions and covers civil and political rights, economic and social rights, and the right to development.

The HRCA was later adapted to Total's specific situation. The tool is now comprised of 30 to 100 questions and is adaptable depending on the country risk, the subsidiary's business and the sensitive situations which it may face. The HRCA was tested in Angola in 2009. As the participants provided the Group with good feedback, it was implemented a second time in South Africa in 2010. Other tools were used in Myanmar and Uganda in 2011.

### **Social implementation assessment**

[CDA Collaborative Learning Projects](#) is a non-profit organization working in the field of economic and social development. It has introduced a program to educate multinationals on how their activities impact regions affected by sociopolitical pressures or conflicts. We support this program and include its insights in our internal analysis. Several case studies examining [our presence in Myanmar](#) between 2002 and 2010, in Sudan in 2005 and in Mauritania in 2006 were independently performed by CDA. The reports are available on the [CDA website](#).

#### **2.1.4 Key outcomes**

Human Rights remain a complex issue on the field. That is why in 2010, the Compliance and Corporate Social Responsibility Department together with the Ethics Committee worked on a [Human Rights Internal Guide](#) to provide all employees with support and guidance about human rights.

The Guide derives from the Code of Conduct, compiles existing policies and adds to recommendations that have already been given. It is divided into two booklets:

- The first booklet precisely spells out the Group's human rights approach and three major themes which are a priority to our industry: human rights in the workplace, human rights and local communities and human rights and security. For each topic, employees have access to international standards, Group's recommendations and relevant tools.
- The second booklet further examines our relationships with stakeholders in specific human rights situations already encountered in the Group or in the industry. These practical examples can help concretely our employees in the decision-making.

The Guide was published in June 2011, is available in French and English. A Spanish version was published in March 2012. It has been widely disseminated throughout the Group.

Total's Code of Conduct, which is available in 27 languages, is regularly distributed or discussed at numerous in-house events and is widely available on Total intranet sites. Since 2000, almost 500,000 copies of the Code of Conduct have been distributed. A new version was published in March 2012.

A new version of the Ethics Intranet Site was launched in January 2012, providing information on Total's priorities, its partnerships and reference framework, various concrete case studies, a database gathering best practices and interviews of the Group's managers.

## **2.2. Labour (Principles 3-6)**

### **2.2.1 Commitments, strategies and policies**

In his introduction to the Code of Conduct, Christophe de Margerie, Chairman and Chief Executive Officer, states that the shared ethical values and principles that motivate employees' day-to-day undertakings are critical to Total's growth and long-term viability. He then goes on to highlight three core values:

- Respect as the source of sustainable, trust-based operations and relations.
- Responsibility toward others and in our jobs.
- Exemplary behavior, which underpins the internal and external credibility of our actions and initiatives.

These corporate values and principles are inspired by internationally recognized documents:

- The principles of the 1948 [Universal Declaration of Human Rights](#);
- The [key Conventions of the International Labour Organization](#);
- The [OECD Guidelines for Multinational Enterprises](#);
- The principles of the [United Nations Global Compact](#).

We expect employees to adhere to the highest standards of integrity, loyalty and responsibility. We pledge to pay particular attention to their working conditions, respect them, avoid discrimination, and protect their health and safety, whatever the political or social environment or difficulties encountered in the host country. We must be constantly vigilant, both in our own organizations and with regard to our contractors, to ensure that our employees and those who indirectly work for us are treated with respect.

In 2010, Total expressed its commitment for advancing equality between women and men by signing the [Women's Empowerment Principles – Equality Means Business](#) defined by the United Nations Global Compact. The Principles present seven steps that business and other sectors can take to advance and empower women. Total confirmed its support by presenting two initiatives at the WEP Annual Event held in New York in March 2012.

### **2.2.2 *Management systems***

We implement a process for listening to and dialoguing with employees through our human resources policy. Its centerpiece is the annual performance review most employees<sup>1</sup> have with their managers. One aspect of this review deals directly with issues related to the Code of Conduct.

A survey (called 'Total Survey') is also conducted every two years to find out how employees feel about the major areas of conduct within the company. In 2011, nearly 70,000 people working in 324 sites in 94 countries were surveyed. The response rate was 65%.

#### **Worldwide Human Resources Survey**

The quantitative information used to manage Total's employees worldwide relates to all the subsidiaries consolidated under the global integration method. Some of the data comes from the Worldwide Human Resources Survey (WHRS), which uses almost one hundred indicators measuring important factors of the Group's employee policy. This annual survey is performed on a sample of employees from the consolidated companies, representative of their distribution by business segment and region.

#### **Equal opportunity**

From recruitment until the end of the employment contract, Total provides equal opportunities for all employees. An affirmative action plan was launched to ensure that not only recruiters and career managers, but also business unit managers comply with the principle of equal opportunities.

#### **Compensation**

Total's approach to overall compensation (salary and employee benefits) is guided by the dual imperatives of external competitiveness, with salaries and social protection programs positioned relative to local reference markets, and internal fairness. These shared principles are adapted in line with local factors such as labor laws, the economic context and the job market in the various countries where the Group operates.

General and merit-based wage increases take place regularly. Total may also use tools that reward collective performance (for example, in France, incentives and profit-sharing), together with base salary supplements, such as bonuses or variable portions, to acknowledge individual performance. The HSE (Health, Safety and Environment) aspect in the future will also increasingly be taken into account by Total when evaluating individual and collective performance. Total has set out a HSE performance recognition policy in order to acknowledge individual managers' performance and collective team performance.

The development of employee shareholding is another cornerstone of the Group's compensation policy. Employee shareholding aims to foster a good understanding of the company's core values and to create a direct link with company performance. Total thus grants performance shares to a significant number of employees on the basis of the Group's achievement of overall economic goals.

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<sup>1</sup> In 2011, 99% of Total affiliates had introduced such a process.

## **Organization of work time**

The average work week is determined by applicable local law. It is less than forty hours in most of the subsidiaries in Europe and Japan, and forty hours in most of the Asian and African countries. It is longer in Mexico and India.

## **Ensuring good working conditions**

[Establishing good working conditions to protect the health and safety of everyone](#) is a key component of respect for people. Total's occupational health and safety requirements for the personnel working on its sites are set out in Health, Safety and Industrial hygiene directives.

The Group's directives are equally demanding with regard to employee health. Requirements include a formal occupational risk assessment (chemical, physical, biological or psychosocial), the creation of a risk management action plan and medical monitoring of staff in line with the risks to which they are exposed. Two main indicators are monitored yearly:

- Percentage of companies included in WHRS offering employees regular medical monitoring: 96% in 2011.
- Number of occupational illnesses recorded in the year (in accordance with local regulations) per million hours worked: 0.87 in 2011.

Total is associated to promoting individual and collective health in the countries where it operates (including flu vaccination campaigns and prevention and screening programs for certain diseases such as AIDS, cancer, malaria). Awareness campaigns relating to lifestyle risks in particular have been ongoing for several years (including anti-smoking and anti-drinking campaigns, musculoskeletal disorder prevention programs).

## **Dialogue with employees**

Total's employees and their representatives have a privileged position and role among the numerous stakeholders with which the Group has and intends to develop regular dialogue. In countries where employee representation is not required by law, Total strives to set up such representation; there are therefore employee representatives in the majority of Group companies, most of whom are elected. The subjects covered by dialogue with employees vary from company to company, but there are common major themes such as work time, health and safety, compensation, training and equal opportunity.

A structure for information and dialogue with European employee representatives exists in the form of the European Works Council. Its scope covers all European Union countries where the Group operates as well as Norway. Another representative body, the Group Committee, covers all Group activities in France.

## **Internationalization of management**

With employees representing about 130 nationalities, Total enjoys great cultural diversity, and it is important that this be reflected at all levels of the company and across all business segments. This diversity of cultures and ways of thinking is one of Total's core strengths. It stems from a proactive commitment that is overseen by our Diversity Council, which tracks ongoing [initiatives to increase the number of women and non-French employees](#), right up to the highest levels of management. Although it recruits for a highly varied portfolio of business segments, usually with a large technical component, the Group strives to prioritize local recruitment. Internships, VIE ("Volontariat International en Entreprise"), a French program for voluntary work abroad), scholarships and work experience are all ways in which Total is involved in integrating young people into working life.

### **Measures to foster non-discrimination and diversity**

At Total, promoting diversity is also synonymous with combating all forms of discrimination, for which dedicated resources have been introduced. Gender diversity (see section 2.2.5 for a detailed reporting on the implementation of the Women's Empowerment principles) and internationalization of teams are not the only issues to be considered. We also work [to integrate the disabled and maintain them in their jobs](#) and [combat discrimination against visible minorities](#).

Since 2004, the Group's Diversity Council, chaired by a member of the Executive Committee, has been overseeing activities with a view to increasing the number of women employees, international employees and local employees up to the highest levels of management. Promoting diversity goes hand-in-hand with combating all forms of discrimination within the Group, whether in relation to openness to different social background, equal opportunities for men and women or the hiring and retaining of employees with disabilities.

In addition to basing its recruitment policy on the principle of non-discrimination on the grounds of ethnicity, Total is involved in a number of initiatives to promote diversity. In France, the Group is in particular a partner in the action taken by the Employment and Diversity division of IMS-Entreprendre pour la Cité (Institut Mécénat-Solidarité), with a view to facilitating the integration of young graduates into the workplace.

Total also works alongside several associations that help young graduates from disadvantaged backgrounds to find jobs or support them in further education.

### **Measures promoting the employment and integration of people with disabilities**

For over twenty years, Total has set out its disability policy through successive agreements signed with employee representatives in France to promote the employment of workers with disabilities.

The Group also supports the integration, professional training and retaining of workers with disabilities. A framework agreement with all of the French representative unions sets out Total's policy in France with regard to integrating people with disabilities into the labor world.

### **Tackling harassment**

Bullying and sexual harassment in the workplace are not tolerated at Total. Employees who think they are victims of sexual harassment are encouraged to report it, while training enables people to understand how bullying works, its consequences and the law regarding it.

## **2.2.3 Monitoring and evaluation mechanisms**

### **Worldwide Human Resources Survey**

The Worldwide Human Resources Survey (WHRS) is a powerful tool to monitor Human Resources management within the Group, through the annual survey performed on a sample of employees from the consolidated companies, representative of their distribution by business segment and region. This tool is in the process of being upgraded (a new information system will be implemented in 2013).

### **Compensation**

Within the scope of the WHRS, more than 91% of the Group's employees are paid at a rate higher than the applicable minimum wage.

## **Ensuring good working conditions**

Indicators are used to measure the main results in these areas, and monthly reporting of occupational incidents: LTIR (Lost Time Injury rate – number of lost time incidents per million hours worked) and TRIR (Total Recordable Injury rate – number of recorded incidents per million hours worked) are used to monitor performance overall and by site. The Group does not differentiate between the safety of its employees and that of external contractors.

## **Dialogue with employees**

Every other year Total carries out an internal survey to gather its employees' views and expectations with regard to their work situation and perception of the company, locally and as a Group.

### **2.2.4 Key outcomes**

#### **Compensation**

In September 2011, the Board of Directors approved a stock option and performance share plans benefiting approximately 10,000 employees. The 2011 plan is the seventh implemented by the Group since the granting of free shares to employees was permitted by French law and includes a significant percentage of new beneficiaries (38%).

The Group also gave employees the opportunity to subscribe to a capital increase, the subscription period for which ended on April 1, 2011. Over 30,000 employees participated in the operation. Total also aims to develop employee savings and other employee benefit programs (health insurance, life insurance, etc.) for its employees. The Group has therefore set up a life insurance program paying a minimum of two years' salary. The Group targets coverage for all employees and the current percentage of employees on open-ended contracts in the WHRS who benefit from this scheme is 87%.

