

Total S.A. (France)

Global Compact: Our Communication on Progress

Period: January-December 2009

This document is composed of a collection of web pages available on Total S.A.'s corporate web site www.total.com (from 2010, Total's *Communication on Progress* is now web based), at following link:

<http://www.total.com/en/csr-analysts/international-reporting-standards/global-compact-940832.html>

The link at the bottom of this web page refers to our *Communication on Progress*.

Not all possible hypertext links have been expanded within this document, to keep its size reasonable. Browsing the www.total.com web site will enable to access more web pages and to have further information.

This document also contains (last page) a copy of the letter sent to the UN Secretary General, Mr. Ban Ki-Moon, by Total's President and CEO, Mr. Christophe de Margerie, on July 29, 2010, expressing Total's continued support for the Global Compact and renewing our ongoing commitment to the initiative and its principles.

1. **MEASURES RELATED TO ETHICS**

Management's ongoing commitment to the process

The Chairman of the Ethics Committee presented the 2009 annual review to the Executive Committee, followed by the Board of Directors, in early 2010.

Ongoing implementation

Each year, the Ethics Committee takes part in 30 management meetings, business seminars and training sessions. Alongside Université Total, the Committee also organized 5 seminars dedicated to ethics within the Group in such countries as Canada, China, France, Nigeria and South Africa, etc.

Ongoing management

Ethical assessments of eight units were carried out with GoodCorporation. Of the total, one was a reassessment. In 2009, we can report that more than 60% of ethical values systems were operating satisfactorily, 25% to 30% indicated room for improvement and 10 to 15% were in need of strengthening.

The Committee also handled 30 referrals directly and responded to 31 requests for advice, especially regarding relations with supervisors and integrity issues.

Additional information

1.1. Ethical business conduct

Contacts with stakeholders are an increasingly common feature of our day-to-day work. Colleagues, customers, suppliers, governments, local communities, NGOs and shareholders expect us to demonstrate ethical conduct and respect. Each of us must forge fair, sustainable, trust-based relationships with the people we come into contact with.

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 of protecting 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 or comply with antitrust law, an abuse of human rights, or tolerance of 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's why we have made respect for stakeholders a daily imperative, underpinned by a Code of Conduct, an Ethics Committee and a dedicated intranet site. Our senior executives support these measures fully.

Our senior executives model ethical business conduct, which is a key driver for ensuring that our teams apply our ethical process. They set the example by embracing it themselves, instilling it and promoting it.

Total firmly believes that ethics and integrity are the surest path to sustainable, responsible growth.

Our Code of Conduct

Total conducts business in accordance with the bedrock values and principles set out in our Code of Conduct. The Code encapsulates senior management's commitments, presents the principles adopted and shared by all Total companies, and lists the internationally recognized documents to which we refer. It also details the business principles to be followed in dealing with our stakeholders and the rules of individual and collective behavior that our employees are expected to apply.

Our ethics process

Total's ethics process is based directly on policy statements issued by senior management and is set out in our Code of Conduct. Major resources are dedicated to implementing the ethics process, spanning dissemination awareness and training. Managers model the expected conduct on the front lines, ensuring that our ethical principles and values are applied.

Organizations involved in our ethics process

The Ethics Committee is responsible for making sure the Code of Conduct is properly applied and is with, 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.

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 of us.

Methods, resources and tools

Correct application of our ethics process requires dedicated methods, resources and tools. The various intranet sites and training courses available across Total enable us to educate and inform our employees about this process, which is monitored using ethical assessments and internal control procedures.

Initiatives and partnerships

Our membership in a wide variety of global organizations and initiatives, such as the Global Compact and the Extractive Industries Transparency Initiative (EITI), clearly demonstrate our commitment to ensuring application of the principles we believe in, not just at Total but in the wider world around us.

1.2. Our Code of Conduct

We conduct our business in line with the values and principles set out in our Code of Conduct. The Code of Conduct was introduced in 2000 and provides a common reference document concerning business principles and rules of individual behavior for all employees.

Our Ethical Values and Principles

In his introduction to the Code of Conduct, Christophe de Margerie 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, 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.

Our principles

In order for these values to have a meaningful impact, a number of business principles must be applied:

- Upholding human rights.
- Fighting corruption and fraud.
- Respect for free competition.
- Financial transparency.
- Respect for people.

Application

These principles produce tangible achievements, through specific application processes and internal control procedures. Their real-world application is [one of Total's most critical challenges](#).

Our reference documents

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](#).

Ethics Committee

In addition, the Code of Conduct describes the composition, scope of work and procedures of the [Ethics Committee](#), which was created alongside the Code to oversee our ethical business principles. It also provides employees with confidential assistance in resolving any questions related to the application of the Code of Conduct.

Lastly, the Ethics Charter summarizes our principles and reference documents.

1.3. Our ethics process

In all host countries where we do business, Total educates and shares with our employees our business principles and rules of individual behavior (which are based on the values of respect, responsibility, integrity and exemplary behavior) and requires employees to apply these principles.

Presented in a detailed, organized fashion in the Total Code of Conduct, these ethical values and principles are based on four internationally recognized reference documents: the *Universal Declaration of Human Rights*, the key conventions of the International Labour Organization, the *OECD Guidelines for Multinational Enterprises* and the ten principles of the United Nations Global Compact.

