



## Total S.A. (France)

# Global Compact: Our Communication on Progress

Period: July 2012 - June 2013

## TABLE OF CONTENTS

	Page
<b>1. CEO STATEMENT OF CONTINUED SUPPORT TO THE GLOBAL COMPACT.....</b>	<b>3</b>
<b>2. COMMUNICATION ON PROGRESS (JULY 2012 – JUNE 2013).....</b>	<b>4</b>
<b>2.1. Human rights (Principles 1-2).....</b>	<b>4</b>
2.1.1 Commitments, strategies and policies .....	4
2.1.2 Management systems.....	6
2.1.3 Monitoring and evaluation mechanisms.....	8
2.1.4 Key outcomes.....	9
<b>2.2. Labour (Principles 3-6) .....</b>	<b>10</b>
2.2.1 Commitments, strategies and policies .....	10
2.2.2 Management systems.....	10
2.2.3 Monitoring and evaluation mechanisms.....	13
2.2.4 Key outcomes.....	13
2.2.5 Women's Empowerment principles (WEPs) .....	14
<b>2.3. Environment (principles 7-9).....</b>	<b>15</b>
2.3.1 Commitments, strategies and policies .....	15
2.3.2 Management systems.....	15
2.3.3 Monitoring and evaluation mechanisms.....	20
2.3.4 Key outcomes.....	20
<b>2.4. Anti-corruption (principle 10).....</b>	<b>23</b>
2.4.1 Commitments, strategies and policies .....	23
2.4.2 Management systems.....	25
2.4.3 Monitoring and evaluation mechanisms.....	26
2.4.4 Key outcomes.....	27

<b>3.</b>	<b>SELF-ASSESSMENT ON THE 21 GC-ADVANCED CRITERIA.....</b>	<b>29</b>
<b>3.1.</b>	<b>Implementing the Ten Principles into strategies &amp; operations.....</b>	<b>29</b>
3.1.1	Criterion 1: The COP describes Mainstreaming into Corporate Functions and Business Units.....	29
3.1.2	Criterion 2: The COP describes value chain implementation.....	31
<b>3.2.</b>	<b>Robust Human Rights Management Policies and Procedures .....</b>	<b>32</b>
3.2.1	Criterion 3: The COP describes robust commitments, strategies or policies in the area of human rights.....	32
3.2.2	Criterion 4: The COP describes effective management systems to integrate the human rights principles.....	33
3.2.3	Criterion 5: The COP describes effective monitoring and evaluation mechanisms of human rights integration .....	34
<b>3.3.</b>	<b>Robust Labour Management Policies and Procedures .....</b>	<b>35</b>
3.3.1	Criterion 6: The COP describes robust commitments, strategies or policies in the area of labour.....	35
3.3.2	Criterion 7: The COP describes effective management systems to integrate the labour principles .....	36
3.3.3	Criterion 8: The COP describes effective monitoring and evaluation mechanisms of labour principles integration .....	37
<b>3.4.</b>	<b>Robust Environmental Management Policies and Procedures.....</b>	<b>38</b>
3.4.1	Criterion 9: The COP describes robust commitments, strategies or policies in the area of environmental stewardship.....	38
3.4.2	Criterion 10: The COP describes effective management systems to integrate the environmental principles .....	39
3.4.3	Criterion 11: The COP describes effective monitoring and evaluation mechanisms for environmental stewardship.....	39
<b>3.5.</b>	<b>Robust Anti-Corruption Management Policies and Procedures .....</b>	<b>40</b>
3.5.1	Criterion 12: The COP describes robust commitments, strategies or policies in the area of anti-corruption .....	40
3.5.2	Criterion 13: The COP describes effective management systems to integrate the anti-corruption principle .....	41
3.5.3	Criterion 14: The COP describes effective monitoring and evaluation mechanisms for the integration of anti-corruption.....	42
<b>3.6.</b>	<b>Taking action in support of broader UN goals and issues .....</b>	<b>43</b>
3.6.1	Criterion 15: The COP describes Core Business Contributions to UN Goals and Issues.....	43
3.6.2	Criterion 16: The COP describes Strategic Social Investments and Philanthropy .....	44
3.6.3	Criterion 17: The COP describes Advocacy and Public Policy Engagement.....	44
3.6.4	Criterion 18: The COP describes Partnerships and Collective Action.....	45
<b>3.7.</b>	<b>Corporate Sustainability Governance and Leadership.....</b>	<b>46</b>
3.7.1	Criterion 19: The COP describes CEO Commitment and Leadership .....	46
3.7.2	Criterion 20: The COP describes Board Adoption and Oversight .....	47
3.7.3	Criterion 21: The COP describes Stakeholder Engagement.....	48
<b>3.8.</b>	<b>ANNEX: Business &amp; Peace.....</b>	<b>49</b>
3.8.1	The COP describes policies and practices related to the company's core business operations in high-risk or conflict-affected areas.....	49
3.8.2	The COP describes policies and practices related to the company's government relations in high-risk or conflict-affected areas.....	50
3.8.3	The COP describes local stakeholder engagement and strategic social investment activities of the company in high-risk or conflict-affected areas .....	51

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

Le Président-Directeur Général

HdL/LB/dr-2013/157

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

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

Paris, July 24<sup>th</sup>, 2013

Dear Mr. Secretary General,

Please find attached Total's 2012-2013 Communication on Progress, as well as a copy of our 2012 CSR report, "*Working together for Responsible Energy*".

In France, a new law called "Grenelle II" was passed in 2010; it makes it mandatory for French listed companies to include social and environmental information in their annual report, and this information must also be verified by an independent third party. In order to comply with this new regulation, Total has included a chapter 12 ("Social, environmental and societal information") in its 2012 Registration document (i.e. the company's annual report). At the same time, we have changed the content and structure of our CSR report in order to better show how sustainability is fully integrated in the Group's strategy and business activities.