The pension and employee benefit programs improve every year. Improvements include the gradual introduction of a supplementary pension plan in certain Downstream subsidiaries (at year-end 2011 just over 4,000 employees in twenty eight countries, mainly in Africa, were given the option of joining the plan) and the benchmarking and introduction of supplementary health and life insurance plans in eight Asian countries (5,500 employees as of June 2011).

## **Ensuring good working conditions**

Since 2010, the basic rules to be strictly followed by all personnel, employees and contractors alike, in all of the Group's business areas worldwide, have been set out in a safety document entitled "*Twelve golden rules of occupational safety*". The Group's internal statistics show that in over 90% of severe or high potential severity incidents in the workplace at least one of the golden rules had not been followed. The roll-out of the golden rules was accompanied by an awareness campaign throughout 2011 to ensure that all employees know and understand the rules. Regular site visits, presentations and seminars are organized with the employee representatives on the European Works Council to promote the golden rules and, more generally, raise awareness of occupational safety issues.

In 2011, the TRIR (Total Recordable Injury rate) was 2.2 and the LTIR (Lost Time Injury rate) was 1.3.

In 2011, the percentage of companies included in WHRS that offered employees regular medical monitoring was 98% and the number of occupational illnesses recorded in the year (in accordance with local regulations) per million hours worked was 0.87.

## **Dialogue with employees**

Within the Group, the percentage of companies with employee representation was 77.4% in 2011 and the percentage of employees covered by collective agreements was 70.3%. In France, on November 30, 2011, Senior Management and all of the unions in France signed an addendum to the agreement of July 4, 2000, on trade union coordination providing for dialogue to continue at a Group level with the union coordinators within a framework that reflects the legal and regulatory changes (act of August 20, 2008).

## **Internationalization of management**

In 2011, 75% of managers recruited were non-French, representing over eighty nationalities. Several measures have been put in place to facilitate the internationalization of management, including harmonizing Human Resources practice (for example with regard to hiring and annual performance review), increasing numbers of foreign postings for non-French employees, and decentralizing training.

### **2.2.5 Women's Empowerment principles (WEPs)**

In 2010, Total expressed its support for advancing equality between women and men by signing the [Women's Empowerment Principles – Equality Means Business](#) defined by the United Nations Global Compact. The Principles present seven steps that business and other sectors can take to advance and empower women. Total confirmed its support by presenting two initiatives at the WEP Annual Event held in New York in March 2012.

Since 2001, sustained measures have been taken to increase the number of women in all of Total's businesses and at all levels of the Group. Total is not in favor of quotas, we always stress skills and competences. In 2011, senior management made a commitment to promote diversity all the way up to the executive suite, with the objective of increasing the percentage of women in the leadership team to 22% by 2020 (versus 14% in 2010). In addition, since May 2012, Total has five women on its Board of Directors (representing 33%).

The main obstacles to gender parity in hiring is the relatively small percentage of women enrolled in technical programs. Consequently, our efforts to increase the proportion of female hires must focus on targeting girls and young women, to introduce them to the wealth and diversity of professional fields and careers in the oil industry. In this regard, Total signed a partnership agreement with the associations "Elles bougent" and "Women Up".

Recruitment is a key driver of this policy and we have set a goal of aligning the percentage of women recruits with the percentage of women graduates from our target schools and universities, for a total of 20% in technical disciplines and 50% in business and support disciplines. At Total, women currently account for 29% of the recruitment and 30% of the workforce, 23% of managers and 35% of managers under 35, reflecting the impacts of measures taken by the Group over the last years.

Other drivers include attentive career management and the involvement of all stakeholders. Each year, 40 women managers are invited to take part in the "Career Management for Women" training program. In addition, a network called "Twice" was created in 2006, composed of 1,700 women employed at Total in France, Belgium, Congo, Nigeria and China. Twice's objectives are to promote career development for women by making the most of their potential (through networking, events, mentoring and other programs); to ensure that women employees' views on key topics are heard (through working groups on sensitive issues); and to raise awareness about gender equality among all employees through specific training and workshops. In this regard, in 2011, Total organized the first Global Diversity Days in more than 70 subsidiaries, and received the prize for international communication at the Diversity Awards ceremony.

## **2.3. Environment (principles 7-9)**

### **2.3.1 Commitments, strategies and policies**

#### **Environment**

Total's environment policy is based on the Group's [Safety, Health, Environment and Quality charter](#).

#### **Climate Change**

Total is a member of the World Bank's Global Gas Flaring Reduction partnership since 2005. We voluntarily pledged to halve flaring at our operated sites between 2005 and 2014.

#### **Enhancing knowledge to improve protection of the environment**

Total is involved in various R&D programs, generally in collaboration with scientific and institutional partners. The aim of these programs is to gain a better understanding of the areas in which we operate so that we can develop measures and technologies to protect them more effectively. We devote 10% of our R&D capital expenditure to the continuous improvement of our environmental performance. We also invest in the development of products with reduced environmental footprints, energy efficiency improvements and alternative energy sources.

### **2.3.2 Management systems**

The main Group entities have Health, Safety and Environment (HSE) departments or units that ensure compliance with both relevant local regulations and internal requirements. The equivalent of over 780 full-time equivalent positions dedicated to environmental matters was identified within the Group for 2011.

The Group's steering bodies, led by the Sustainable Development and Environment department, have a threefold task:

- monitoring Total's environmental performance, which is reviewed annually by the Management Committee and for which multi-annual improvement targets are set;
- in conjunction with the business units, handling the various areas for which they are responsible;
- promoting the internal standards to be applied by the Group's business units as set out in the charter.

Total also promotes compliance of its environmental management systems with ISO 14001. The environmental risks and impacts of any planned investment, disposal or acquisition subject to Executive Committee approval are assessed and reviewed before the final decision is made.

Total ensures that all employees are aware of its environmental protection requirements. If necessary, employees are given training in the required skills. Total also raises employee awareness through internal campaigns (in-house magazines, intranet, posters, etc.) and provides annual information about the Group's environmental performance through circulation of the Corporate Social Responsibility report.

#### **Environmental impact**

Total implements an active policy of monitoring, managing and reducing the environmental impact of its activities. As part of this policy, emissions are identified and quantified by environment (air, water, soil) so that the appropriate measures for their control can be implemented.

### Water, air

The Group's activities generate chronic emissions such as fumes at combustion plants, emissions into the atmosphere from the various processes and discharges in wastewater. In order to reduce the quantities emitted and, at the very least, to comply with applicable regulations, Total's sites use various treatment systems.

### Soil

The risks of soil pollution related to Total's activities come mainly from accidental spills and waste storage. The Group's approach to preventing and controlling these types of pollution is based on four cornerstones:

- leak prevention, by implementing industry best practice in engineering and operations;
- maintenance at appropriate intervals to minimize the risk of leaks;
- overall monitoring of the environment to identify any increase in soil pollution;
- controlling pollution from previous activities by means of containment or reduction operations.

Total remediates sites when it leaves in order to allow new activities to be set up once the future use of the land has been determined in conjunction with the authorities. This continuous task is performed by various teams within the Group, some of which form subsidiaries, such as RETIA, which decontaminates former Chemicals sites in Europe.

### Waste

Total manages waste production across all of its activities. At the production sites, waste management is carried out in four basic stages:

- waste identification (technical and regulatory);
- waste storage (soil protection and emission management);
- waste traceability, from production to disposal (notes, logs, declarations, etc.);
- waste processing, with technical and regulatory knowledge of channels, under site responsibility.

### **Preventing accident risk**

In addition to setting up management structures and systems, Total strives to minimize the industrial and environmental risks inherent in its activities by:

- performing rigorous inspections and audits;
- training staff and raising the awareness of all parties involved;
- implementing an active investment policy.

In particular, Total strives to prevent accidental spills. A common technical risk management approach has been developed to formalize this requirement at the Group's industrial sites. The methodology is being gradually implemented in all of its operated businesses and sets out a risk analysis based on accident scenarios for which the severity of the consequences and the probability of occurrence are assessed. These parameters are used to create a decision matrix that identifies the required level of mitigation.

Specifically with regard to shipping, the Group has an internal policy setting out the rules for selecting vessels. These rules are based on the recommendations of the Oil Company International Marine Forum (OCIMF), an industry association made up of the main global oil companies that promotes good practice in oil shipping, and on its Ship Inspection Report (SIRE) Program.

In accordance with industry practice, Total particularly monitors accidental liquid hydrocarbon spills of a volume of more than one barrel (159 liters). Spills that exceed a certain severity threshold (whether in terms of volume spilled, toxicity of the product in question or the natural environment affected) are reviewed on a monthly basis and annual statistics are sent to the Group's Management Committee.

While risk prevention is emphasized, Total regularly addresses the issue of crisis management on the basis of identified risk scenarios. In particular, the Group has emergency plans and procedures in place in the event of a hydrocarbon leak or spill. These plans and procedures are specific to each subsidiary in line with its structure, activities and environment, while complying with Group recommendations, and are regularly reviewed and tested during exercises. On March 25, 2012, when the gas leak occurred at our Elgin platform in the North Sea, the 238 people who worked on the platform at the time of the incident were all safely evacuated.

Also available to Total's subsidiaries, the PARAPOL (Plan to mobilize Resources Against Pollution) alert scheme is used to facilitate crisis management at Group level. Its main aim is to mobilize the internal and external human and physical resources necessary to respond in the event of pollution of marine, coastal or inland waters, without geographical restriction, at any time, at the request of any site.

Total and its subsidiaries have assistance agreements with the main bodies specializing in oil spill management such as Oil Spill Response Limited, CEDRE and Clean Caribbean & Americas. Their role is to provide expertise, resources and equipment in all of the regions where Total has operations.

## **Sustainable use of resources**

### Water

In order to establish which of its facilities are affected by this issue as a priority, Total identifies:

- water withdrawals and discharges on all of its sites;
- and our sites located in "water stress" areas (watersheds that will have less than 1,700 m<sup>3</sup> of renewable freshwater available per person per year by 2025, according to the Falkenmark indicator), using the Global Water Tool for Oil & Gas, developed jointly by the World Business Council for Sustainable Development and IPIECA.

### Energy efficiency

In early 2011, the Group's internal structure relating to Climate and Energy was changed:

- a decision-making body was created in the form of the CO<sub>2</sub> / Energy Efficiency Management Committee, whose guidelines (particularly greenhouse gas emissions and energy performance targets) are validated by the Executive Committee if necessary. It is based on a permanent energy efficiency task force and, where applicable, temporary cross-business task forces.
- Energy Network days and the Energy seminar provide opportunities for internal discussion, reflection and information-sharing. In France, Energy Efficiency Certificates are awarded by the Energy and Climate Administration in recognition of energy-saving activities. Total is encouraging its customers to reduce their energy consumption by 40 TWh (over the entire service life of the product) in the 2011-2013 period.

Through the "Total Ecosolutions" program, the Group is also developing innovative products and services that perform above market average environmental performance, by curbing natural resource use and/or environmental impact while providing the same level of service.

### Use of renewable energies

Total only uses minimal quantities of renewable energy to power its production sites. However, the Group uses biomass to heat tertiary buildings such as the one opened in 2011 by TIGF in Cugnaux, France, and has installed photovoltaic panels on several of its buildings (CSTJF in Pau, car park in Lacq, etc.) and certain wellheads.

Although fossil hydrocarbons will continue to play a central role in the coming decades, in the long term all types of energy will have to be deployed to meet global demand. They will therefore be complementary. Total decided to invest in new energies, and its strategy is based on two main areas: solar and bioenergy.

### **Climate change**

We are deploying an overarching strategy to manage and mitigate our greenhouse gas emissions. Total has made reducing greenhouse gas emissions one of its priorities and has established quantified targets to this end:

- a 50% reduction in flaring by 2014 compared to 2005;
- increasing energy efficiency by 1% per year in Refining and by 2% in Petrochemicals and Exploration and Production.