To help managers and other employees better understand and more effectively apply the Code of Conduct, Total's Ethics Committee has introduced a dedicated ethics program.

1.3.1 Our position and commitments

Total's ethics process is based directly on policy statements issued by senior management that define and structure the Code of Conduct's importance and its role within the Company.

You can read the policy statement of Christophe de Margerie, then Chief Executive Officer, in his [Message to Senior Executives](#) (November 2007) and his [Introduction to the Code of Conduct](#) (June 2007): "Our growth and long-term viability depend on all of us embracing the shared ethical values and principles that motivate and guide our day-to-day undertakings."

1.3.2 Implementation

Effectively distributing the Code of Conduct

Implementation of our ethics process hinges on effective distribution of the [Code of Conduct](#).

The Code of Conduct, which is available in 27 languages, including seven bilingual versions, is regularly distributed or discussed at numerous in-house events and is widely available on most Total intranet sites.

It can also be downloaded from the Total Web site and is widely circulated outside the company, mainly to our partners and suppliers.

Since October 2000, nearly 450,000 copies of the Code of Conduct have been distributed, not including versions downloaded from intranet sites and Web sites.

In order to increase awareness of Total's values, an Ethics Charter was drafted in 2003 summarizing the contents of the Code of Conduct. The document also reaffirms our ethical commitment and responsibilities in our various businesses.

Raising employee awareness of our ethics process

Many initiatives are also undertaken to raise employee awareness. We all have to embrace this process so that any issues that arise can be resolved. For that reason, we created an Ethics Committee that can be consulted by any employee, at any time, in complete confidentiality.

The [Ethics intranet](#) site, which was launched in 2005, presents Total's approach and priority actions, as well as the main reference documents.

The intranet site serves two educational objectives. First, it provides access to a wide range of information (90 pages in all, plus 350 links to external sites) and, second, it enables employees to share best practices, order documents and contact the Ethics Committee.

The intranet site is regularly updated and includes pages on specific topics, such as human rights, integrity and transparency. It also publishes policy statements and provides access to documents that support our ethical approach to business.

To promote the intranet site and encourage Total employees to learn more about it and to use it to share their views, a promotion kit was created. More than 23,000 copies of this kit have been distributed since the end of 2006.

Ongoing training

Between 2003 and 2005, the Ethics Committee conducted around 30 seminars on ethics, values and cultures around the world, attended by more than 2,000 line and corporate managers. Since 2006, the Committee, with the support of Université Total, has developed dedicated training programs:

- "[Our Ethical, Environmental and Social Responsibilities](#)", a traveling seminar for line and corporate managers worldwide.
- "[Ethics and Business](#)", a one and one-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.

In addition to these seminars, the Ethics Committee takes part in more than 30 events each year on average, either at the request of the Group's business or corporate units or as part of a training program. Every year, around 2,500 Total managers receive ethics training.

Documents tailored to local situations

If needed, additional documents may be used to make the Code easier to understand and apply. These documents are prepared at management's request and are often designed to meet the specific needs of a particular region or business.

Examples include:

- [Total E&P Myanmar Ethics Charter \(pdf - 380 KB\)](#)
- [Total South Africa Code of Ethics \(pdf - 541 ko\)](#)
- [Business Integrity Guide](#)

1.3.3 Monitoring

Assessing our business units

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 units with advice and enable them to implement additional or corrective measures if needed.

The process was introduced in 2002 in partnership with [GoodCorporation](#), an independent UK company that specializes in analyzing and certifying local ethics performance.

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. 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.

This support and improvement process has gradually been broadened and deepened with:

- Reassessments to measure progress.
- Modules used by subsidiaries and project groups for self-assessment, assessment and reassessment, which were created on request and are currently being implemented.

To date, more than 80 units have been assessed.

Listening to and advising employees

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.

The Ethics Committee handles around 60 cases each year, about half of which are questions from 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. Every year, line managers directly handle more than 200 questions/cases.

Reporting to management bodies

Apart from reporting on special referrals, the Committee Chairman reports on the Committee's work and objectives to the Chairman and Chief Executive Officer on a quarterly basis and to the Executive Committee and the Board of Directors at least once a year.

1.3.4 The Ethics Committee

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.

Composition and procedures

The Ethics Committee comprises a Chairman and four other members representing our different businesses. The members of the Ethics Committee are employees who collectively have broad experience of our different businesses and disciplines and occupy positions that guarantee the necessary independence and freedom of judgment. They cannot delegate their functions to non-members of the Ethics Committee.

The Chairman and Chief Executive Officer appoints the Chairman of the Ethics Committee. The other members are appointed, with their consent, by the Executive Committee, on the recommendation of the Chairman of the Ethics Committee. Each Committee member is appointed for a term of four years, unless some other provision is made, to ensure a regular turnover of Committee members.

Meetings of the Ethics Committee can be convened to deliberate on a set agenda by the Chairman or by a majority of its members. The Committee's decisions are made by majority vote.

The Chairman of the Ethics Committee submits an annual report to the Executive Committee and the Board of Directors.