In 2012, Total joined the 'Sustainable Energy for All' initiative that you launched and which aims to make sustainable energy for all a reality in 2030. Total committed 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". We launched the commercial brand "Awango by Total" in November 2012 at the Lighting Africa conference in Dakar (Senegal), of which Total was one of the sponsors. The deployment of this program actively continues: new countries in Africa, Asia and the Caribbean have been added in 2012 and 2013, and more than one million people are already benefiting from the "Total Access to Solar" program.

On May 29, 2013, the Executive Committee of Total approved a new Human Rights roadmap for the Group, in order to fully implement the UN Guiding Principles on Business and Human Rights. Professor John Ruggie was invited to attend this important meeting and was a witness to this decision.

Our engagement in the Global Compact remains of utmost importance to us, and we will continue to deepen the implementation of the 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 2012 – JUNE 2013)**

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 2012 reporting process is composed of following elements:

- [Total's 2012 Registration document](#), which includes a chapter (“Chapter 12”) on sustainable development following the French law “Grenelle II” (passed in 2010) and its section 225 on sustainability reporting;
- [Total's 2012 CSR report](#);
- Information published on Total's corporate web site ([www.total.com](http://www.total.com));
- Total also submits a fully-fledged report to the Global Reporting Initiative, including an Application Level Check. In 2012 (like in 2011), [application 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.

In May 2013, the Executive Committee adopted a Human Rights Strategic Roadmap and action plan, following review by third party experts, to systematically integrate Human Rights risks mitigation in the Group's strategy and business processes.

### **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 January 2013, Total agreed to publish a case study "The journey towards Implementing a Commitment to Respect Human Rights" on the Global Compact website.

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. 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 experts specializing in human rights, such as Shift, composed of 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](#).

In May 2013, Total was proud to welcome Pr. John Ruggie in Paris: he participated in a video with Total's CEO, Christophe de Margerie, to discuss the topic of Business and Human Rights. He was invited to a conference organized by the Group's Legal Department on the same subject. He also met the members of the Executive Committee to discuss the respect of Human Rights in our operations.

### **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 in 2011, as well as the [Corporate Security Charter](#), signed in 2011 by Christophe de Margerie, Chairman and CEO, 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, composed of States, extractive companies and NGOs, providing mining and oil and gas 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. In 2013, Total submitted its first annual report to the initiative of the VPSHR and participated in the VPSHR Annual Plenary.

#### **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. The Danish Institute for Human Rights also assists the Group for Human Rights training, risk mapping and joint assessments with GoodCorporation.

Human rights are included in the guidelines for ethical evaluations that are carried out annually (6 affiliates and one major investment project were assessed in 2012). A [Human Rights Guide](#) was published in 2011 in

order to strengthen vigilance and raise the awareness of our employees and other stakeholders on human rights issues. The Guide is available on Total's website.

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. A VPSHR Coordinator at the Group level is in charge of reinforcing internal processes and assisting affiliates in implementing the VPSHR. Since 2012, Total has increased its efforts in developing practical tools to facilitate the VPSHR implementation by operational teams.

### **Training for Total employees**

Presentations on Total's Ethics Process (in 2012, 56 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 or training sessions:

- ***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.
- ***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 workshops and training sessions***  
A VPSHR workshop, aimed at Total employees and contracted personnel potentially exposed to security risks, is held in Paris on an annual basis. It focuses on related human rights issues, using the VPSHR as a starting point.  
Dedicated VPSHR training sessions are also held at business unit level. They are mainly intended for the affiliates' managers and security staff and private security guards. Several sessions were organized in different countries, including Nigeria, Myanmar, and Uganda. Since 2012, the training program has been revised and expanded. It includes various modules such as "train the trainer", review of local security procedures, and VPSHR risk assessment sessions.

These VPSHR workshops and training sessions are provided by Total with the help of an external consultant specialized in security and human rights issues.

In 2012, Total also worked closely with the VPSHR, International Council on Mining and Metals (ICMM) and IPIECA members to organize specific workshops on the [VPSHR Implementation Guidance Tool](#) for extractive industry companies.

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 2013, we renewed all three arrangements.

#### **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 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 100 assessments have been completed. In 2012, six affiliates and a major 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 one year after the initial assessment to measure the plan's effectiveness.

Between 2010 and 2012, the various phases of a major investment project in Angola were assessed by GoodCorporation. The learnings from this pilot will be used to enhance the future management of major projects with complex supply-chains from an ethical, human rights and compliance standpoint.

#### **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 now comprises 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. The Danish Institute for Human Rights also assists the Group for Human Rights training, risk mapping and joint assessments with GoodCorporation (two such assessments were performed in 2011-2012).

### **Social implementation assessment**

[CDA Collaborative Learning Projects](#) is a non-profit organization working in the field of economic and social development. It has introduced the Corporate Engagement 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 2011, 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 in 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 decision-making.

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

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

## 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 participating in the WEP 5<sup>th</sup> Annual Event held in New York in March 2013.

### 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.

An internal 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%. The next survey of this kind will be conducted during the fall of 2013.

### **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

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

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. A clear 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 is increasingly 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.

### **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: 98% in 2012.
- Number of occupational illnesses recorded in the year (in accordance with local regulations) per million hours worked: 0.86 in 2012.

Total is involved in promoting individual and collective health programs 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 2013-2014).

### **Compensation**

Within the scope of the WHRS, more than 92% 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 July 2012, the Board of Directors approved a performance share plan relating to approximately 10,000 employees. This is the 8<sup>th</sup> plan implemented by the Group since the granting of free shares to employees has been permitted by French law, and provides a significant rate of renewal with 39% of new beneficiaries.