Together we expect these measures to reduce the greenhouse gas emissions of our operated activities by around 15% in 2015 from 2008 levels.

At the same time as managing its processes, Total invests in research and development in new technologies and innovative solutions to reduce direct greenhouse gas emissions into the atmosphere by other means. The Group intends in particular to develop capture, transport and storage technologies and for several years has been working on CCS (carbon capture and storage) so that it can be used on its industrial sites when the economic and regulatory conditions permit. Currently, two production sites in which Total has a stake, the Sleipner and Snøhvit fields in Norway, are using these technologies. The research program is ongoing, notably through a pilot project at the Lacq complex in France, where CO<sub>2</sub> is being captured by oxy-fuel combustion, transported and stored in a depleted natural gas reservoir.

### **Protecting biodiversity**

Total takes biodiversity into account in its guidelines at a number of levels:

- the Health Safety Environment Quality Charter (see point 2 of this Chapter), Article 10 of which specifies: "*Total (...) controls (...) (its) impact on biodiversity*";
- a biodiversity policy that details the Group's principles for action in this area:
  1. minimizing the impact of activities on biodiversity throughout the lifetime of facilities;
  2. incorporating biodiversity protection into the environmental management system, particularly initial analyses and social and environmental impact studies;
  3. paying specific attention to operations in regions with particularly rich or vulnerable biodiversity;
  4. informing and raising the awareness of employees, customers and the public, helping to improve understanding of ecosystems.

This policy is implemented by means of a number of tools and rules. In exploration and production, rules and specifications govern the performance of baseline surveys and environmental impact studies on land or at sea. Since 2011 all Group entities have access to a detailed mapping tool showing the world's protected areas, based on data provided by the UNEP-WCMC (World Conservation Monitoring Center).

Total's new projects are also covered by biodiversity action plans based on the "Avoid, Reduce, Compensate" approach. As a result of the first plan implemented in France, developed by TIGF for the Artère du Béarn gas pipeline project, vulnerable areas and protected species stations were avoided and the impact of the work was reduced through the use of special tree clearance and river-crossing techniques.

Finally, Total is involved in industry initiatives such as those launched by IPIECA, which in 2010 resulted in the publication of a [guide to the issue of invasive species](#). Recommendations include taking seasons into account when planning work and checking the origin of the equipment used.

### **2.3.3 Monitoring and evaluation mechanisms**

#### **MEREDIT, a tool to strengthen our environmental risk management practices**

Operational since 2010, MEREDIT is a new method, created by and for Total, for identifying and assessing the impacts of accidental and chronic pollution scenarios at our sites. Using the term "environmental" in its broadest sense, this includes the consequences for local residents, ecosystems and economic activities.

MEREDIT enhances the approach based on the expertise of environmental auditors by systematically integrating all of the possible scenarios.

Based on the results of around 50 tests conducted over five years at various sites with very different characteristics, MEREDIT benefits from extensive feedback from real-world incidents and accidents.

#### **Continuously improving and deploying external audits**

We have deployed an Environmental Management System (EMS) at our sites that complies with ISO 14001, which provides a framework for achieving continuous improvement in environmental performance. ISO 14001 certification is awarded by accredited independent organizations following an audit of the site concerned. These audits are carried out on a regular basis, in order to renew certification.

At the end of 2010, 287 sites had earned ISO 14001 certification, including 92% of our major sites in terms of environmental implications. Major sites are defined as those that account for 90% of the main environmental indicators of each business, such as atmospheric emissions and freshwater withdrawals.

### **2.3.4 Key outcomes**

Improving energy efficiency means using less energy to achieve the same result. We are taking steps to enhance the energy efficiency of our facilities and processes. We also market products and services designed to help our customers optimize and reduce their energy consumption.

#### **Total Ecosolutions - [Offering Our Customers Energy-Efficient Solutions](#).**

At the end of May 2012, 33 products and services (Marketing and Chemicals) had received the "Total Ecosolutions" label. For instance, in 2011, Total Petrochemicals' PPC 9612 polypropylene, which significantly reduces the weight of packing crates by up to 35%, was awarded the 2011 Packaging Oscar in the category "Materials, Plastics section". Total Excellium Diesel, which increases fuel efficiency by 2.5% on average, also received the Total Ecosolutions label in 2011. According to our estimates, the use of Total Ecosolutions products and services avoided 800.000 metric tons of carbon dioxide emissions in 2011, when compared with standard products and services (estimate based on sales in 2010). That is the amount emitted by more than 80,000 European Union residents in one year (source: European Environment Agency).

## **Environmental management systems**

In 2011, 284 out of 860 sites operated by the Group were ISO 14001-certified. Of the 860 sites, sixty are the most significant contributors to the emissions of their respective segments; for Total, these sixty sites account for over 90% of the Group's emissions of greenhouse gases, nitrous oxide, sulfur oxide, and freshwater withdrawal. Total has set a goal of having all of these sites certified ISO 14001 by year-end 2012. This proportion reached 97% by year-end 2011, compared to 92% in 2010.

## **Waste management**

Total particularly monitors hazardous waste treated externally: the volume of hazardous waste treated outside the Group was 248 million tons in 2011.

Total has entered into a number of partnerships:

- With Veolia, the Group is involved in the Osilub project to build a used engine oil recycling plant in Le Havre, France. The plant (Total, 35%) is scheduled to begin production in 2012 and will have a processing capacity of 120,000 metric tons per year (50% of all the used motor oil collected in France); the recycled oil will be used to make Vacuum Gas Oil (VGO) for refinery production of lubricants or fuels.
- In March 2011, Total Energy Ventures (Group's vehicle for investing in new energy and environmental protection technologies) acquired a stake in Agilyx, an American start-up that has developed an innovative process to convert waste plastic into crude oil. The first production unit, with a capacity of around ten metric tons of plastic per day, is already in operation.

## Raw materials

Hydrocarbons are the Group's main raw material, and are an energy material. Optimum use of hydrocarbons therefore lies in what is known as "energy efficiency", as described below. Since 2011, Total has measured the raw material loss rate for each business unit. This is the percentage of converted raw materials that are neither delivered to any of the business unit's customers nor used for energy purposes. The loss rate is 2.5% for the Upstream production business, 0.6% for Refining and 1% for Petrochemicals.

## **Oil spills**

All accidental spills are followed by restoration action aimed at returning the environment to its original state as quickly as possible. In 2011, the number of hydrocarbon spills with an environmental impact was 263 and the total volume of hydrocarbon spills with an environmental impact was 1,800 cubic meters.

## **Water**

In 2011, the freshwater withdrawals excluding cooling water was 142 billion cubic meters and the percentage of Group sites (excluding Marketing), located in water stress areas was 44%.

We are implementing effluent quality improvement programs and upgrading or retrofitting our facilities as needed, on a case-by-case basis. We also encourage our teams to share best practices to ensure their widespread use.

- At the Feyzin refinery in France, the construction of a dissolved-air flotation unit, which separates water from suspended matter such as oils and solids, has reduced the overall chemical oxygen demand (COD) of discharged water by 20%.
- At the Grandpuits refinery, also in France, better management of effluents has increased recycling and reduced the facility's water use by 14%.
- At the Antwerp refinery in Belgium, the oil content of discharges has been reduced by 55% thanks to the strict application of best operating practices.

To ensure the quality of its wastewater discharge, Total has set a target of complying with the hydrocarbon concentration requirements (less than 30 mg/l) set out in the OSPAR (i.e. the Convention for the Protection of the marine Environment of the North-East Atlantic, or the OSPAR – OSlo-PARis – Convention) was open for signature at the Ministerial Meeting of the Oslo and Paris Commissions in Paris) standard, which is only mandatory in the North Sea, for all of its offshore exploration and production operations. For the third consecutive applicable year, the Group achieved this goal on yearly average in 2011.

### **Improving air quality around our facilities**

We are working to reduce our atmospheric emissions, focusing in particular on sulfur dioxide (SO<sub>2</sub>), nitrogen oxides (NO<sub>x</sub>) and volatile organic compounds (VOCs). Our aim is to maintain both the air quality around our facilities and the health of those who work at our sites or live nearby.

All 2011 results are available in [Total's 2011 CSR report](#) (pages 66-68 – Environmental indicators).

### **Protecting Biodiversity**

We take part in scientific research and the advancement of knowledge through our research centers, the Total Foundation and the many research programs conducted with other organizations, including the French oceanographic research institute IFREMER, the World Conservation Monitoring Centre and the International Union for Conservation of Nature (IUCN). We have also supported the French [Foundation for Research on Biodiversity](#) (FRB) since its creation. Launched by the Ministers of Ecology and Research in March 2008, the FRB aims to facilitate the development, support, leadership and promotion of research on biodiversity. In 2010, we chose to support a study on the value of biodiversity initiated by the FRB and in 2011 we are partnering its flagship program on biodiversity modeling and scenarios.

### **Renewable energies**

Total has partnerships with several companies in the United States and France:

- Amyris since June 2010, with the aim of developing and marketing biodiesel, biojet fuel and biolubricants by 2016 through its advanced synthetic biotechnology platform. Amyris owns research laboratories and a pilot unit in California and has one operational production unit in Brazil, with another under construction. In late 2011, Total and Amyris announced that they were strengthening their strategic partnership by setting up a joint R&D program and creating a joint venture:
  - increasing R&D efforts in order to develop biodiesel and biojet fuel. Total has committed to contributing \$105 million to the estimated \$180 million of funding required for the program;
  - creating a 50-50 joint venture company that will have exclusive rights to produce and market biodiesel and biojet fuel worldwide, as well as non-exclusive rights to other renewable products such as drilling fluids, solvents, polymers and specific biolubricants. The joint venture is expected to be operational in the first quarter of 2012.
- Futurol (pilot unit started up in October 2011), a secondgeneration bioethanol project in the Marne region of France. Total sits on the scientific committee and provides its industrial expertise in incorporating biocomponents into existing fuels.
- BioTfuel (November 2011), a pilot project to develop and market a second-generation biodiesel and biokerosene production chain. One of the pilot units (gasification, purification and synthesis) will be installed on Total's site in Flandres (France), with production start-up expected in 2020.

In 2011, Total increased its commitment to solar energy to become one of the world leaders in this field, through:

- the acquisition of a 60% stake in SunPower in June 2011. The company produces the most efficient solar panels on the market;
- the takeover of Tenesol in late 2011 and the merging of Tenesol with SunPower in January 2012. As a result of the operation, Total now owns 66% of SunPower. The ongoing construction of a solar panel plant (44 MWp) using SunPower's cutting-edge technology in Saint-Avold (France). Commissioning is expected in 2012.

## **Training**

Two three-day training courses on all aspects of HSE are also made available to the business units. "HSE Implementation" is aimed at employees whose job is specifically to handle one or more HSE areas within an entity. "HSE for Managers" is aimed at senior managers who are currently or will in the future be responsible for a Group entity. Several of these courses took place in 2011.

## **2.4. Anti-corruption (principle 10)**

### **2.4.1 Commitments, strategies and policies**

#### **Preventing corruption and fraud**

The amounts of money involved and the diversity of the various regions require the oil industry to be particularly vigilant about corruption and fraud. About 25% of Total's employees work in high-risk countries with scores of less than five on the Transparency International Corruption Perceptions Index. Therefore, reinforcing integrity and preventing corruption are major objectives for the Group and all employees.