Scope of work

The Ethics Committee, which reports to the Chairman and Chief Executive Officer, is responsible for general oversight of ethical issues related to our activities, particularly:

- Making recommendations to the Chairman and Chief Executive Officer on all ethical issues, whether in relation to matters on which the Committee has made an independent inquiry or questions that have been submitted to it.
- Drawing the attention of the businesses to any potential risk of non-compliance with our main ethical principles.
- Ensuring that our Code of Conduct is circulated and proposing any amendments it considers necessary or appropriate.
- Ensuring that the procedures are in place for employees to become thoroughly familiar with the Code of Conduct, understand its provisions and apply them.
- Assisting in preparing and authorizing any specific Code of Conduct that may be necessary for a particular subsidiary.
- Recommending procedures or, at its discretion, giving an opinion in strictest confidence when employees have questions about applying or complying with the Code of Conduct in specific situations.
- Reviewing, with the business units concerned, any verbal or written communications relating to ethics at Total and any contacts related to ethics, in particular with international, European Union, governmental and non-governmental organizations.
- Reviewing, with the business units concerned, replies to any correspondence contesting the ethical standards applied at Total or by any subsidiary.

- Advising the various training departments on incorporating, where appropriate, a presentation on the Code of Conduct into training programs, in particular those for new recruits and management.

Internal position with regard to organization

Businesses are encouraged to inform the Ethics Committee in advance of new projects or and proposed changes in an ongoing business activity that could raise an ethical issue due to its size or potential impact on local communities. The Chairman of the Ethics Committee is provided with all files submitted to the Group Management Committee, as well as advance copies of the agendas of all business Management Committee meetings and all Risk Assessment Committee meetings.

The Ethics Committee may also consider on its own initiative any ethics-related matters concerning Total and is therefore entitled to visit any facility or subsidiary.

It is assisted by the Corporate Audit Department, with which it maintains regular contact.

A copy of any correspondence contesting the ethical standards applied in the group, addressed to any unit, is sent to the Ethics Committee.

Supporting employees

The Chairman and Chief Executive Officer or any Total employee may request the Ethics Committee's advice on any ethics-related matter, especially any difficulty in the practical implementation of the Code of Conduct. The Committee may, at its discretion, respond solely to the person(s) asking the question(s).

Its members may not reveal the identity of anyone requesting their advice and may not disclose information that would make it possible to identify them.

1.3.5 Ethical assessments

Total has implemented a program, coordinated by the Ethics Committee, to ensure that the Code of Conduct is being properly applied. Known as ethical assessment, the program is based on an innovative methodology developed by U.K. accreditation company GoodCorporation and validated by the Institute of Business Ethics in London.

The process

To develop a benchmark for the process, the action principles in the Code of Conduct were divided into six stakeholder categories — shareholders, employees, customers, suppliers and contractors, business partners and host countries — and then broken down into 87 compliance criteria, known as evidence points, whose front-line application is verified externally by the [GoodCorporation](#) team.

The 87 points cover such key topics as human rights (with regard to employees, contractors and host communities), relations with neighbors, health, safety and the environment, fraud and corruption, and free competition.

The head of the unit concerned, which has either been identified by the Ethics Committee or has requested the assessment, appoints an officer to coordinate the process. Information is circulated in advance to enable the unit to prepare for the assessment, which is presented in detail and finalized (schedule, scope, list of people to be interviewed) at a preliminary two-day meeting with GoodCorporation representatives.

The assessment begins six to eight weeks after the meeting. It generally lasts around two weeks and is conducted by a three-person team from GoodCorporation, one of whom is very familiar with the local situation.

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.).

Compliance is then graded as follows:

- Major non-compliance: There is no policy or criteria, or the system does not work.
- Minor non-compliance: There is a system in place, but it does not always work.
- Observation: The system works, but there is room for improvement.
- Merit: The system works well.
- Commendation: The system is a benchmark for best practice.

The 87 scores obtained make up the unit's "ethical profile," providing an outside view of its ethical and corporate responsibility performance. A report is prepared outlining the existing situation, the assessment results and, if necessary, recommended actions, preferably based on best practices already used in other units.

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

A management resource

Ethical assessment gives the unit concerned an accurate overview of how well its operations comply with Total's principles and how well it is satisfying its internal and external stakeholders.

This means the unit can compare performance with expectations, offering a clearer vision of its practices. In turn, this enables managers to rank compliance priorities, while respecting the distinctive nature of local challenges and requirements.

At Group level, assessment enhances the consistency of corporate social responsibility policies, enabling them to be compared and a database of best practices to be created. This in turn promotes and facilitates the sharing of best practices across Total.

Although situations vary from one country to another, units often face similar dilemmas, which underscores the benefits of having more effective information sharing on these issues. Available on the intranet since early 2006, a database of best practices provides responses for other units that are reviewing their practices and looking for ways to improve.