The Group regularly invites its employees to subscribe to capital increases reserved for employees, the latest of which was launched in January 2013, attracting around 28,000 subscribers from 96 countries. 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 89%.

The pension and employee benefit programs improve every year. Since 2011, such improvements include the gradual introduction of a supplementary pension plan in certain Downstream subsidiaries and the benchmarking and introduction of supplementary health and life insurance plans in eight Asian countries.

### **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 and 2012 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.

To drive home the importance of vigilance, discipline and personal commitment, a major internal safety awareness campaign was launched in April 2013.

In 2012, the TRIR (Total Recordable Injury rate) was 1.8 and the LTIR (Lost Time Injury rate) was 1.0.

In 2012, 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 0.86.

### **Dialogue with employees**

Within the Group, the percentage of companies with employee representation was 79.9% in 2012 and the percentage of employees covered by collective agreements was 67.7%. In France, 32 agreements were signed with employee representatives in 2012, covering in particular retirement conditions, compensation systems, geographical relocations and teleworking.

### **Internationalization of management**

In 2012, 72% 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 participating in the WEP 5<sup>th</sup> Annual Event held in New York in March 2013.

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 obstacle 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 32% of the recruitment (open-ended contracts) and 30% of the workforce, 23,5% of managers and 34% of managers under the age of 30, 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 more than 2,100 women employed at Total in France, Belgium, Congo, Nigeria, China, Angola, Canada, Indonesia and Singapore. 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 May 2013, Total organized the second edition of the Global Diversity Days which involved 84 subsidiaries in 49 countries, and we 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 has been 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 870 full-time equivalent positions dedicated to environmental matters were identified within the Group in 2012.

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. With some targets expiring in 2012, new targets have been set until 2017.

#### 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 addition to complying with applicable legislation, the Group's companies actively pursue a policy aimed at reducing the amount of emissions. Sites use various treatment systems that include different types of measures:

- Organizational measures (for example, controlling peaks in SO<sub>2</sub> emissions in accordance with weather forecast data, managing combustion processes, etc.).
- Technical measures (such as building wastewater treatment plants).

See [Total's 2012 Registration document](#), p. 341.

#### 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 (see [Total's 2012 Registration document](#), p. 342).

## 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.

See [Total's 2012 Registration document](#), p. 342.

## **Preventing incident 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.

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.

See [Total's 2012 Registration document](#), p. 342-344.

## **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.

See [Total's 2012 Registration document](#), p. 344.

### 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.

A Group directive was published in early 2013 that defines the procedure for sites using in excess of 50,000 toe/year of primary energy.

In early 2013, the Group decided to improve energy efficiency by 1.5% per year between 2012 and 2017.

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

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.

See [Total's 2012 Registration document](#), chapter 2, 4.2 (p. 49-50).

## **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;
- improve energy efficiency by 1.5% per year between 2012 and 2017.

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. The CO<sub>2</sub> pumping phase has been stopped in March 2013, but the Group will continue to monitor the behavior of the CO<sub>2</sub> storage conditions.

See [Total's 2012 Registration document](#), p. 345-346.

### **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.

See [Total's 2012 Registration document](#), p. 346.

### **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.

### **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 June 2012, 39 products and services (Marketing and Chemicals) had received the “Total Ecosolutions” label. According to our estimates, the use of Total Ecosolutions products and services avoided 740,000 metric tons of carbon dioxide emissions in 2012, when compared with standard products and services (estimate based on sales in 2011). That is the amount emitted by more than 78,000 European Union residents in one year (source: European Environment Agency).

#### **Environmental management systems**

In 2012, 305 out of 867 sites operated by the Group were ISO 14001-certified. Of the 867 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 reached its objective of achieving ISO 14001 certification for all of its main contributing sites. The new goal for 2017 is to achieve certification for all sites producing over 10 kt of CO<sub>2</sub>-eq emissions a year. The policy of allowing new or recently acquired sites two years to achieve certification will continue to apply.

#### **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, which culminated in the construction of a used motor oil recycling plant in Le Havre, France. The plant, of which Total holds a 35% share, entered production in 2012 and boasts a processing capacity of 120,000 metric tons per year (50% of all the used motor oil collected in France); the recycled oil is used to make Vacuum Gas Oil (VGO) for refinery production of lubricants and fuels.

- In 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, for which it already has a unit in production.

Waste management, which was set out in a Group directive in 2012, is carried out at the production sites in four basic stages:

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

### 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 was 2.8% for the Upstream production business in 2012 and 0.5% for Refining.

### **Oil spills**

All accidental spills are followed by restoration action aimed at returning the environment to its original state as quickly as possible. In 2012, the number of hydrocarbon spills with an environmental impact was 219 and the total volume of hydrocarbon spills with an environmental impact was 2,000 cubic meters.

### **Water**

In 2012, the freshwater withdrawals excluding cooling water was 143 billion cubic meters and the percentage of Group sites (excluding Marketing), located in water stress areas was 49%.

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 fourth consecutive applicable year, the Group achieved this goal on yearly average in 2012.

### **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 2012 results are available on Total's website ([CSR Analysts section, 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.

See [Total's 2012 Registration document](#), p. 346.

### **Renewable energies**

In 2011, Total increased its commitment to solar energy to become one of the world leaders in this field, through the acquisition of SunPower in June 2011, in which Total now holds a 66% stake. The company produces the most efficient solar panels on the market. A solar panel plant (44 MWp) using SunPower's cutting-edge technology was built in Vernejoul (France); production started in May 2012. It produces nearly 150,000 highefficiency solar panels a year for the European market in residential and commercial rooftop systems and solar farms. The plant's proximity to customers in France, Italy, Germany and Belgium ramps up our ability to compete in a highly aggressive market.