The key principle set out since 2000 in our [Code of Conduct](#) regarding Total's stance on the issue of corruption is:

*"Total rejects bribery and corruption in all forms, whether public or private, active or passive.*

*The Code of Conduct serves as a reference document for all Group employees. It sets out the principles governing the actions and individual behavior of each person, both in their daily decisions and their relations with stakeholders. In the Code of Conduct, we reiterate our support to the OECD Guidelines for Multinational Enterprises and the Tenth Principle of the United Nations [Global Compact](#), which invites companies to act against all forms of corruption."*

Christophe de Margerie, Chairman and Chief Executive Officer, repeatedly emphasizes Total's clear commitment to rejection of corruption on a regular basis, for example in an interview on Total's Integrity Policy, February 2011:

*"Like everything relating to our Code of Conduct, I expect everyone to realize that this is not a game, this is a requirement [...] We are here to help our employees, through different means to ensure that zero tolerance is achieved through our anti-fraud, anti-corruption campaign. We have a duty to be exemplary. Our size, our revenues, our profits require us to be perfect in all domains and most certainly that of integrity".*

The [Business Integrity Guide](#) was published in March 2008 to support the implementation of the integrity principles (rejection of corruption and fraudulent practices, avoidance of conflicts of interest) contained in the Code of Conduct. It provides concrete examples of possible risk situations encountered in our business relations and reiterates Total's policies with regard to corruption, fraud and conflicts of interest.

In 2009, a Corruption Prevention Policy and a Compliance Program was approved by the Executive Committee. It is supported by a dedicated organization, official Policies and Procedures (Anti-Corruption Compliance Directive and its associated procedures), as well as a program of sensitizing and training employees.

In 2011, the Executive Committee approved the Business Integrity Policy and Program to reinforce fraud and corruption prevention. It is supported by a dedicated organization and the Group Directive Guidelines to be followed in case of fraud incidents.

### **Defending free competition and fighting cartels**

In the course of our day-to-day business, we must ensure continuous compliance with competition and antitrust laws, particularly in the fight against cartels. Antitrust compliance is one of the core principles of our [Code of Conduct](#): Total "*complies with all applicable laws, regulations and decisions of the United Nations and the European Union, especially concerning the environment, competition and employment*" and "*observes the rules of free competition [...]*".

Our senior executives have always taken a firm position on the issue. In 2010, Christophe de Margerie, Chairman and Chief Executive Officer, reaffirmed Total's commitment in a message addressed to all employees. He encouraged them "*to maintain integrity in business relations by respecting free competition regulations*".

### **Promoting financial transparency**

Oil and gas development generates substantial revenues for private enterprises and producing countries, but the public often has little idea of how much money is involved. Often, too, the benefits are distributed unequally among the population. This lack of transparency reflects weak institutions and feeds conflict as parties vie for control of these resources. Awareness of the problem has spurred calls for everyone involved in the oil and gas industry to take steps to ensure that production does not come at the expense of the people living in producing regions. Today, clarifying the relationships between host countries and the extractive industry is a priority to ensure fair management of oil revenues.

The Extractive Industries Transparency Initiative ([EITI](#)) aims to strengthen the transparency of transactions between governments and companies in the oil, gas and mining industries in order to improve governance in resource-rich countries. The EITI promotes greater transparency in the management of oil revenues. It calls for all private and national extractive companies to publish what they pay to governments, for an independent aggregator to consolidate and publish the data, for the confidentiality of existing contracts to be maintained and for prior government approval.

Total is committed to strict transparency and participates actively in intergovernmental initiatives and dialogue on this issue. Total joined the Extractive Industries Transparency Initiative ([EITI](#)) on its creation in 2002, at the World Summit on Sustainable Development, known as the Johannesburg Summit. Total has always backed this initiative and continues to demonstrate the Group's strong commitment.

## 2.4.2 **Management systems**

### **Preventing corruption and fraud**

Our integrity process to prevent and combat fraud and corruption is based primarily on a network of Compliance Officers and Fraud Risk Coordinators across the Group, branches and subsidiaries/entities.

At Group level, there are two centers of expertise:

1. the Anti-corruption Compliance Committee which is in charge of anti-corruption initiatives,
2. the Fraud Risk Coordinators which are in charge of the anti-fraud activities. This work is coordinated by the Corporate Business Integrity Coordinating Committee, composed of head officers of the following corporate functions: Ethics Committee, Audit and Internal Control, Legal Affairs / Compliance, Security, Finance and Human Resources and the Corporate Fraud Risk Coordinator. It coordinates and follows up the implementation of the programs and initiatives in order to prevent, detect and deal with all types of business integrity risks.

At subsidiaries/entities level, these officers work together within an Integrity Committee in which the different functions are represented.

The Ethics Committee complements this integrity process by ensuring that the Code of Conduct is disseminated across the Group and that the procedures are in place for the Group's employees to become thoroughly familiar with the Code of Conduct, understand its provisions and apply them.

Reminding employees of the need to be vigilant with respect to integrity and anti-corruption is done at all presentations made as part of the Ethics process (58 presentations in 2011 and dedicated seminars, bringing together approximately 2,500 Total senior executives).

An e-learning on anti-corruption is available in 11 languages to increase knowledge of corruption risks and prevention procedures. As of to date, it has been taken by 45,000 employees.

Total also contributed to the UNGC Working Group on Anti-corruption which drafted the Reporting Guidance on the 10<sup>th</sup> Principle Against Corruption in 2009 and the Guide for customers and suppliers to fight corruption in the Supply Chain in 2010.

### **Defending free competition and fighting cartels**

Our businesses, especially Refining & Chemicals and Supply & Marketing, have developed antitrust **compliance programs** designed to educate employees and ensure that they respect applicable legislation and regulations at all times. The compliance programs comprise four main components: systematic training, employee accountability, regular audits of program implementation and sanctions in the event of failure to comply. The first step in setting up these programs was to prepare **practical guides for each business**, in order to increase familiarity with the regulations and ensure employees conduct themselves appropriately. These guides are accessible to everyone on the intranet.

These documents, which may be revised to reflect changing legislation, are solely for internal use and may only be accessed to obtain information on how to raise antitrust awareness among managers and employees. It is strictly forbidden to use or copy the documents for any other purpose:

- [Refining & Marketing practical guide](#)
- [Chemicals practical guide](#).

To ensure distribution and application of the program worldwide and to support line employees in their day-to-day work, dedicated legal departments have been created in Chemicals (now Refining & Chemicals) and Refining & Marketing (now Supply & Marketing). They are supported by management at all levels and by Human Resources, which have an important role to play, especially in identifying employees exposed to competition-related issues.

In order to increase accountability, employees exposed to competition risks are required to sign a personal commitment letter in which they undertake to comply with the principles and instructions of the compliance program and with the relevant rules. Employees are reminded that a “zero tolerance” policy applies in the event of abuses and severe sanctions will be applied.

Employees who are the most exposed to risk (especially those who are in direct contact with customers, competitors and suppliers) receive training in antitrust law. The dedicated training courses are offered worldwide and tailored to national legislation. They are updated at regular intervals. In addition, Chemicals (now Refining & Chemicals) and Refining&Marketing (now Supply & Marketing) have developed e-learning programs to help employees broaden their knowledge.

### **Promoting financial transparency**

After having been elected to the EITI board as an alternate member in September 2007, Total’s representative was elected as permanent member from February 2009 to March 2011 (two year term) in recognition of our company’s deep commitment to the initiative. The board comprises 20 permanent members representing implementing countries, supporting countries, civil society organizations, the oil, gas and mining industries, and investment companies. Total’s representative, Jean-François Lassalle, has remained a very active member in the Initiative since March 2011.

### **2.4.3 Monitoring and evaluation mechanisms**

#### **Preventing corruption and fraud**

Our integrity process involves oversight and detection procedures, by means of:

- Procedures for analyzing and assessing the risks related to the prevention of corruption;
- Control activities for preventing or detecting fraud and corruption risks;
- Internal control audits carried out by internal auditors (regular assessments of internal control systems of the Group’s entities and implementation of applicable laws and procedures);
- Ethical assessments of our subsidiaries (monitoring process of the implementation of the Code of Conduct conducted each year by GoodCorporation): 40% of the evidence points are directly or indirectly related to integrity;
- The Ethics Committee’s whistle-blowing procedure;
- Analysis and feedback from reported incidents.

In our relations with other companies, we expect our partners to uphold comparable integrity principles.

## **Defending free competition and fighting cartels**

Program compliance is monitored through a system of internal controls, ethical principles and practices, and dedicated contact/listening processes within the businesses.

Since the roll-out of a system of letters of commitment in 2007, nearly 7,400 letters (4,587 from the Chemicals Division, now Refining & Chemicals and 2,795 from the Refining & Marketing Division, now Supply & Marketing) have been signed by employees of the Group companies.

In the past, Total had been investigated and found guilty of anti-competitive agreements. For more information about principal antitrust proceedings in which the Group is involved, see page 161-165 of [Total's 2011 Registration Document](#).

## **Promoting financial transparency - Detailed, public information through country reports**

As part of our commitment, we publish detailed reports on a number of host countries, accounting for 52% of our production in 2011. These country briefs provide information on our exploration and production operations in these countries, including details about our acreage, contract types, local subsidiaries, and the taxes we pay to governments.

### **2.4.4 Key outcomes**

#### **Preventing corruption**

In 2011, an ambitious program of prevention of corruption has been launched:

- The Anti-Corruption Compliance Directive and its associated procedures were adopted. This specific guidance provides our employees with clear rules of conduct if they are exposed to corruption risks. It lays down rules in compliance with the most restrictive laws in relation to the choice of an intermediary dealing with public officials, in business partnerships, acquisitions, procurement, as well as donations, gifts, entertainment, travel, contributions to social development, corporate philanthropy and sponsorship.
- A network of over 300 compliance officers at branches, subsidiaries and entities level has been established.
- Training seminars for compliance officers has been organized.
- An anti-corruption e-learning has been developed in 11 languages to increase knowledge of corruption risks and prevention procedures. It is based on practical business situations and is available to all Group employees. As of to date, 45,000 employees have taken this e-learning.

The RESIST (Resisting Extortion and Solicitation in International Sales and Transactions) anti-corruption tool, which was developed by the International Chamber of Commerce (ICC), the Global Compact, Transparency International (TI) and the Partnering Against Corruption Initiative (PACI) and published in 2009 was incorporated, among others, into the anti-corruption e-learning. Total participated together with other companies in its development. This is a learning tool that uses case studies to assess a company's possible responses in high-risk situations.

Total also joined international initiatives which contribute to the fight against corruption and participates in the dissemination of good practices and the promotion of dialogue between companies and civil society. As a member of the Global Compact Anti-Corruption Working Group, Total took part in the writing of "Fighting Corruption in the Supply Chain: A Guide for Customers and Suppliers" in 2010.

## **Fighting fraud**

In 2011, our program to fight against fraud has been also strengthened. The Integrity Policy and Program were adopted in early 2011. The Policy reaffirms the principle of zero tolerance of fraud, completes and clarifies cross-business ethical behavioral rules and defines and structures roles and responsibilities within the organization. It also reinforces awareness and training to help employees better prevent, detect and manage fraud and corruption risks. It provides incident analysis and feedback to make our ongoing protection more effective.

This program is particularly supported by a network of Fraud Risk Coordinators at corporate, branches and subsidiaries/entities levels. Their role is to recommend measures to prevent, detect and handle fraud and corruption and implement those measures in their business or field of activity.

The Group Directive Guidelines to be followed in case of fraud incidents, adopted in May 2011, provides what to do at the local, branch and corporate level if irregular practices are identified.

## **Defending free competition and fighting cartels**

Since 2007, 8,361 employees were trained in Refining and Marketing (now Supply & Marketing). In 2011, the Chemicals branch (now Refining & Chemicals) of the Group offered training to 10,000 employees through e-learning.

In addition, nearly 7,400 employees have signed personal commitment letters since the practice was introduced in 2007: 4,587 in Chemicals (now Refining & Chemicals) and 2,795 in Refining & Marketing (now Supply & Marketing).