Assessment Results

Examples of results reported in certain subsidiaries assessed since 2002:

	Best Practices	Practices to be improved
Shareholders	Methodical, regular reporting	No promotion of the Code's values
Employees	Effective consultation systems and processes High level of safety at operational sites	Individual performance reviews Unclear disciplinary and grievance procedure
Customers	Efficient customer service Continuous product improvement processes	Customer feedback not consistently taken into account No formal gift policy
Suppliers	Strict control of compliance with safety regulations Clear contracts, flexible terms and conditions	Ethical assessment of suppliers No promotion of corporate social responsibility
Business partners	Clear contractual clauses Effective data protection	Incomplete assessment of the partner's ethical risk Code of Conduct not promoted outside Europe
Host countries	Involvement in local projects outside Europe Open dialogue with sensitive communities	Environmental risk management Employees not encouraged to participate directly in local projects

1.3.6 Recent achievements

This information is collected for purpose of Communication on Progress in line with our [UN Global Compact](#) report.

Distributing and adapting the Code of Conduct

In 2008, the Code of Conduct was issued in eight new languages: Afrikaans, Bengali, Burmese, Chinese, Czech, Hindi, Japanese, Urdu and Zulu.

To support application of the integrity principles contained in the Code of Conduct, a *Business Integrity Guide* has been published. 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.

The guide was first published in March 2008, and 20,000 copies were distributed during the year. To meet demand, we printed another 30,000 copies in 2009, including an e-card.

Raising awareness

Each year, the [Ethics Committee](#) takes part in around 30 management meetings, business seminars and training sessions. Together with [University Total](#), the Committee also organizes an average of five dedicated seminars a year in various countries, such as Canada, China, France, Nigeria, Russia and South Africa.

Assessing

In 2009, ethical assessments of eight units were carried out in conjunction with GoodCorporation.

In 2009, more than 60% of ethics processes were operating satisfactorily, 25 to 30% could use improvement and 10 to 15% were in need of strengthening.

Listening and advising

In 2009, the Committee also handled 31 cases and responded to 32 requests for advice, in particular regarding human resources and integrity issues.

Reporting

The Committee presented a first-half 2009 review of its work to the Governance Committee at its meeting in September, followed by a full-year review presented to the Executive Committee and the Board of Directors in early 2010.

2. MEASURES RELATED TO HUMAN RIGHTS AND WORK STANDARDS

Management's ongoing commitment to the process

"Support for human rights is an absolute imperative for any socially responsible company. Respect for human rights must inform and guide the way we treat our employees, contractors and stakeholders at all times; it creates an obligation of vigilance on behalf of our host communities, especially in countries where human rights are not fully upheld." (Christophe de Margerie, December 2008, on the occasion of the 60th anniversary of the Universal Declaration of Human Rights).

Ongoing implementation

- 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 connection with the 60th anniversary of the Universal Declaration of Human Rights, an internal awareness campaign was carried out at our main Paris offices which included the distribution of information brochures and the signature of a "CEO Statement" on the Global Compact by the Group's CEO;
- Presentations on our Ethics Process (35 annual presentations of which 4 were dedicated seminars) were made to heighten our employees' awareness of human rights and of the procedures implemented within the Group;
- In 2009, an assessment tool on the compliance of the Group's activities with human rights standards was created and tested in partnership with the Danish Institute for Human Rights.

Ongoing management

- Human rights included in the guidelines for ethical evaluations that are carried out annually (8 entities audited in 2009);
- Training of Group employees on human rights during worldwide sessions;
- Strengthening human rights policies and, in particular, the VPSHRs in the subsidiaries that are exposed to risks related to security;
- Making three special presentations related to VPSHRs;

- Following an agreement between the government of Angola and Total, opening 4 high schools dedicated to excellence providing complementary courses in sciences and in foreign languages.
- Joining the Global Business Initiative on Human Rights, an association of companies from different business sectors and countries intended to promote human rights and share good practices;
- Participation in the work of the Global Compact Human Rights Working Group.

Additional information

- [Human Rights](#)
- [Our Ethics Process](#)
- [Human Resources](#)
- [Working for shared development](#)
- [Total in Sudan](#)
- [Total in Burma](#)

2.1. Upholding Human Rights

2.1.1 Our position and commitments

We are committed to ensuring that human rights are upheld in our sphere of operations in all host countries where we do business.

In December 2008, on the occasion of the sixtieth anniversary of the Universal Declaration of Human Rights (which Total celebrated by signing the U.N. Global Compact CEO Statement), Christophe de Margerie stated that: *“Support for human rights is an absolute imperative for any socially responsible company. Respect for human rights must inform and guide the way we treat our employees, contractors and stakeholders at all times; it creates an obligation of vigilance on behalf of our host communities, especially in countries where human rights are not fully upheld.”*

Human rights are universal and play a fundamental role in development.

Our businesses lead us to set up long-term operations in many countries transitioning to democracy. 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 violations within our sphere of operations, especially in challenging environments. 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 and our opinion about issues concerning our operations, employees, shareholders or partners.

We do not remain in countries in which we would be unable to apply our Code of Conduct or in countries embargoed or boycotted by the United Nations.

2.1.2 Human rights in our ethics process

Our values and principles are set out in various resources, including the [Code of Conduct](#) and the Ethics Charter, the foundation of Total's [ethics process](#).

The Code of Conduct serves as a reference and guide for employees, both in their daily decisions and their relations with stakeholders.

The Code formally recognizes our 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](#).