Early in 2013, SunPower signed an agreement to sell the Antelope Valley Solar Projects (ASVP) in California to a subsidiary of Warren Buffett's MidAmerican Renewables. With a generating capacity of 579 megawatts, AVSP will be the largest photovoltaic solar power development in the world. Construction began at the beginning of 2013 and is expected to be completed by the end of 2015.

In March 2013, Shams 1 was Inaugurated in the United Arab Emirates. It was built by a consortium comprising Total, Abengoa Solar and Masdar. It is a hybrid power plant combining solar energy and gas. Comprised of 260,000 collectors assembled into parabolic trough concentrators, Shams 1 covers an area of 250 hectares and is one of the largest concentrated solar power plants in the world.

In biomass, 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 started its operations in 2012.

- Futurol, a second generation 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, 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.

## 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 2012 and 2013.

## 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 repeatedly, 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.

At Total, we have an alert system encouraging employees in possession of information relating to an incident of fraud or corruption, or the suspicion thereof, to report such an incident to internal dedicated entities (Compliance department, Ethics...) at a Group or local level, so that each case may be examined and dealt with in a systematic and rigorous way. In 2012, among the cases that were reported, 109 (mainly fraud) led to sanctions, including dismissal.

### **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*".

In 2012, a Group Policy "Prevention of violation of competition law and Compliance Programme" was adopted, supported by different directives (on the prevention of anticompetitive concerted practices and abuses of dominant position) and a procedure for the use of the management.

### **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 (56 presentations in 2012 and dedicated seminars, bringing together approximately 2,000 Total senior managers).

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 Marketing&Services, 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 Marketing&Services). 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 Marketing&Services) 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. Total is now a member of the Board again. The board comprises 20 permanent members representing implementing countries, supporting countries, civil society organizations, the oil, gas and mining industries, and investment companies.

### **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.

In 2012, a Group Policy “Prevention of violation of competition law and Compliance Programme” was adopted, supported by different directives (on the prevention of anticompetitive concerted practices and abuses of dominant position) and a procedure for the use of the management.

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 169-173 of [Total's 2012 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 Nigeria*, *Total in Gabon*, *Total in Angola* and *Total in Norway*, *Total in UK*, *Total in Indonesia* and *Total in Congo* reports were all updated in 2013. These seven countries accounted for about 50% of the Group's production.

We also publish information each year about our oil and gas exploration and production activities, broken down by country, in [Total's 2012 Factbook](#).

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### 3. SELF-ASSESSMENT ON THE 21 GC-ADVANCED CRITERIA

#### 3.1. Implementing the Ten Principles into strategies & operations

##### 3.1.1 Criterion 1: The COP describes 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><input checked="" type="checkbox"/> Design corporate sustainability strategy to leverage synergies between and among issue areas and to deal adequately with trade-offs</p> <p><input checked="" type="checkbox"/> Ensure that different corporate functions coordinate closely to maximize performance and avoid unintended negative impacts</p> <p>Other established or emerging best practices</p> <p>Any relevant policies, procedures, and activities that the company <b>plans to</b> undertake to fulfil this criterion, including goals, timelines, metrics, and responsible staff</p> <p><i>① This option is for companies that have not yet begun to implement this criterion, but transparently and thoroughly disclose future plans to progress in this area in their COP.</i></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> <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>
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	<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</p> <p>development and the expressed expectations of civil society. The introduction of specific internal policies and procedures (in progress or pending) is also discussed.</p>
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### 3.1.2 Criterion 2: The COP describes value chain implementation

<ul style="list-style-type: none"> <li>☑ Analyze each segment of the value chain carefully, both upstream and downstream, when mapping risks, opportunities and impacts</li> <li>☑ Analysis of sustainability risk, opportunity and impact in the value chain, both upstream and downstream</li> <li>☑ Communicate policies and expectations to suppliers and other business partners</li> <li>☑ Implement monitoring and assurance mechanisms (e.g. audits/screenings) for compliance within the company's sphere of influence</li> <li>☑ Undertake awareness-raising, training and other types of capacity building with suppliers and other business partners</li> </ul> <p>Other established or emerging best practices</p> <p>Any relevant policies, procedures, and activities that the company <b>plans to</b> undertake to fulfil this criterion, including goals, timelines, metrics, and responsible staff</p> <p><i>① This option is for companies that have not yet begun to implement this criterion, but transparently and thoroughly disclose future plans to progress in this area in their COP.</i></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". 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>See <a href="#">Total's Society &amp; Environment report 2011</a>, pages 20-25 ("Empowering our suppliers"). In 2012, Total has conducted a 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. Since then, 17 pilot projects have been carried out on purchasing categories identified as presenting a high risk, either on human rights or the environment. In 2013, a specific training program on Sustainable Procurement for purchasers is being set up.</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> <p><u>Ethical assessments</u>: from 2010 to 2012, a pilot project was undertaken by GoodCorporation and Total to assess the ethical performance of contractors and subcontractors in an investment project. The assessment was based on the methodology used for subsidiary evaluations and adapted to projects. The learnings from this pilot will be used to enhance the future management of major projects with complex supply-chains from an ethical, human rights and compliance standpoint.</p>
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## 3.2. Robust Human Rights Management Policies and Procedures