## **Promoting financial transparency - Detailed, public information through country reports**

The *Total in Cameroon report* was updated for the last time in 2010 before we ended our activities in the country. The *Total in Nigeria*, *Total in Gabon*, *Total in Angola* and *Total in Norway*, *Total in UK*, *Total in Indonesia*, *Total in Congo* reports were updated in 2011. These seven countries accounted for 52% of our production in 2011.

We also publish information each year about our oil and gas exploration and production activities, broken down by country, in [Total's 2011 Factbook](#).

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### 3. BLUEPRINT FOR CORPORATE SUSTAINABILITY LEADERSHIP

#### 3.1. Implementing the Ten Principles into Strategies and Operations

##### 3.1.1 Full Coverage and Integration Across Principles

<ul style="list-style-type: none"><li><input checked="" type="checkbox"/> Implement all the ten UN Global Compact principles into strategies and operations</li><li><input checked="" type="checkbox"/> Design corporate sustainability strategy to leverage synergies between and among issue areas and to deal adequately with trade-offs</li><li><input checked="" type="checkbox"/> Ensure that different corporate functions coordinate closely to maximize performance and avoid unintended negative impacts</li></ul>	<p>As a member of the UN Global Compact, Total is involved in the international debate on the role of businesses in respecting and promoting human rights, fundamental human rights in the workplace, environmental protection and fighting corruption. The Group worked on adapting its policy regarding the ten UN Global Compact principles and annually reaffirms its commitment and reports on its actions in support of the Compact's principles through its web site.</p> <p>Our ethics process is designed to ensure that these relationships are built on a solid foundation of clear, shared principles and codes, which are the best way to protect Total from the major risks that we can encounter in our operations. Our reputation can be permanently damaged by a failure to uphold human rights, comply with antitrust law or combat corruption. Anything of this nature undermines investor confidence and business relations, in turn jeopardizing our stability. The media revolution, especially the spread of digital media, accentuates this risk. We have to be well prepared and proactive. That is why we have made respect for stakeholders a daily imperative, underpinned by a Code of Conduct, an Ethics Committee and a dedicated Intranet site.</p> <p>Our senior executives support these measures fully. They promote ethical business conduct, and set the example by embracing it themselves, instilling and promoting it and ensuring its correct implementation by employees. Total firmly believes that ethics and integrity are the surest path to sustainable, responsible growth.</p> <p>In order to spell out our human rights positions and initiatives, Total has created a Human Rights Coordination Committee, organized by the Ethics Committee Chairman. An informal discussion forum that meets every other month, its members include representatives of the International Relations, Institutional Relations, Corporate Legal Affairs, Corporate Communications, Security, Sustainable Development and Human Resources Departments. The meetings mainly address international initiatives, human rights tools and resources under development and the expressed expectations of civil society. The introduction of specific internal policies and procedures (in progress or pending) is also discussed.</p> <p>See Total's web site: <a href="#">Ethical Business Conduct / Upholding Human Rights / Implementation</a></p>
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### 3.1.2 **Robust Management Policies and Procedures**

<ul style="list-style-type: none"><li>☑ Assess risks and opportunities on an ongoing basis at both enterprise and product level and undertake due diligence to ensure that the company identifies any negative impacts caused by its operations and activities</li> <li>☑ Develop strategies and policies specific to the company's operating context – as well as scenarios for the future - and establish measurable short, medium, and long term goals</li> <li>☑ Engage and educate employees through training activities, the development and adjustment of business processes, and sound incentive schemes</li></ul> <p>Implement a system to track and measure performance based on standardized performance metrics</p>	<p>Total conducts business in accordance with the bedrock values and principles set out in our Code of Conduct. The Code includes senior management's commitments, presents the principles adopted and shared by all Total companies, and lists the internationally recognized documents to which we refer. It also details the business principles to be followed in dealing with our stakeholders and the rules of individual and collective behavior that our employees are expected to apply.</p> <p><a href="#">Total's ethics process</a> is based directly on policy statements issued by senior management and is set out in our Code of Conduct. Major resources are dedicated to implement the ethics process, in particular regarding information dissemination, raising awareness and verification. Managers model the expected conduct on the front lines. They are an essential pillar for the implementation of our ethical principles and values.</p> <p>In order to strengthen Total's global risk management process, a Group Risk Committee has been established under the chairmanship of the Vice President Strategy and Economic Intelligence. This committee, acting upon mandate from the Group's Executive Committee, gathers the Vice Presidents of the main corporate divisions as well as representatives from the Business divisions. The objective of this cross-functional committee is a better integration of risk management through a coordinated approach. The Group Risk Committee relies on the works of the business units and corporate departments and is responsible for ensuring that risk management systems are effective, efficient and adapted to the challenges faced by the Group.</p> <p>All investment or divestment proposals submitted for approval by the Group's Executive Committee are analysed by a Risk Committee (called "Corisk"), also chaired by the Vice President Strategy and Economic Intelligence. This committee meets twice a month in order to review new projects before approval by the Group's Executive Committee and to make sure that all risks have been properly assessed based on the "Corisk" checklist. Whether the expenditure involves a new project or a proposal to expand, acquire, divest or wind up an operation, the checklist is designed to verify compliance with Total's standards, in particular in the areas of environment, community development, social responsibility, health and hygiene, industrial safety and security. The checklist takes into account the construction, operating and revamping phases.</p> <p>In 2011, an anti-corruption e-learning has been developed in 11 languages to strengthen knowledge of corruption risks and prevention procedures. It is based on practical business situations, and available to all Group employees. At the end of the e-learning training session, employees must answer a quiz to check that they have effectively acquired the corresponding knowledge; about 45,000 employees have taken this e-learning to date.</p> <p>In 2011, ethical assessments of nine affiliates and one investment project were carried out with GoodCorporation. We can report that around 75% of ethical values systems are operating satisfactorily, around 15% indicate room for improvement and about 10% are in need of strengthening.</p>
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### 3.1.3 Mainstreaming into Corporate Functions and Business Units

<p><input checked="" type="checkbox"/> Place responsibility for execution of sustainability strategy in relevant corporate functions (procurement, government affairs, human resources, legal, etc.) and ensure that no function is operating in conflict with sustainability commitments and objectives of company</p> <p>Align strategies, goals and incentive structures of all business units and subsidiaries with corporate sustainability strategy</p> <p><input checked="" type="checkbox"/> Assign responsibility for corporate sustainability implementation to an individual or group within each business unit and subsidiary</p>	<p><b>Organizations involved in our ethics process:</b> The Ethics Committee is responsible for making sure the Code of Conduct is properly applied. The Committee is, with immediate supervisors, the main point of contact for any employee facing an ethics-related issue. It can be consulted at any time in the strictest confidentiality.</p> <p>The Compliance and Corporate Social Responsibility Department, the Corporate Audit Department, the Human Resources Department and Université Total also play key roles in driving implementation of our ethical process, led by our senior executives and other managers, who set the example for all employees. See <a href="#">Organizations involved in our ethics process</a>.</p> <p>The CSR report steering committee meets on a monthly basis and comprises managers from the corporate level and the Group's sector. This committee monitors the drafting of Total's CSR report and also makes all decision regarding the updating of the sustainability pages on Total's corporate website. This committee represents a powerful tool in order to define corporate sustainability strategy and to leverage synergies between and among issue areas.</p> <p>In each sector, business units and subsidiaries of the Group, teams or individuals are in charge of sustainability implementation, along the corporate and sector policies and guidelines.</p>
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### 3.1.4 Value Chain Implementation

<p><input checked="" type="checkbox"/> Analyze each segment of the value chain carefully, both upstream and downstream, when mapping risks, opportunities and impacts</p> <p><input checked="" type="checkbox"/> Communicate policies and expectations to suppliers and other relevant business partners</p> <p><input checked="" type="checkbox"/> Implement monitoring and assurance mechanisms within company's sphere of influence</p> <p><input checked="" type="checkbox"/> Undertake awareness-raising, training and other types of capability building with suppliers and other business partners</p>	<p>Total is committed to conveying its principles and values to its suppliers and partners and has developed a document called "Purchasing Fundamental Business Principles" (PFA). Suppliers are expected to respect and make sure that their own suppliers respect these principles that are priorities for the Group, including basic employment rights; health, safety and security as well as anti-corruption and the preservation of the environment.</p> <p><u>Ethical assessments:</u> in 2009, a pilot project was undertaken by GoodCorporation and Total to assess the ethical performance of contractors and subcontractors in an investment project. The assessment is based on the methodology used for subsidiary evaluations and adapted to projects.</p>
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## 3.2. Taking Action in Support of Broader UN Goals and Issues

### 3.2.1 Core Business Contributions to UN Goals and Issues

<p><input checked="" type="checkbox"/> Align core business strategy with one or more relevant UN goals / issues</p> <p><input checked="" type="checkbox"/> Develop relevant products and services or design business models that contribute to UN goals / issues</p> <p>Adopt and modify operating procedures to maximize contribution to UN goals / issues</p>	<p>Total's strategic vision is aligned with the UN Global Compact goals and issues. To realize our vision, we are leveraging our integrated business model, which enables us to capture all of the synergies in our business base. Together, our commitments to ethical practices, safety and corporate social responsibility form a shared foundation for our four strategic objectives:</p> <ul style="list-style-type: none"> <li>• Drive profitable, sustainable growth in our exploration and production operations.</li> <li>• Develop competitive, top-tier refining and petrochemical platforms.</li> <li>• Respond to customer needs by delivering innovative solutions, particularly in terms of energy efficiency.</li> <li>• Focus on solar energy and biomass to secure the energy future.</li> </ul> <p>Development of relevant products and services: see Total's web site: <a href="#">Total Ecosolutions</a>.</p> <p>In 2010, Total launched a program called Total Access to Solar (TATS) to provide access to solar energy for lighting and communication uses to low-income people (the so-called BOP – Bottom of the Pyramid). In 2011, 3 countries (Kenya, Cameroon and Indonesia) were selected as pilots in order to deploy the program. At the end of May 2012, about 91,000 solar lamps had been sold. The program is deployed in other countries in 2012: Burkina Faso, Congo, Nigeria, Uganda, Cambodia, Myanmar and Haiti.</p> <p>In 2012, Total also joined the UN Global Compact 'Sustainable Energy for All' initiative and has made the commitment to develop the solar photovoltaic solutions market by providing access to solar lamps and kits to 5 million low income people by 2015.</p>
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### 3.2.2 Strategic Social Investments and Philanthropy

<p><input checked="" type="checkbox"/> Pursue social investments and philanthropic contributions that tie in with the core competences or operating context of the company as an integrated part of its sustainability strategy</p> <p><input checked="" type="checkbox"/> Coordinate efforts with other organizations and initiatives to amplify – and not negate or unnecessarily duplicate – the efforts of other contributors</p> <p><input checked="" type="checkbox"/> Take responsibility for the intentional and unintentional effects of funding and have due regard for local customs, traditions, religions, and priorities of pertinent individuals and groups</p>	<p>See Total's web site: <a href="#">Total Ecosolutions</a>.</p> <p>See <a href="#">Total's Foundation</a> web site.</p> <p>See Total's web site: <a href="#">Group presentation / Initiatives and partnerships</a>.</p>
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### 3.2.3 Advocacy and Public Policy Engagement