Through it, we commit to upholding and promoting human rights in our production and business activities. This commitment reflects our genuine allegiance to action in this area, mindful that upholding the four bedrock reference documents of our Code of Conduct impacts our employees as much as it does our external stakeholders.

Adoption of specific guidelines and charters

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](#) and [Total E&P Sudan](#) are two examples of subsidiaries that have adopted specific charters that they publicize in their business and institutional dealings.

2.1.3 Implementation

Education

An awareness campaign was conducted in-house to mark the sixtieth anniversary of the Universal Declaration of Human Rights. Explanatory brochures were distributed at our main Paris area sites and Christophe de Margerie signed the Global Compact CEO Statement.

All presentations on our ethics process pay special attention to human rights and procedures in place at Total.

Human rights issues are explored on various [intranet sites](#) open to all employees.

- **Ethics site**

The [Ethics intranet site](#) offers transparent information about all of our topics of focus, including free competition, anti-corruption and, of course, human rights. Employees can also find reference documents such as Total's Code of Conduct and our international frames of reference there, as well as many external and internal links they can click on to learn more.

- **Security site on the Voluntary Principles on Security and Human Rights**

This site strives to educate Total employees, especially those exposed to security risks about human rights and describes our action priorities for implementing the [Voluntary Principles on Security and Human Rights](#) (VPSHR). A dedicated site including practical exercises is available.

- ***Sustainable Development and Environment site and Exploration & Production's Sustainable Development site***

These sites deal with issues related to the handling of major community and environmental challenges and present Total's real-world initiatives and policy in this area. The "Human Rights" sections consist mainly of content about stakeholder relations and community development policies.

- ***Human resources site***

This site covers work-related human rights issues, with content dealing with [diversity](#), [fairness](#) and all forms of harassment.

Human Rights Coordination Committee

In order to spell out our human rights positions and initiatives, Total has created a Human Rights Coordination Committee, organized by the Ethics Committee Chairman. An informal discussion forum that meets every other month, its members include representatives of the International Relations, Institutional Relations, Corporate Legal Affairs, Corporate Communications, Security, Sustainable Development and Human Resources Departments.

The meetings mainly address international initiatives, human rights tools and resources under development and the expressed expectations of civil society. The introduction of specific internal policies and procedures (in progress or pending) is also discussed.

Training for Total employees

Total covers human rights issues in existing seminars.

- ***Our Ethical, Environmental and Social Responsibilities seminar***

This [seminar](#) covers how we implement our ethical, environmental and social responsibility policies in the field. It helps managers better understand our action priorities and presents the tools and methods available to them. Human rights are discussed in some of the workshops offered.

- ***Ethics & Business seminar***

This [seminar](#) details procedures for implementing the ethics process across our businesses. 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.

- ***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.

- ***Voluntary Principles on Security and Human Rights seminar***

Aimed at Total employees and contract personnel potentially exposed to security risks, this seminar focuses on related human rights issues, using the VPSHR as a starting point.

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. A member of the association's Social Responsibility working group, we played an especially active role in creating the toolkit.

External sessions to promote the training toolkit attended by IPIECA members, other businesses and civil society representatives have already been held in London, Kuala Lumpur, Calgary, Houston, Buenos Aires and Johannesburg.

2.1.4 Monitoring

Ethical assessments

Since 2002, the [Ethics committee](#) has worked with an external partner, [GoodCorporation](#) to conduct [ethical assessments](#) of the [Code of conduct's](#) application using 87 evidence points. About 25% of the assessment process covers human rights-related items.

Dedicated tools

In an effort to improve our understanding of human rights issues, in September 2006 we joined the Human Rights and Business Project created by the [Danish Institute for Human Rights](#).

The project is working on a dedicated human rights compliance and country risk assessment tool for businesses, which they can eventually use to gauge the impact of their activities and identify corrective solutions. Based on the *Universal Declaration of Human Rights* and 80 fundamental international conventions, it covers civil and political rights, economic and social rights, and the right to development.

Through this partnership, the Danish Institute for Human Rights is working to adapt this tool to the needs of our type of business. An operational resource, it will cover both the impacts within the company and its relations with external stakeholders. It is currently being tested and will supplement the assessments performed by GoodCorporation.

An independent organization working in the field of economic and social development, [CDA](#) Collaborative Learning Projects has introduced a program to educate multinationals on how their activities impact regions affected by sociopolitical pressures or conflicts. We support this program and include its insights in our internal analysis. Moreover, one of the case studies independently performed by CDA as part of its program examines [our presence in Myanmar](#) and is published on its Web site.

2.1.5 Initiatives to promote human rights

Right now there are several sources of feedback on Total's actions in the field of human rights.

Global Compact

Total has participated in the [Global Compact](#) since 2002. Businesses are encouraged to publish a description of how they support the Global Compact and its 10 principles in their annual or corporate responsibility reports. These are known as "Communications on Progress." Total has made a formal commitment to uphold the first two principles of the Global Compact on human rights and regularly reports on our initiatives in this area.

We also take part in a number of working groups coordinated by the Global Compact, in particular the Human Rights Working Group and the Responsible Investment in Conflict-Affected Countries Working Group.