### 3.2.1 ***Criterion 3: The COP describes robust commitments, strategies or policies in the area of human rights***

<p><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, Guiding Principles on Human Rights)</p> <p><input checked="" type="checkbox"/> Integrated or stand-alone statement of policy expressing commitment to respect and support human rights approved at the most senior level of the company</p> <p><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</p> <p><input checked="" type="checkbox"/> Statement of policy publicly available and communicated internally and externally to all personnel, business partners and other relevant parties</p> <p>Other established or emerging best practices</p> <p>Any relevant policies, procedures, and activities that the company <b>plans to</b> undertake to fulfil this criterion, including goals, timelines, metrics, and responsible staff</p> <p><i>① This option is for companies that have not yet begun to implement this criterion, but transparently and thoroughly disclose future plans to progress in this area in their COP.</i></p>	<p>See Total's website: <a href="#">Ethical Business Conduct / Our position and commitments</a></p> <p>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:</p> <ul style="list-style-type: none"> <li>• the principles of the 1948 <a href="#">Universal Declaration of Human Rights</a>,</li> <li>• the <a href="#">key conventions of the International Labour Organization</a>,</li> <li>• the <a href="#">OECD Guidelines for Multinational Enterprises</a> and</li> <li>• the principles of the United Nations <a href="#">Global Compact</a>.</li> </ul> <p>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.</p> <p>In May 2013, the Executive Committee adopted a Human Rights Strategic Roadmap and its action plan, following review by third party experts, to systematically integrate Human Rights risks in the Group's strategy.</p>
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**3.2.2 Criterion 4: The COP describes effective management systems to integrate the human rights principles**

<ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Process to ensure that internationally recognized human rights are respected</li> <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> <li><input checked="" type="checkbox"/> Process and programs in place to support human rights through: core business; strategic philanthropic/ social investment; public policy engagement/advocacy; partnerships and/or other forms of collective action</li> </ul> <p>Other established or emerging best practices</p> <p>Any relevant policies, procedures, and activities that the company <b>plans to</b> undertake to fulfil this criterion, including goals, timelines, metrics, and responsible staff</p> <p><i>① This option is for companies that have not yet begun to implement this criterion, but transparently and thoroughly disclose future plans to progress in this area in their COP.</i></p>	<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> <p>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. The Danish Institute for Human Rights also assists the Group for Human Rights training, risk mapping, joint assessments with GoodCorporation etc.</p> <p>Human rights are included in the guidelines for ethical evaluations that are carried out annually (6 affiliates and one investment project were assessed in 2012). A <a href="#">Human Rights Internal Guide</a> was published in June 2011 in order to strengthen vigilance and raise awareness of our employees on human rights issues.</p>
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**3.2.3 Criterion 5: 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 the company has caused or contributed to for internal and external stakeholders</li> <li><input checked="" type="checkbox"/> Grievance mechanisms, that are legitimate, accessible, predictable, equitable, transparent, rights-compatible, a source of continuous learning and based on engagement and dialogue</li> <li><input checked="" type="checkbox"/> Outcomes of integration of the human rights principles</li> </ul> <p>Other established or emerging best practices</p> <p>Any relevant policies, procedures, and activities that the company <b>plans to</b> undertake to fulfil this criterion, including goals, timelines, metrics, and responsible staff</p> <p><i>① This option is for companies that have not yet begun to implement this criterion, but transparently and thoroughly disclose future plans to progress in this area in their COP.</i></p>	<p>See Total's web site:</p> <ul style="list-style-type: none"> <li>• <a href="#">Ethical Business Conduct / Upholding Human Rights / Monitoring.</a></li> <li>• <a href="#">Ethical Business Conduct / Upholding Human Rights / Implementation</a></li> </ul> <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> <p>See <a href="#">Total's 2011 CSR report</a> (chapter "Empowering our suppliers").</p> <p>See Total's website: <a href="#">Ethical Business Conduct / Upholding Human Rights / Monitoring.</a></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 human rights, and that confidentiality may, at times, be more effective.</p>
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### 3.3. Robust Labour Management Policies and Procedures

#### 3.3.1 Criterion 6: The COP describes robust commitments, strategies or policies in the area of labour

<ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Reference to principles of relevant international labour standards (ILO Conventions) and other normative international instruments in company policies</li> <li><input checked="" type="checkbox"/> Reflection on the relevance of the labour principles for the company</li> <li><input checked="" type="checkbox"/> Written company policy to obey national labour law, respect principles of the relevant international labour standards in company operations worldwide, and engage in dialogue with representative organization of the workers (international, sectoral, national)</li> <li><input checked="" type="checkbox"/> Inclusion of references to the principles contained in the relevant international labour standards in contracts with suppliers and other relevant business partners</li> <li><input checked="" type="checkbox"/> Specific commitments and Human resources policies, in line with national development priorities or decent work priorities in the country of operations</li> <li><input checked="" type="checkbox"/> Participation and leadership in wider efforts by employer's organizations (international and national levels) to jointly address challenges related to labour standards in the countries of operation, possibly in a tripartite approach (business – trade union – government)</li> </ul> <p>Structural engagement with a global union, possibly via a Global Framework Agreement</p> <p>Other established or emerging best practices</p> <p>Any relevant policies, procedures, and activities that the company <b>plans to</b> undertake to fulfil this criterion, including goals, timelines, metrics, and responsible staff</p> <p><i>① This option is for companies that have not yet begun to implement this criterion, but transparently and thoroughly disclose future plans to progress in this area in their COP.</i></p>	<p>See Total's website:</p> <ul style="list-style-type: none"> <li>• <a href="#">Human Resources</a></li> <li>• <a href="#">Establishing good working conditions to protect the health and safety of everyone</a></li> <li>• <a href="#">Ethical Business Conduct / Upholding Human Rights / Human rights in our ethics process</a></li> <li>• Total's <a href="#">Code of Conduct</a></li> <li>• Total's <a href="#">Human Rights Guide</a></li> </ul>
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### 3.3.2 **Criterion 7: The COP describes effective management systems to integrate the labour principles**

<ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Risk and impact assessments in the area of labour</li> <li><input checked="" type="checkbox"/> Dialogue mechanism with trade unions to regularly discuss and review company progress in addressing labour standards</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 the labour principles for management and employees</li> </ul> <p>Active engagement with suppliers to address labour-related challenges</p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Grievance mechanisms, communication channels and other procedures (e.g. whistleblower mechanisms) available for workers to report concerns, make suggestions or seek advice, designed and operated in agreement with the representative organization of workers</li> </ul> <p>Other established or emerging best practices</p> <p>Any relevant policies, procedures, and activities that the company <b>plans to</b> undertake to fulfil this criterion, including goals, timelines, metrics, and responsible staff</p> <p><i>① This option is for companies that have not yet begun to implement this criterion, but transparently and thoroughly disclose future plans to progress in this area in their COP.</i></p>	<p>See Total's website: <a href="#">Ethical Business Conduct / Upholding Human Rights / Implementation</a>.</p> <p>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>2</sup> have with their managers. One aspect of this review deals directly with issues related to the Code of Conduct.</p> <p>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.</p> <p>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.</p>
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<sup>2</sup> In 2011, 99% of Total affiliates had introduced such a process.

**3.3.3 Criterion 8: The COP describes effective monitoring and evaluation mechanisms of labour principles integration**

<ul style="list-style-type: none"> <li>☑ System to track and measure performance based on standardized performance metrics</li> <li>☑ Dialogue with the representative organization of workers to regularly review progress made and jointly identify priorities for the future</li> <li>☑ Audits or other steps to monitor and improve the working conditions of companies in the supply chain, in line with principles of international labour standards</li> <li>☑ Process to positively engage with the suppliers to address the challenges (i.e., partnership approach instead of corrective approach) through schemes to improve workplace practices</li> <li>☑ Outcomes of integration of the Labour principles</li> </ul> <p>Other established or emerging best practices</p> <p>Any relevant policies, procedures, and activities that the company <b>plans to</b> undertake to fulfil this criterion, including goals, timelines, metrics, and responsible staff</p> <p><i>① This option is for companies that have not yet begun to implement this criterion, but transparently and thoroughly disclose future plans to progress in this area in their COP.</i></p>	<p>See Total's website: <a href="#">Ethical assessments</a>.</p> <p>See <a href="#">Total's 2012 Registration document</a> – chapter 12 p. 336 (“Dialogue with employees”).</p> <p>In addition to the ethical assessments performed by GoodGorperation 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> <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”. 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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### 3.4. Robust Environmental Management Policies and Procedures

#### 3.4.1 **Criterion 9: 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>Other established or emerging best practices</p> <p>Any relevant policies, procedures, and activities that the company <b>plans to</b> undertake to fulfil this criterion, including goals, timelines, metrics, and responsible staff</p> <p><i>① This option is for companies that have not yet begun to implement this criterion, but transparently and thoroughly disclose future plans to progress in this area in their COP.</i></p>	<p>See <a href="#">Total's Health, Safety and Environment and Quality charter</a>.</p> <p>See <a href="#">Total's 2012 Registration document</a> – chapter 12 p. 339-346 (“Safety, health and environment information”).</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 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>Total is committed to conveying its principles and values to its suppliers and partners and has developed a document called “Purchasing Fundamental Business Principles”. 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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### 3.4.2 **Criterion 10: 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>Other established or emerging best practices</p> <p>Any relevant policies, procedures, and activities that the company <b>plans to</b> undertake to fulfil this criterion, including goals, timelines, metrics, and responsible staff</p> <p><i>① This option is for companies that have not yet begun to implement this criterion, but transparently and thoroughly disclose future plans to progress in this area in their COP.</i></p>	<p>See <a href="#">Total's 2012 Registration document</a> – chapter 12 p. 339-346 (“Safety, health and environment information“)</p> <p>See <a href="#">Total's 2012 CSR report</a></p> <p>See Total's website : <a href="#">Our challenges / Preserving the environment / Our approach</a></p>
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### 3.4.3 **Criterion 11: 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> <li><input checked="" type="checkbox"/> Outcomes of integration of the environmental principles</li> </ul> <p>Other established or emerging best practices</p> <p>Any relevant policies, procedures, and activities that the company <b>plans to</b> undertake to fulfil this criterion, including goals, timelines, metrics, and responsible staff</p> <p><i>① This option is for companies that have not yet begun to implement this criterion, but transparently and thoroughly disclose future plans to progress in this area in their COP.</i></p>	<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> <p>See <a href="#">Total's 2012 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: <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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### 3.5. Robust Anti-Corruption Management Policies and Procedures

#### 3.5.1 Criterion 12: 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"/> Detailed policies for high-risk areas of corruption</li> <li><input checked="" type="checkbox"/> Policy on anti-corruption regarding business partners</li> </ul> <p>Other established or emerging best practices</p> <p>Any relevant policies, procedures, and activities that the company <b>plans to</b> undertake to fulfil this criterion, including goals, timelines, metrics, and responsible staff</p> <p><i>① This option is for companies that have not yet begun to implement this criterion, but transparently and thoroughly disclose future plans to progress in this area in their COP.</i></p>	<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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**3.5.2 Criterion 13: 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"/> Carrying out risk assessment of potential areas of 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"/> 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>Other established or emerging best practices</p> <p>Any relevant policies, procedures, and activities that the company <b>plans to</b> undertake to fulfil this criterion, including goals, timelines, metrics, and responsible staff</p> <p><i>① This option is for companies that have not yet begun to implement this criterion, but transparently and thoroughly disclose future plans to progress in this area in their COP.</i></p>	<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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**3.5.3 Criterion 14: 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> <li><input checked="" type="checkbox"/> Outcomes of integration of the environmental principles</li> </ul> <p>Other established or emerging best practices</p> <p>Any relevant policies, procedures, and activities that the company <b>plans to</b> undertake to fulfil this criterion, including goals, timelines, metrics, and responsible staff</p> <p><i>① This option is for companies that have not yet begun to implement this criterion, but transparently and thoroughly disclose future plans to progress in this area in their COP.</i></p>	<p>See Total's web site: <a href="#">Ethical Business Conduct / Preventing Corruption and Fraud / Monitoring</a>.</p> <p>See <a href="#">Total's 2012 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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### 3.6. Taking action in support of broader UN goals and issues