<ul style="list-style-type: none"><li><input checked="" type="checkbox"/> Publicly advocate the importance of action in relation to one or more UN goals / issues</li><li><input checked="" type="checkbox"/> Commit company leaders to participate in key summits, conferences, and other important public policy interactions in relation to one or more UN goals / issues</li></ul>	<p>Total regularly supports and promotes UN objectives through the yearly Communication on Progress, the CEO's continuous statement of support, press releases, CEO speeches at various conferences and involvement in local Global Compact forums.</p> <p>For example, Mr. de Margerie made a speech during the consultation with business stakeholders on the implementation of the U.N. "Protect, Respect and Remedy" framework organized by Mr. John Ruggie in Paris on October 5, 2010: he provided the closing remarks to this conference. Mr. de Margerie also had the opportunity to speak during the United Nations Rio+20 conference on sustainable development, at an event organized by the Global Compact France on June 18, 2012, during which he teamed up with Fátima Jardim, the Environment minister of Angola.</p>
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### 3.2.4 Partnerships and Collective Action

<ul style="list-style-type: none"><li><input checked="" type="checkbox"/> Develop and implement partnership projects with public or private organizations (UN entities, government, NGOs, or other groups) on core business, social investments and/or advocacy</li><li><input checked="" type="checkbox"/> Join industry peers, UN entities and/or other stakeholders in initiatives that contribute to solving common challenges and dilemmas at the global and/ or local levels with an emphasis on initiatives that extend the company's positive impact on its value chain</li></ul>	<p>See Total's web site: <a href="#">Group presentation / Initiatives and partnerships</a>.</p> <p>Total is a member of <a href="#">IPIECA</a>, the global oil and gas industry association for environmental and social issues.</p> <p>After having implemented the recommendations contained within the VPSHR (Voluntary Principles on Security and Human Rights) for several years, Total became a full participant of this initiative in March 2012.</p> <p><u>Self-assessment process on human rights risks and compliance:</u> in 2006, Total has joined the Human Rights and Business Project created by the Danish institute for Human Rights. Through this project, a dedicated tool for business, the Human Rights Compliance Assessment (HRCA), has been designed. The HRCA fulfils two roles: first, it is a self-assessment by the unit of the Human Rights compliance of its own activities; secondly, it is an educational tool to raise Human Rights awareness in various subsidiary departments, stimulating collective deliberation and discussion of such issues.</p> <p><u>Social implementation assessment:</u> CDA Collaborative Learning Projects is a not-for-profit organization working in the field of economic and social development. It has introduced a program to educate multinationals on how their activities impact regions affected by sociopolitical pressures or conflicts. Several case studies examining Total's presence in Myanmar between 2002 and 2010, in Sudan in 2005 and in Mauritania in 2006 were independently performed by CDA. The final reports are publicly available on the <a href="#">CDA website</a>.</p>
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### 3.3. Engaging with the UN Global Compact

#### 3.3.1 Local Networks and Subsidiary Engagement

<ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Contribute to the building and operating of at least one UN Global Compact Local Network and help elevate performance of other companies through training, mentoring, COP peer review, etc.</li> <li><input checked="" type="checkbox"/> Encourage subsidiaries to engage with UN Global Compact Local Networks and to participate actively in events and activities</li> </ul> <p>Publish sustainability information related to each individual subsidiary separately or reference it explicitly in the Communication on Progress of Corporate Headquarters</p>	<p>Total is a member of the Management Committee of the Forum des Amis du Pacte Mondial en France, the association that represents France in the national Global Compact networks. We also make efforts in order to foster the creation of UN Global Compact Local Networks in some of the countries in which we operate.</p>
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#### 3.3.2 Global and Local Working Groups

<ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Participate in relevant global or local working groups and share experiences, networks, tools and good practices with other UN Global Compact participants</li> <li><input checked="" type="checkbox"/> Take active part in defining scope and objectives of new working groups when relevant</li> </ul>	<p>In addition to this basic commitment, Total is a member of the Management Committee of the Forum des Amis du Pacte Mondial en France, the association that represents France in the national Global Compact networks. Total is an active member of three working groups created under the Global Compact: the Human Rights Working Group, the Anti-Corruption Working Group, and the Expert Group on Responsible Investment in Conflict-Affected Countries. Total is regularly involved in these working groups' activities by sharing its experience through case studies, contributing to the preparation of tools or guidance materials and providing support to various initiatives such as the CEO statement for the sixtieth anniversary of the Universal Declaration of Human Rights in 2008. Total participated in the writing of the Guidance on Responsible Business in Conflict-Affected and High-Risk Areas: A Resource for Companies and Investors issued in 2010 by the Expert Group on Responsible Investment in Conflict-Affected Countries. This tool is to help companies and investors in implementing good practices in high-risk countries. A pilot project aimed at putting into practice the Guidance was launched by the UN Global Compact and the Principles for Responsible Investment. In 2011, Total undertook the pilot project in two countries.</p>
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#### 3.3.3 Issue-Based and Sector Initiatives

<ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Join and help advance one or more existing UN Global Compact initiatives, e.g. Caring for Climate, CEO Water Mandate, Women's Empowerment Principles, and Global Business Initiative on Human Rights</li> </ul> <p>Spearhead need-driven development of new issue-based or sector initiatives within the UN Global Compact and the wider United Nations</p>	<p>Total expressed its support for advancing equality between women and men by signing, in 2010, the Women's Empowerment Principles – Equality Means Business promoted by the United Nations Global Compact. The Group confirmed its support by participating at the WEP Annual Event held in New York in March 2012.</p> <p>See Total's web site: <a href="#">Group presentation / Initiatives and partnerships</a>.</p>
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### 3.3.4 Promotion and Support of the UN Global Compact

<p><input checked="" type="checkbox"/> Advocate the UN Global Compact to business partners, peers and the general public</p> <p>Encourage suppliers and other business partners to join the UN Global Compact, and take on mentoring role on issues related to the initiative</p> <p><input checked="" type="checkbox"/> Participate in activities to further develop and strengthen the UN Global Compact</p>	<p>Total's Code of Conduct, which refers to the principles of the United Nations Global Compact, is distributed to our suppliers and business partners.</p> <p>Total is a member of the United Nations Global Compact LEAD initiative since 2010.</p>
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## 3.4. The Cross-Cutting Components

### 3.4.1 CEO Commitment and Leadership

<p><input checked="" type="checkbox"/> CEO publicly delivers explicit statements and demonstrates personal leadership on sustainability and commitment to the UN Global Compact</p> <p><input checked="" type="checkbox"/> CEO promotes initiatives to enhance sustainability of the company's sector and leads development of industry standards</p> <p><input checked="" type="checkbox"/> CEO leads executive management team in development of corporate sustainability strategy, defining goals and overseeing implementation</p> <p>Make sustainability criteria and UN Global Compact principles part of goals and incentive schemes for CEO and executive management team</p>	<p>In the introduction to the Total's Human Rights Internal Guide, the CEO Christophe de Margerie emphasized that <i>"Respecting Human Rights in our activities remains a key requirement for us, working as we do in over a hundred countries, against varied, often challenging, cultural and political backdrops. It is therefore natural that Human Rights are one of the foundations of the common values that underpin our Group's identity and our ethical commitments everywhere we operate."</i></p> <p>Mr. de Margerie also made a speech during the consultation with business stakeholders on the implementation of the U.N. "Protect, Respect and Remedy" framework organized by Mr. John Ruggie in Paris on October 5, 2010: he provided the closing remarks to this conference. Mr. de Margerie also had the opportunity to speak during the United Nations Rio+20 conference on sustainable development, at an event organized by the Global Compact France on June 18, 2012, during which he teamed up with Fátima Jardim, the Environment minister of Angola.</p>
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### 3.4.2 Board Adoption and Oversight

<p><input checked="" type="checkbox"/> Board of Directors (or equivalent) assumes responsibility and oversight for long term corporate sustainability strategy and performance</p> <p>Board establishes, where permissible, a committee or assigns an individual Board member with responsibility for corporate sustainability</p> <p>Board (or committee), where permissible, approves formal reporting on corporate sustainability (Communication on Progress)</p>	<p>See <a href="#">Total's 2011 Registration document</a>, chapter 5 ("Corporate Governance").</p> <p>Apart from reporting on special referrals, the Committee Chairman reports on the Committee's work and objectives to the Executive Committee and the Board of Directors at least once a year. The Chairman of the Ethics Committee presented the 2011 annual review to the Executive Committee, followed by the Board of Directors, in early 2012.</p>
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### 3.4.3 Stakeholder Engagement

<ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Publicly recognize responsibility for the company's impacts on internal and external stakeholders</li> <li><input checked="" type="checkbox"/> Define sustainability strategies, goals and policies in consultation with key stakeholders</li> <li><input checked="" type="checkbox"/> Consult stakeholders in dealing with implementation dilemmas and challenges and invite them to take active part in reviewing performance</li> <li><input checked="" type="checkbox"/> Establish channels to engage with employees and other stakeholders to hear their ideas and address their concerns, and protect 'whistle-blowers'</li> </ul>	<p><u>External stakeholder engagement:</u> see <a href="#">Total's 2011 CSR report</a>. The "Stakeholder Relationship Management" (SRM+) tool is used since 2006 to identify and map our local stakeholders, drive their consultation, prioritize their societal expectations, establish a diagnosis and prepare a societal management plan. It helps to adapt the strategy to the actual context of its operations, to highlight possible misunderstandings and ensures global consent on company activities.</p> <p><u>Internal stakeholders:</u> Every other year, Total conducts an internal staff satisfaction survey, which is carried out by the polling institute Ipsos. The last employees' satisfaction survey was held in 2011. The survey scope has been broadened compared to the previous survey conducted in 2009, to capture a more representative view of the Group's diversity: nearly 70,000 employees from 324 entities and 94 countries were questioned. The participation remained high, at 65%, which ensures the representativeness and reliability of the results. This survey enables the employees to provide a number of comments, suggestions and ideas regarding all personal concerns they might have at work.</p> <p>The Ethics Committee provides employees with assistance in resolving ethical problems that may arise in the course of performing their duties. All questions and correspondence are treated confidentially, as stipulated in the Code of Conduct ("The Committee's members shall not reveal the identity of any person requesting their advice and may not disclose information that would make it possible to identify them."). A specific whistleblowing policy statement has also been issued to protect employees.</p> <p>In 2011, 114 cases/questions were raised to the Ethics Committee, the majority by employees. Although this number may seem low, it should be kept in mind that the Ethics Committee is considered the ultimate resort for employees, who are encouraged to first contact their line manager, another manager or a local ethics officer, if this position exists.</p>
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### 3.4.4 Transparency and Disclosure

<ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Share sustainability information with all interested parties and respond to stakeholder inquiries and concerns</li> <li><input checked="" type="checkbox"/> Ensure that Communication on Progress covers all aspects of the Leadership Blueprint and utilize, where appropriate, the Global Reporting Initiative framework</li> </ul> <p style="padding-left: 20px;">Integrate Communication on Progress into annual financial report or publish them together</p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Secure external verification of Communication on Progress or seek other methods for legitimization by external stakeholders</li> </ul>	<p>See <a href="#">Total's 2011 CSR report</a>. Total's sustainability reporting process is verified by external auditors (Ernst &amp; Young and Bureau Veritas in 2011).</p> <p>This document (Total's Communication on Progress 2011-2012) covers all aspects of the Leadership Blueprint.</p> <p>Total also fully used the Global Reporting Initiative framework for the 2011 reporting period:</p> <p><a href="http://www.total.com/en/csr-analysts/international-reporting-standards/global-reporting-initiative-202212.html">http://www.total.com/en/csr-analysts/international-reporting-standards/global-reporting-initiative-202212.html</a></p>
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## 4. SELF-ASSESSMENT ON THE 24 GC-ADVANCED CRITERIA

### 4.1. Strategy, Governance and Engagement

#### Criterion 1: The COP describes key aspects of the company's high-level sustainability strategy in line with Global Compact principles