Finally, we are active in the [workshop sessions dedicated to Tenth Principle](#) (anti-corruption) and human rights implementation created under the Global Compact.

Environment and Society report

In accordance with France's New Business Regulations (NRE) Act, we report annually on our social responsibility and environmental progress in our *Environment and Society* report and on our corporate Web site, www.total.com.

Global Business Initiative on Human Rights (GBIHR)

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

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

The “protect, respect and remedy” business and human rights framework

Total is a full participant in the consultation on the Norms on the Human Rights Responsibilities of Transnational Corporations and Other Business Enterprises being conducted by the United Nations Secretary-General's Special Representative on Business & Human Rights, John Ruggie.

The framework developed by the Special Representative is based on complementary responsibilities and comprises three core principles: the State duty to protect against human rights abuses by third parties, including businesses; the corporate responsibility to respect human rights, and the need for more effective access to remedies.

We have spelled out our position vis-à-vis the initial draft and since 2005 have been attending and taking part in the consultations, meetings and working groups organized by the Special Representative and his team.

Security and human rights

Our 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*.

[Total's Corporate Security Policy Statement](#) confirms the overriding priority of employee security, which can be threatened in some situations, and defines our business principles with respect to security.

We support the recommendations of the [Voluntary Principles on Security and Human Rights](#) (VPSHR) published in 2000 under the auspices of the U.S. State Department and the U.K. Foreign Office. The *Voluntary Principles* guide companies in maintaining the safety and security of their operations while ensuring respect for human rights and fundamental freedoms.

After drafting an operational guide in 2004, in January 2008 we published a new guideline citing five priorities: 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. The core objective is to clarify the circumstances under which security forces are authorized to intervene in a dangerous situation.

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 our 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.

2.1.6 Respect for people

As Christophe de Margerie wrote in his introduction to the Code of Conduct: "*Respect [is] the source of sustainable, trust-based operations and relations.*"

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 work for us indirectly are treated with respect.

Fostering diversity

Over 130 nationalities are represented in our workforce. 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.

At Total, promoting diversity is also synonymous with combating all forms of discrimination, for which dedicated resources have been introduced. Gender diversity 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](#).

Tackling harassment

Moral 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 moral harassment works, its consequences and the law regarding it.

Ensuring good working conditions

[Establishing good working conditions to protect the health and safety of everyone](#) is a key component of respect for people.

3. MEASURES RELATED TO THE ENVIRONMENT

For more information on the measures taken by Total which are related to the environment, browse the www.total.com web site, in following sections:

Combating climate change:

- [Energy and climate](#)
- [Reducing the flaring of associated gas](#)
- [Improving energy efficiency](#)
- [Developing CO2 capture and storage](#)
- [Developing low-carbon energy sources](#)

Controlling our impacts on the local environment:

- [Our approach](#)
- [Improving air quality around our facilities](#)
- [Preserving water resources](#)
- [Protecting biodiversity](#)
- [Site reclamation](#)
- [Managing our waste](#)

4. OUR INTEGRITY PROCESS

Management's ongoing commitment to the process

"[...] Our commitment to integrity requires each of us to play an active role in ensuring that we all behave in an exemplary manner. That's why we have published a Code of Conduct and made integrity the lynchpin of our business principles. Meeting our goal of 'integrity towards the company and in our business relationships' means rejecting all forms of corruption, avoiding conflicts of interest and insider dealing, and protecting our assets and resources. (...) I know that I can count on your vigilance and your personal involvement in this process, which is critically important for our Group's business efficiency and sustainable growth."
(Christophe de Margerie, Chief Executive Officer, Introduction to the Business Integrity Guide, May 2008)

Ongoing implementation

- On December 18, 2009, approval by the Executive Committee of a corruption prevention policy and a Compliance Program with the creation of a dedicated organization;
- Deployment and monitoring of a Compliance Program entrusted to a Group Compliance Officer relying on a network of Subsidiary Compliance Officers;
- To strengthen the application of the integrity principles contained in the Code of Conduct, a Business Integrity Guide is associated with it. While illustrating concrete examples of potential risky situations in our business relations, it restates Total's position in the areas of corruption, fraud and conflicts of interests. Introduced in March 2008, 20,000 copies were distributed by the end of the year. To meet demand, we published in 2009 a new run of 30,000 copies, including an e-card;
- Reminding employees of the need to be vigilant with respect to integrity and anti-corruption at all presentations made as part of the Ethics process (35 annual presentations, of which 4 were dedicated seminars, bringing together 2,171 Total senior executives);

- Seminar on the Prevention of Transnational Corruption in partnership with Ethic Intelligence on December 7, 2009.
- Contributing to the UNGC Working Group on Anti-corruption to draft the Reporting Guidance on the 10th Principles Against Corruption.

Ongoing management

- Vigilance with respect to corruption risks is incorporated into internal control procedures (approximately 200 audits completed in 2009).
- Corruption risks are integrated into the reference benchmark for the ethical assessments performed each year (8 entities audited in 2009).
- An antitrust compliance survey was conducted in 2008 based on a questionnaire sent out to all the Group's divisions. Answers to this survey notably show that, in 2008, more than 4,500 Group employees were provided training as part of the compliance programs, either collectively during dedicated seminars or individually through "e-learning" courses. Furthermore, since the roll-out of a system of letters of commitment in 2007, more than 6,600 letters (4,400 from the Chemicals Division and 2,200 from the Refining and Marketing Division) have been signed by employees of the Group companies.