#### 3.6.1 Criterion 15: The COP describes 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><input checked="" type="checkbox"/> Adopt and modify operating procedures to maximize contribution to UN goals / issues</p> <p>Other established or emerging best practices</p> <p>Any relevant policies, procedures, and activities that the company <b>plans to</b> undertake to fulfil this criterion, including goals, timelines, metrics, and responsible staff</p> <p><i>① This option is for companies that have not yet begun to implement this criterion, but transparently and thoroughly disclose future plans to progress in this area in their COP.</i></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. The program is now deployed in other countries: Burkina Faso, Congo, Nigeria, Uganda, Cambodia, Myanmar and Haiti. During the first semester of 2013, the threshold of 200,000 sold solar lamps was reached (i.e. one million people benefit from the products sold by Total).</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 (i.e. one million solar lamps sold).</p> <p>Total has a continuous process to modify its internal operating procedures. They have been adapted to maximize contribution to UN goals / issues in particular in following areas:</p> <ul style="list-style-type: none"> <li>• Anti-corruption: 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.</li> <li>• Societal policy: in 2011, a group-wide initiative called "Societal lab" was conducted in order to clarify and formalize the Group's societal policy, on the basis of a reassessment of what had been accomplished so far, to enhance the strategy and the societal priorities in terms of sustainable economic development, to set overall objectives, to better coordinate the societal functions so that they efficiently support the Group's operational business units, to have this policy shared at all levels throughout the Group (from senior managers to employees) and to identify a set of Key Performance Indicators in order to measure and manage the Group's societal performance. The outcomes of this "Societal lab" were a Group Societal Policy and a Societal Directive.</li> <li>• Ethical assessments: between 2011 and 2012, joint GoodCorporation / Danish Institute of Human Rights evaluations have been performed in Myanmar and Bolivia to reinforce the human rights aspects of our ethical assessments. Following these tests, the new tool is now available when required.</li> </ul>
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### 3.6.2 **Criterion 16: The COP describes Strategic Social Investments and Philanthropy**

<ul style="list-style-type: none"> <li><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</li> <li><input checked="" type="checkbox"/> Coordinate efforts with other organizations and initiatives to amplify – and not negate or unnecessarily duplicate – the efforts of other contributors</li> <li><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</li> </ul> <p>Other established or emerging best practices</p> <p>Any relevant policies, procedures, and activities that the company <b>plans to</b> undertake to fulfil this criterion, including goals, timelines, metrics, and responsible staff</p> <p><i>① This option is for companies that have not yet begun to implement this criterion, but transparently and thoroughly disclose future plans to progress in this area in their COP.</i></p>	<p>See Total's web site: <a href="#">Group presentation / Initiatives and partnerships</a>.</p> <p>See Total's web site: <a href="#">Total Ecosolutions</a>.</p> <p>See <a href="#">Total's Foundation</a> web site.</p>
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### 3.6.3 **Criterion 17: The COP describes 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>Other established or emerging best practices</p> <p>Any relevant policies, procedures, and activities that the company <b>plans to</b> undertake to fulfil this criterion, including goals, timelines, metrics, and responsible staff</p> <p><i>① This option is for companies that have not yet begun to implement this criterion, but transparently and thoroughly disclose future plans to progress in this area in their COP.</i></p>	<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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### 3.6.4 Criterion 18: The COP describes Partnerships and Collective Action

<p><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</p> <p><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</p> <p>Other established or emerging best practices</p> <p>Any relevant policies, procedures, and activities that the company <b>plans to</b> undertake to fulfil this criterion, including goals, timelines, metrics, and responsible staff</p> <p><i>① This option is for companies that have not yet begun to implement this criterion, but transparently and thoroughly disclose future plans to progress in this area in their COP.</i></p>	<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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### 3.7. Corporate Sustainability Governance and Leadership

#### 3.7.1 Criterion 19: The COP describes CEO Commitment and Leadership

<ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> CEO publicly delivers explicit statements and demonstrates personal leadership on sustainability and commitment to the UN Global Compact</li> <li><input checked="" type="checkbox"/> CEO promotes initiatives to enhance sustainability of the company's sector and leads development of industry standards</li> <li><input checked="" type="checkbox"/> CEO leads executive management team in development of corporate sustainability strategy, defining goals and overseeing implementation</li> </ul> <p>Make sustainability criteria and UN Global Compact principles part of goals and incentive schemes for CEO and executive management team</p> <p>Other established or emerging best practices</p> <p>Any relevant policies, procedures, and activities that the company <b>plans to</b> undertake to fulfil this criterion, including goals, timelines, metrics, and responsible staff</p> <p><i>① This option is for companies that have not yet begun to implement this criterion, but transparently and thoroughly disclose future plans to progress in this area in their COP.</i></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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### 3.7.2 **Criterion 20: The COP describes 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>Other established or emerging best practices</p> <p>Any relevant policies, procedures, and activities that the company <b>plans to</b> undertake to fulfil this criterion, including goals, timelines, metrics, and responsible staff</p> <p><i>① This option is for companies that have not yet begun to implement this criterion, but transparently and thoroughly disclose future plans to progress in this area in their COP.</i></p>	<p>See <a href="#">Total's 2012 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 2012 annual review to the Executive Committee in early 2013. A presentation was held to the Board Governance and Ethics Committee in July.</p>
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### 3.7.3 **Criterion 21: The COP describes 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>Other established or emerging best practices</p> <p>Any relevant policies, procedures, and activities that the company <b>plans to</b> undertake to fulfil this criterion, including goals, timelines, metrics, and responsible staff</p> <p><i>① This option is for companies that have not yet begun to implement this criterion, but transparently and thoroughly disclose future plans to progress in this area in their COP.</i></p>	<p><u>External stakeholder engagement:</u> see <a href="#">Total's 2012 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 a third party polling institute. The last employees' satisfaction survey was held in 2011. A new tool will be used during the fall of 2013.</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 2012, 77 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. In total in 2012, 681 cases were dealt with throughout the Group.</p>
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### 3.8. ANNEX: Business & Peace