<ul style="list-style-type: none"><li><input checked="" type="checkbox"/> Impact of broader sustainability trends on the long-term prospects and financial performance of the organisation</li><li><input checked="" type="checkbox"/> Major sustainability risks and opportunities in the near to medium term (3-5 years)</li><li><input checked="" type="checkbox"/> Social and environmental impact of the organization's activities</li><li><input checked="" type="checkbox"/> Overall strategy to manage sustainability impacts, risks and opportunities in the near to medium term (3-5 years)</li><li><input checked="" type="checkbox"/> Key performance indicators to measure progress</li><li><input checked="" type="checkbox"/> Major successes and failures during the reporting period</li></ul>	<p>You can read the policy statement of Christophe de Margerie, Chairman and Chief Executive Officer, in his <a href="#">Introduction to the Code of Conduct</a> (March 2012): <i>“Our growth and long-term viability depend on all of us embracing the shared ethical values and principles that motivate and guide our day-to-day undertakings.”</i></p> <p>See <a href="#">Total's 2011 Registration document</a>, chapter 4 (“Risk factors”).</p> <p>See <a href="#">Total's 2011 CSR report</a>.</p>
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#### Criterion 2: The COP describes effective decision-making processes and systems of governance for corporate sustainability

<ul style="list-style-type: none"><li><input checked="" type="checkbox"/> Involvement and accountability of management (C-suite) in corporate sustainability strategy in line with Global Compact principles and overseeing its implementation</li><li><input checked="" type="checkbox"/> Corporate governance structure (Board of Directors or equivalent) and its role in oversight of corporate sustainability implementation in line with Global Compact principles</li><li><input checked="" type="checkbox"/> Goals and incentive schemes for management (C-suite) to promote sustainability strategy in line with Global Compact principles</li></ul>	<p>See <a href="#">Total's 2011 Registration document</a>, chapter 5 (“Corporate Governance”).</p> <p>See Total's website: <a href="#">Ethical Business Conduct / Our position and commitments</a>.</p>
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### Criterion 3: The COP describes engagement with all important stakeholders

<p><input checked="" type="checkbox"/> Regular stakeholder consultations in the area of human rights, labour, environment and anti-corruption</p> <p>List of stakeholder groups engaged by the organisation</p> <p><input checked="" type="checkbox"/> Process for stakeholder identification and engagement</p> <p><input checked="" type="checkbox"/> Outcome of stakeholder involvement</p> <p><input checked="" type="checkbox"/> Process of incorporating stakeholder input into corporate strategy and business decision making</p>	<p>See <a href="#">Total's 2011 CSR report</a> (chapter "Operating in challenging countries").</p> <p>The "Stakeholder Relationship Management" (SRM+) tool is used since 2006 to identify and map our local stakeholders, drive their consultation, prioritize their societal expectations, establish a diagnosis and prepare a societal management plan. It helps to adapt the strategy to the actual context of its operations, to highlight possible misunderstandings and ensures global consent on company activities.</p>
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## 4.2. UN Goals and Issues

### Criterion 4: The COP describes actions taken in support of broader UN goals and issues

<p><input checked="" type="checkbox"/> Adoption or modification of business strategy and operating procedures to maximize contribution to UN goals and issues</p> <p><input checked="" type="checkbox"/> Development of products, services and business models that contribute to UN goals and issues</p> <p><input checked="" type="checkbox"/> Social investments and philanthropic contributions that tie in with the organization's core competencies, operating contexts and sustainability strategies</p> <p><input checked="" type="checkbox"/> Public advocacy on the importance of one or more UN goals and issues</p> <p><input checked="" type="checkbox"/> Partnership projects and collective actions in support of UN goals and issues</p>	<p>Total's strategic vision is aligned with the UN Global Compact goals and issues. To realize our vision, we are leveraging our integrated business model, which enables us to capture all of the synergies in our business base. Together, our commitments to ethical practices, safety and corporate social responsibility form a shared foundation for our four strategic objectives:</p> <ul style="list-style-type: none"><li>• Drive profitable, sustainable growth in our exploration and production operations.</li><li>• Develop competitive, top-tier refining and petrochemical platforms.</li><li>• Respond to customer needs by delivering innovative solutions, particularly in terms of energy efficiency.</li><li>• Focus on solar energy and biomass to secure the energy future.</li></ul> <p>See Total's web site: <a href="#">Total Ecosolutions</a>.</p> <p>In 2010, Total launched a program called Total Access to Solar (TATS) to provide access to solar energy for lighting and communication uses to low-income people (the so-called BOP – Bottom of the Pyramid). In 2011, 3 countries (Kenya, Cameroon and Indonesia) were selected as pilots in order to deploy the program. At the end of May 2012, about 91,000 solar lamps had been sold. The program is deployed in other countries in 2012: Burkina Faso, Congo, Nigeria, Uganda, Cambodia, Myanmar and Haiti.</p> <p>Also see <a href="#">Total's Foundation</a> web site.</p>
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### 4.3. Human Rights Implementation

#### Criterion 5: The COP describes robust commitments, strategies or policies in the area of human rights

<ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Commitment to comply with all applicable laws and respect internationally recognized human rights, wherever the company operates (e.g. the Universal Declaration of Human Rights)</li> <li><input checked="" type="checkbox"/> Statement of policy expressing commitment to respect and support human rights approved at the most senior level of the company</li> <li><input checked="" type="checkbox"/> Statement of policy stipulating human rights expectations of personnel, business partners and other parties directly linked to operations, products or services</li> <li><input checked="" type="checkbox"/> Statement of policy publicly available and communicated internally and externally to all personnel, business partners and other relevant parties</li> </ul>	<p>See Total's website: <a href="#">Ethical Business Conduct / Our position and commitments</a></p>
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#### Criterion 6: The COP describes effective management systems to integrate the human rights principles

<ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> On-going due diligence process that includes an assessment of actual and potential human rights impacts</li> <li><input checked="" type="checkbox"/> Internal awareness-raising and training on human rights for management and employees</li> <li><input checked="" type="checkbox"/> Operational-level grievance mechanisms for those potentially impacted by the company's activities</li> <li><input checked="" type="checkbox"/> Allocation of responsibilities and accountability for addressing human rights impacts</li> <li><input checked="" type="checkbox"/> Internal decision-making, budget and oversight for effective responses to human rights impacts</li> <li><input checked="" type="checkbox"/> Processes to provide for or cooperate in the remediation of adverse human rights impacts that the company has caused or contributed to</li> </ul>	<p>See Total's web site: <a href="#">Ethical Business Conduct / Upholding Human Rights / Implementation</a></p> <p>See IPIECA's website: <a href="http://www.ipieca.org/focus-area/human-rights">http://www.ipieca.org/focus-area/human-rights</a></p>
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#### Criterion 7: The COP describes effective monitoring and evaluation mechanisms of human rights integration

<ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> System to monitor the effectiveness of human rights policies and implementation, including in the supply chain</li> <li><input checked="" type="checkbox"/> Monitoring drawing from internal and external feedback, including affected stakeholders</li> <li><input checked="" type="checkbox"/> Leadership review of monitoring and improvement results</li> <li><input checked="" type="checkbox"/> Process to deal with incidents</li> </ul>	<p>See Total's web site: <a href="#">Ethical Business Conduct / Upholding Human Rights / Monitoring.</a></p>
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#### Criterion 8: The COP describes key outcomes of human rights integration

<input checked="" type="checkbox"/> Outcomes of due diligence process	See <a href="#">Total's 2011 CSR report</a> (chapter "Empowering our suppliers").
<input checked="" type="checkbox"/> External and formal reporting of operations or operating contexts that pose risks of severe human rights impacts	See Total's website: <a href="#">Ethical Business Conduct / Upholding Human Rights / Monitoring</a> .
Disclosure of main incidents involving the company	As the Global Compact Office acknowledged, we consider that providing such details may be counterproductive for various reasons related to the protection of human rights, and that confidentiality may, at times, be more effective.
Outcomes of processes of remediation of adverse human rights impacts	

#### 4.4. Labour Principles Implementation

#### Criterion 9: The COP describes robust commitments, strategies or policies in the area of labour

<input checked="" type="checkbox"/> Reference to relevant international conventions and other international instruments (e.g. ILO Core Conventions)	See Total's website: <a href="#">Ethical Business Conduct / Upholding Human Rights / Human rights in our ethics process</a> .
<input checked="" type="checkbox"/> Reflection on the relevance of the labour principles for the company	
<input checked="" type="checkbox"/> Written company policy (e.g., in code of conduct) on labour	
<input checked="" type="checkbox"/> Inclusion of minimum labour standards in contracts with suppliers and other relevant business partners	
Specific commitments and goals for specified years	

#### Criterion 10: The COP describes effective management systems to integrate the labour principles

<input checked="" type="checkbox"/> Risk and impact assessments in the area of labour	See Total's website: <a href="#">Ethical Business Conduct / Upholding Human Rights / Implementation</a> .
<input checked="" type="checkbox"/> Allocation of responsibilities and accountability within the organisation	
<input checked="" type="checkbox"/> Internal awareness-raising and training on the labour principles for management and employees	
<input checked="" type="checkbox"/> Grievance mechanisms, communication channels and other procedures (e.g. whistleblower mechanisms) for reporting concerns or seeking advice	

### Criterion 11: The COP describes effective monitoring and evaluation mechanisms of labour principles integration

<p>System to track and measure performance based on standardized performance metrics</p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Audits or other steps to monitor and improve the labour performance of companies in the supply chain</li> <li><input checked="" type="checkbox"/> Leadership review of monitoring and improvement results</li> <li><input checked="" type="checkbox"/> Process to deal with incidents</li> </ul>	<p>See Total's website: <a href="#">Ethical assessments</a>.</p>
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### Criterion 12: The COP describes key outcomes of integration of the labour principles

<ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Outcome of due diligence and follow-up efforts to uphold the freedom of association right to collective bargaining</li> <li><input checked="" type="checkbox"/> Outcome of due diligence and follow-up efforts to eliminate forced labour</li> <li><input checked="" type="checkbox"/> Outcome of due diligence and follow-up efforts to abolish child labor</li> <li><input checked="" type="checkbox"/> Outcome of due diligence and follow-up efforts to eliminate discrimination</li> </ul> <p>Disclosure of main incidents involving the company</p>	<p>See <a href="#">Total's 2011 Registration document</a> – chapter 12 p. 326 (“Dialogue with employees”).</p> <p>In addition to the ethical assessments performed by GoodGorporation in the Total subsidiaries since 2002, assessments with the Danish Institute's HRCA tool have been conducted since the end of 2010.</p> <p>As the Global Compact Office acknowledged, we consider that providing such details may be counterproductive for various reasons related to the protection of labour rights, and that confidentiality may, at times, be more effective in righting labour-related abuses.</p>
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## 4.5. Environmental Stewardship Implementation

### Criterion 13: The COP describes robust commitments, strategies or policies in the area of environmental stewardship

<ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Reference to relevant international conventions and other international instruments (e.g. Rio Declaration on Environment and Development)</li> <li><input checked="" type="checkbox"/> Reflection on the relevance of environmental stewardship for the company</li> <li><input checked="" type="checkbox"/> Written company policy on environmental stewardship</li> <li><input checked="" type="checkbox"/> Inclusion of minimum environmental standards in contracts with suppliers and other relevant business partners</li> <li><input checked="" type="checkbox"/> Specific commitments and goals for specified years</li> </ul>	<p>See <a href="#">Total's Health, Safety and Environment and Quality charter</a>.</p> <p>See <a href="#">Total's 2011 Registration document</a> – chapter 12 p. 328-334 (“Health, safety and environment information”).</p> <p>Total is committed to conveying its principles and values to its suppliers and partners and has developed a document called “Purchasing Fundamental Business Principles” (PFA). Suppliers are expected to respect and make sure that their own suppliers respect these principles that are priorities for the Group, including basic employment rights; health, safety and security as well as anti-corruption and the preservation of the environment.</p>
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**Criterion 14: The COP describes effective management systems to integrate the environmental principles**

<ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Environmental risk and impact assessments</li> <li><input checked="" type="checkbox"/> Assessments of lifecycle impact of products, ensuring environmentally sound end-of-life management policies</li> <li><input checked="" type="checkbox"/> Allocation of responsibilities and accountability within the organisation</li> <li><input checked="" type="checkbox"/> Internal awareness-raising and training on environmental stewardship for management and employees</li> </ul> <p>Grievance mechanisms, communication channels and other procedures (e.g. whistleblower mechanisms) for reporting concerns or seeking advice regarding environmental impacts</p>	<p>See <a href="#">Total's 2011 Registration document</a> – chapter 12 p. 328-334 (“Health, safety and environment information”).</p> <p>See <a href="#">Total's 2011 CSR report</a>.</p>
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**Criterion 15: The COP describes effective monitoring and evaluation mechanisms for environmental stewardship**

<ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> System to track and measure performance based on standardized performance metrics</li> <li><input checked="" type="checkbox"/> Leadership review of monitoring and improvement results</li> <li><input checked="" type="checkbox"/> Process to deal with incidents</li> <li><input checked="" type="checkbox"/> Audits or other steps to monitor and improve the environmental performance of companies in the supply chain</li> </ul>	<p>See Total's website: <a href="#">CSR Analysts / Reporting scope and method</a>.</p> <p>See Total's website: <a href="#">CSR Analysts / Assurance report</a>.</p>
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**Criterion 16: The COP describes key outcomes of integration of the environmental principles**

<ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Indicators on uses of materials and energy</li> <li><input checked="" type="checkbox"/> Indicators on emissions, effluents, and waste</li> <li><input checked="" type="checkbox"/> Indicators on the company's initiatives to promote greater environmental responsibility</li> <li><input checked="" type="checkbox"/> Indicators on the development and diffusion of environmentally friendly technologies</li> <li><input checked="" type="checkbox"/> Disclosure of main incidents involving the company</li> </ul>	<p>See <a href="#">Total's 2011 GRI content index</a> (environmental indicators).</p> <p>In the spring of 2012, Total encountered a major incident: a gas leak on the Elgin offshore platform in the North Sea. Information on this incident was publicly disclosed on Total's corporate website:</p> <p style="text-align: center;"><a href="http://www.elgin.total.com/elgin/home.aspx?lg=en">http://www.elgin.total.com/elgin/home.aspx?lg=en</a></p>
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#### 4.6. Anti-Corruption Implementation

##### Criterion 17: The COP describes robust commitments, strategies or policies in the area of anti-corruption

<ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Publicly stated formal policy of zero-tolerance of corruption</li> <li><input checked="" type="checkbox"/> Commitment to be in compliance with all relevant anti-corruption laws, including the implementation of procedures to know the law and monitor changes</li> <li><input checked="" type="checkbox"/> Statement of support for international and regional legal frameworks, such as the UN Convention against Corruption</li> <li><input checked="" type="checkbox"/> Carrying out risk assessment of potential areas of corruption</li> <li><input checked="" type="checkbox"/> Detailed policies for high-risk areas of corruption</li> <li><input checked="" type="checkbox"/> Policy on anti-corruption regarding business partners</li> </ul>	<p>Total's Code of Conduct states (page 6) that the Group "rejects bribery and corruption in all forms, whether public or private, active or passive". See Total's web site: <a href="#">Ethical Business Conduct / Our position and commitments</a>.</p> <p>Total has joined international initiatives which contribute to the fight against corruption and participates in the dissemination of good practices and the promotion of dialogue between companies and civil society. Indeed, as a member of the Global Compact Anti-Corruption Working Group, Total took part in the writing of "Fighting Corruption in the Supply Chain: A Guide for Customers and Suppliers" in 2010.</p> <p>At the end of 2009, the Executive Committee approved the Compliance Program and Policy, supported by a dedicated organization, official Policies and Procedures and training. The Anti-Corruption Compliance Directive and its associated procedures were adopted at the beginning of 2011. This specific guidance provides our employees with clear rules of conduct if they are exposed to corruption risks. It lays down rules in compliance with the most restrictive laws in relation to the choice of an intermediary dealing with public officials, in business partnerships, acquisitions, procurement, as well as donations, gifts, entertainment, travel, contributions to social development, corporate philanthropy and sponsorship.</p> <p>Procedures for analyzing and assessing the risks related to the prevention of corruption have been implemented.</p>
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**Criterion 18: The COP describes effective management systems to integrate the anti-corruption principle**

<ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Support by the organization's leadership for anti-corruption</li> <li><input checked="" type="checkbox"/> Human Resources procedures supporting the anti-corruption commitment or policy, including communication to and training for all employees</li> <li><input checked="" type="checkbox"/> Internal checks and balances to ensure consistency with the anti-corruption commitment</li> <li><input checked="" type="checkbox"/> Carrying out risk assessment of potential areas of corruption</li> <li><input checked="" type="checkbox"/> Actions taken to encourage business partners to implement anti-corruption commitments</li> <li><input checked="" type="checkbox"/> Management responsibility and accountability for implementation of the anti-corruption commitment or policy</li> <li><input checked="" type="checkbox"/> Communications (whistleblowing) channels and follow-up mechanisms for reporting concerns or seeking advice</li> <li><input checked="" type="checkbox"/> Internal accounting and auditing procedures related to anticorruption</li> </ul>	<p>See Total's web site: <a href="#">Ethical Business Conduct / Our position and commitments</a>.</p> <p>In 2011, an anti-corruption e-learning has been developed in 12 languages to strengthen knowledge of corruption risks and prevention procedures. It is based on practical business situations, and available to all Group employees. At the end of the e-learning training session, employees must answer a quiz to check that they have effectively acquired the corresponding knowledge; about 45,000 employees have followed this e-learning to date.</p> <p>A network of over 300 compliance officers at branches, subsidiaries and entities level has been established. As it was explained in the e-learning training, all employees can directly contact these compliance officers in case of any concern regarding corruption.</p> <p>The corporate Internal Audit department also checks, during internal audit assignments of the Group's entities and subsidiaries, that anti-corruption procedures are effectively implemented.</p> <p>Total's Code of Conduct is distributed to the main business partners. The "Purchasing Fundamental Business Principles" are also distributed to suppliers.</p>
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**Criterion 19: The COP describes effective monitoring and evaluation mechanisms for the integration of anti-corruption**

<ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Leadership review of monitoring and improvement results</li> <li><input checked="" type="checkbox"/> Process to deal with incidents</li> <li><input checked="" type="checkbox"/> Public legal cases regarding corruption</li> <li><input checked="" type="checkbox"/> Use of independent external assurance of anti-corruption programmes</li> </ul>	<p>See Total's web site: <a href="#">Ethical Business Conduct / Preventing Corruption and Fraud / Monitoring</a>.</p>
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**Criterion 20: The COP describes key outcomes of integration of the anti-corruption principle**

<ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Outcomes of assessments of potential areas of corruption, where appropriate</li> <li><input checked="" type="checkbox"/> Outcomes of mechanisms for reporting concerns or seeking advice</li> <li><input checked="" type="checkbox"/> Indicators Human Resources procedures supporting the anti-corruption commitment or policy</li> </ul> <p>Disclosure of main incidents involving the company</p>	<p>See <a href="#">Total's 2011 GRI content index</a>, indicators SO2, SO3 and SO4.</p> <p>As the Global Compact Office acknowledged, we consider that providing such details may be counterproductive for various reasons related to the fight against corruption, and that confidentiality may, at times, be more effective.</p>
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**4.7. Value Chain Implementation**

**Criterion 21: The COP describes implementation of the Global Compact principles in the value chain**

<ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Analysis of sustainability risk, opportunity and impact in the value chain, both upstream and downstream</li> <li><input checked="" type="checkbox"/> Policy on value chain, including a policy for suppliers and subcontractors</li> <li><input checked="" type="checkbox"/> Communication of policies and expectations to suppliers and other business partners</li> <li><input checked="" type="checkbox"/> Monitoring and assurance mechanisms (e.g. audits/screenings) for compliance in the value chain</li> <li><input checked="" type="checkbox"/> Awareness-raising, training and other types of capacity building with suppliers and other business partners</li> </ul>	<p>See <a href="#">Total's Society &amp; Environment report 2011</a>, pages 20-25 ("Empowering our suppliers"). During the first semester of 2012, Total has conducted a comprehensive mapping of CSR risks for purchases. The aim was to identify, for each purchasing category, the main issue in terms of CSR risks and to set up improvement plans with lead buyers and their suppliers. 3 categories of risks were analyzed: human rights infringement, local content mismanagement and environmental damages. The risk mapping covers the main purchasing categories, representing around 75% of the Group's spend.</p> <p>Total's Code of Conduct is distributed to the main business partners. The "Purchasing Fundamental Business Principles" are also distributed to suppliers.</p>
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## 4.8. Verification and Transparency

### Criterion 22: The COP provides information on the company's profile and context of operation

<input checked="" type="checkbox"/> Legal structure, including any group structure and ownership	See Total's website: <a href="#">Group presentation / Total at a glance</a> .
<input checked="" type="checkbox"/> Countries where the organisation operates, with either major operations or operations that are specifically relevant to sustainability	See <a href="#">Total's 2011 Registration document</a> , pages 8-55 – “Business overview”.
<input checked="" type="checkbox"/> Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries)	See <a href="#">Total's Form-20F 2011</a> document, pages 10-54.
<input checked="" type="checkbox"/> Primary brands, products, and/or services	See Total's website: <a href="#">About Total / Our businesses</a> .
<input checked="" type="checkbox"/> Direct and indirect economic value generated for various stakeholders (employees, owners, government, lenders, etc.)	See <a href="#">Total's 2011 GRI content index</a> , indicators EC1 and EC9.

### Criterion 23: The COP incorporates high standards of transparency and disclosure

<input checked="" type="checkbox"/> COP uses the Global Reporting Initiative (GRI) Sustainability Reporting Guidelines	See <a href="#">Total's 2011 GRI content index</a> .
<input checked="" type="checkbox"/> COP qualifies for Level B or above of the GRI application levels	Yes. Total's 2011 reporting process has been GRI-checked by the Global Reporting Initiative and level A+ has been confirmed:
<input checked="" type="checkbox"/> COP includes comparison of key performance indicators for the previous 2-3 years  Board, where permissible, approves COP and other formal reporting on corporate sustainability  Relevant sustainability information from COP is included in annual financial report and filings	<p><a href="http://www.total.com/en/csr-analysts/international-reporting-standards/global-reporting-initiative-202212.html">http://www.total.com/en/csr-analysts/international-reporting-standards/global-reporting-initiative-202212.html</a></p> <p><a href="#">Total's Society &amp; Environment report 2011</a> contains key performance indicators (see pages 66-71). Data is reported for the last three years (2009-2011).</p>

### Criterion 24: The COP is independently verified by a credible third-party

<input checked="" type="checkbox"/> Accuracy of information in COP is verified against assurance standard (e.g. AA1000, ISAE 3000)	Total's sustainability reporting process is verified by external auditors (Ernst & Young and Bureau Veritas). Assurance standard ISAE 3000 is used (see <a href="#">Total's 2011 Registration document</a> , p. 340-343).
<input checked="" type="checkbox"/> Accuracy of information in COP is verified by independent auditors (e.g. accounting firm)	
<input checked="" type="checkbox"/> Content of COP is independently verified against content standards (e.g. GRI Check)  COP is reviewed by a multi-stakeholder panel or by peers (e.g. Global Compact Local Network)	Total's 2011 reporting process has been GRI-checked by the Global Reporting Initiative and level A+ has been confirmed:  <p><a href="http://www.total.com/en/csr-analysts/international-reporting-standards/global-reporting-initiative-202212.html">http://www.total.com/en/csr-analysts/international-reporting-standards/global-reporting-initiative-202212.html</a></p>

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