Additional information

- [Integrity in business: preventing corruption](#)
- [Defending free competition and fighting cartels](#)
- [Financial transparency](#)

4.1. Integrity in business: preventing corruption

4.1.1 Our position and commitments

The amounts of money invested and the diversity of the regions involved 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 (TI) Corruption Perceptions Index. Therefore, reinforcing integrity and preventing corruption are major objectives for the Group and all employees.

Clear principles set out in our [Code of Conduct](#) provide the foundation for Total's handling of the issue of corruption:

- "Total rejects bribery and corruption in all forms, whether public or private, active or passive. [...] In particular, Total will not resort to bribery or corruption 'in order to obtain or retain business or other improper advantage in the conduct of international business,' as outlined in the [OECD](#) convention on Combating Bribery of Foreign Public Officials in International Business Transactions."
- 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 day-to-day decisions and their relations with stakeholders. In the Code of Conduct, Total reiterates its support for 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.

On numerous occasions, senior management has reiterated this commitment to reject corruption:

- "Like many large companies, the Total Group is exposed to the risk of corruption. These risks, which are exacerbated by weak governance in some countries, the importance of our investments, and intense competition for access to new projects, can undermine impact the trust and solid relations we need to maintain with our customers, partners, the confidence and solidity of the relationships that should exist with our clients, our partners, our suppliers and the official structures in the countries where the Group operates.

The Total's Code of Conduct clearly reflects our position in this area, its principle is to 'reject corruption in all forms, active passive, public, and private.'

We draw your attention to the fact that any violation of this legislation can result in criminal sanctions. Consequently, you must ensure that this reminder is properly distributed internally within your respective organizations.

I would like to thank you and your colleagues for your vigilance in strictly implementing these principles in our business relationships all over the world. "

(Christophe de Margerie, Chief Executive Officer, memorandum to Total senior managers, March 2008)

- "[...] Our commitment to integrity requires each of us to play an active role in ensuring that we all behave in an exemplary manner. That's why we have published a Code of Conduct and made integrity the linchpin of our business principles. Meeting our goal of 'integrity toward the company and in our business relationships' means rejecting all forms of corruption, avoiding conflicts of interest and insider dealing and protecting our assets and resources. [...]"

I know that I can count on your vigilance and your personal involvement in this process, which is critically important for our Group's business efficiency and sustainable growth [...]"

(Christophe de Margerie, Chief Executive Officer, Introduction to the *Business Integrity Guide*, May 2008)

4.1.2 Implementation

Resources and organizations

Implementation of anti-corruption measures depends, in the first place, on the [Ethics Committee](#), which is charged with circulating the Code of Conduct throughout the Group and ensuring compliance by all employees at all hierarchical levels. In support of this process, the [Compliance and Corporate Responsibility Department](#) has developed an anti-corruption compliance program for the Group and is responsible for its implementation.

To guarantee effective and continuous application of this process, an Anti-Corruption Compliance Committee was created in 2009. Legal representatives from each operating Branch meet each month to further strengthen the rules, procedures and resources required for proper functioning of the anti-corruption program.

The Compliance Department and the Anti-Corruption Compliance Committee work closely with the Ethics Committee and the [Audit Department](#).

An Anti-Fraud Working Group was set up in 2009 and approved by the Executive Committee and senior management. Comprising members of the Ethics Committee and the Audit, Corporate Security, Legal Affairs, Finance and Human Resources Departments, the working group is tasked with strengthening fraud prevention. In real-world terms, its actions will include:

- More effectively identifying, assessing and managing risks.
- Improving employee and management understanding of risks and their embrace of business principles.
- Expanding fraud detection capabilities and making the process faster.
- Consolidating and organizing investigations in the event fraud is suspected or detected.

Raising Awareness

Our Ethics intranet site includes a section specifically dedicated to preventing corruption. This site provides clear and practical information on all areas of focus of Total's Code of Conduct. Employees can access summaries of Total's commitments, tools and resources for implementing our principles, and links to external and internal sites that promote greater understanding of the issue.

A special section is reserved for the *Business Integrity Guide*. This Guide is derived from the Code of Conduct to provide legal references and practical advice for Group employees facing potentially high-risk situations in the area of integrity. The Guide was published in March 2008, and 20,000 copies were distributed. To meet demand, we printed another 30,000 copies in 2009, which include an e-card. An interactive version is also available on Total's main intranet sites.

This document is solely for internal use and has no contractual value. It is provided here for the purposes of communicating information on the resources employed by Total to raise awareness among employees regarding the prevention of corruption and to assist employees in implementing the Group's principles.

It is strictly forbidden to use or copy the document for any other purpose.

Go to the [Business Integrity Guide](#).