#### 3.8.1 The COP describes policies and practices related to the company's core business operations in high-risk or conflict-affected areas

<p><input checked="" type="checkbox"/> Information on how policies, strategies and operating practices have been adapted to the specific high-risk/conflict context based on due diligence</p> <p><input checked="" type="checkbox"/> Adherence to best practices even where national law sets a lower standard, including in the management of security services</p> <p>Management of the supply chain to avoid contributing to conflict through purchasing decisions and practices</p> <p>Other established or emerging best practices</p> <p>Any relevant policies, procedures, and activities that the company <b>plans to</b> undertake to fulfil this criterion, including goals, timelines, metrics, and responsible staff</p> <p><i>① This option is for companies that have not yet begun to implement this criterion, but transparently and thoroughly disclose future plans to progress in this area in their COP.</i></p>	<p>Total's Code of Conduct applies in all countries where we operate. The aim is to apply the Group's standard in countries where national law sets a lower standard. Total does not operate in countries where its Code of Conduct cannot be applied.</p>
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**3.8.2 The COP describes policies and practices related to the company's government relations in high-risk or conflict-affected areas**

<p>Assessment of opportunities for constructive engagement with government actors in order to support peace</p> <p><input checked="" type="checkbox"/> Measures undertaken to avoid complicity in human rights violations by government actors</p> <p><input checked="" type="checkbox"/> Management practices aimed at preventing corrupt relationships with government officials</p> <p>Other established or emerging best practices</p> <p>Any relevant policies, procedures, and activities that the company <b>plans to</b> undertake to fulfil this criterion, including goals, timelines, metrics, and responsible staff</p> <p><i>① This option is for companies that have not yet begun to implement this criterion, but transparently and thoroughly disclose future plans to progress in this area in their COP.</i></p>	<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>See Total's web site: <a href="#">Ethical Business Conduct / Preventing Corruption and Fraud / Monitoring</a>.</p> <p>See Total's <a href="#">Human Rights Guide</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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**3.8.3 The COP describes local stakeholder engagement and strategic social investment activities of the company in high-risk or conflict-affected areas**

<p>Assessment of opportunities for constructive engagement with government actors in order to support peace</p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Stakeholder engagement mechanisms across company and contractor operations</li> <li><input checked="" type="checkbox"/> Approaches to stakeholder engagement involving civil society, international organizations, etc</li> <li><input checked="" type="checkbox"/> Actions toward constructive and peaceful company-community engagement</li> <li><input checked="" type="checkbox"/> Sustainable social investment projects</li> </ul> <p>Other established or emerging best practices</p> <p>Any relevant policies, procedures, and activities that the company <b>plans to</b> undertake to fulfil this criterion, including goals, timelines, metrics, and responsible staff</p> <p><i>① This option is for companies that have not yet begun to implement this criterion, but transparently and thoroughly disclose future plans to progress in this area in their COP.</i></p>	<p>Total has a number of operations in high-risk countries. The Group's stakeholder engagement mechanisms are the same across all its operations, whether the country is high-risk or not.</p> <p>Total is a member of the Global Compact working group on Responsible Investment in Conflict-Affected Countries. On March 18, 2013, Total gave a presentation during the 3<sup>rd</sup> CSR Lebanon forum held in Beyrouth (the session was called "Business' contribution to peace and development").</p> <p>Total also participated in many external meetings related to this subject during the reporting period, in particular:</p> <ul style="list-style-type: none"> <li>• The VPSHR Implementation Guidance Tool workshops organized in London, Dubai, Lima, Johannesburg and Indonesia. In December 2012, the regional workshop on the Voluntary Principles Implementation Guidance Tool in Indonesia was hosted by Total. Our local subsidiary helped the IPIECA, the ICMM, Stratos and International Alert in the coordination and logistics of the event.</li> <li>• The "Human Rights and Business" conference organized by the Swiss Federal Department of Foreign Affairs in Bern, in September 2012.</li> <li>• The regional training workshop "Business and Human Rights" organized by Global Rights in London in October 2012. Total shared its own experience in the session "VPSHR: corporate voices" with an audience mainly composed of African non governmental organizations.</li> <li>• The African regional roundtable of the Global Business Initiative on Human Rights in Nairobi, where Total presented its work on the Voluntary Principles in the Security and Conflict Areas session.</li> <li>• The "Responsible Investment in Myanmar" workshop organized by the Institute for Human Rights and Business in Yangon, in December 2012.</li> <li>• Total's policy in high-risk countries was presented during a UN Mine Action Service conference in Geneva on April 24, 2013.</li> <li>• Participation in a conference organized by CDA in Geneva on June 24-25, 2013, on "Business and armed non-state actors".</li> </ul>
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