Training

Integrity and anti-corruption issues are regularly addressed in training seminars provided to Group employees:

- *Our Ethical, Environmental and Social Responsibilities* seminar
This [seminar](#) , which is given throughout the world to the various corporate and operating departments, covers Total's action priorities in the fields of ethics, the environment and corporate responsibility. Many of the workshops address anti-corruption issues.
- *Ethics & Business* seminar.
This [seminar](#) details procedures for implementing the ethics process across the Group's businesses. A specific presentation on preventing corruption covers legal obligations and proper conduct.
- *Discover Total* seminar
This seminar, which is mandatory for all new hires, features extensive coverage of issues involving ethics and integrity in business relations.

In addition, the Preventing Transnational Corruption seminar was organized in partnership with Ethic Intelligence on December 7, 2009.

Along the same lines, Total is currently preparing a program of e-learning modules on preventing corruption. It is slated for rollout in 2010.

Lastly, Total plans to eventually incorporate into its training workshops 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). This is a learning tool that uses case studies to assess a company's possible responses in high-risk situations.

4.1.3 Monitoring

Our anti-corruption process also involves oversight and corruption detection procedures, by means of:

- [Internal control](#) audits carried out across the company by some 75 auditors who complete around 200 assignments a year. These audits regularly assess compliance with applicable laws and procedures, thereby helping to reduce corruption risk.
- [Ethical assessments](#) of our subsidiaries, in which GoodCorporation verifies implementation of the Code of Conduct in about ten Total units a year. Some 40% of the evidence points in the assessment guidelines deal directly or indirectly with integrity issues.
- The Ethics Committee's whistleblowing procedure.

In our relations with other companies, we expect our partners to uphold comparable integrity principles. This is specified in our general procurement terms and conditions and by specific contractual clauses as needed.

Participation and sharing

In order to share best practices and encourage interaction and dialogue between businesses and civil society, Total is involved in international anti-corruption initiatives:

- Since 2005, Total has been an active participant in the [Global Compact](#) working group dealing with implementing the 10th Principle which deals with combating corruption.
- In 2006, we took part in the Forum for Civil Society and Private sector held at the same time as the Conference of States Parties to the United Nations Convention against Corruption.
- Since 2007, Total has been active in the International Chamber of Commerce's International Anti-Corruption Commission and in ICC France's Anti-Corruption Committee. We participated, alongside other businesses, in developing [RESIST](#) (Resisting Extortion and Solicitation in International Sales and Transactions), a training program that offers advice and methods to help companies when they are solicited for illicit payments in the conduct of their business affairs.
- In 2009, we participated in the preliminary work and field testing of the guide reporting actions taken by companies to implement the 10th Principle.

Communicating

Each year, a number of media provide information regarding Total's anti-corruption policies and initiatives:

- Our annual *Environment and Society* report.
- Our [Registration Document](#), which describes several of the processes included in our anti-corruption initiatives and also reports on current or past legal investigations and proceedings involving Total.
- Our *Communications on Progress*, in line with our commitment to the U.N. [Global Compact](#), which can be accessed on that [organization's Web site](#).

4.1.4 **Recent achievements**

This information is collected for purpose of Communication on Progress in line with our UN [Global Compact](#) report.

Anti-corruption commitment and policy

- Chief Executive Officer's memorandum to members of the Executive Committee and introduction to the *Business Integrity Guide*.
- On December 18, 2009, approval by the Executive Committee of a corruption prevention policy and a compliance program, with the creation of a dedicated organization.

Implementation

- Creation of a [Compliance and Corporate Social Responsibility Department](#) within Corporate Legal Affairs.
- Publication of the *Business Integrity Guide*; 50,000 copies have been distributed and an interactive version is available on Total's intranet sites.
- Reminding employees at all presentations concerning [ethics procedures](#) of the need to be vigilant with respect to integrity and corruption (around 30 presentations a year and five dedicated seminars).
- Seminar on *Preventing Transnational Corruption*.

Monitoring

- Vigilance with respect to corruption risks is incorporated into [internal control](#) procedures (around 200 audits performed in 2009).
- Corruption risks are integrated into the guidelines for the [ethical assessments](#) performed each year (eight units audited in 2009).

4.2. 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. Accordingly, we have created antitrust prevention and compliance programs in two sales-intensive businesses, Refining & Marketing and Chemicals.

4.2.1 Our position and commitments

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 also taken a firm position on the issue.

Addressing the Senior Management Seminar in 2006, Thierry Desmarest, then Chairman and Chief Executive Officer of Total, said: "Competition sometimes forces us to charge less than we would like. It's part of being in business. We have no choice but to comply with antitrust regulations."

Continuing along the same lines, when asked about Total's position on anti-competitive agreements, General Counsel Peter Herbel told the same meeting: "Our position is very clear: WE DON'T DO IT," he said. "It's illegal and everyone knows it. Besides, our own Ethics Charter forbids it. These practices do not benefit a company, either in the short or long term.

He made the following recommendations: "Zero tolerance. Senior managers are responsible for making sure their units don't engage in these practices. [...] The top-down message must be clear and unambiguous. I urge you to attend the training sessions organized by your respective legal departments. [...] You need to introduce effective compliance programs."

Former Chief Financial Officer, Robert Castaigne, said in an in-house publication: "Ethical conduct begins by observing the laws that apply to us as a company and, particularly, antitrust laws. [...] Everything needs to be done so that all our employees — managers as well as sales and marketing staff — are educated about antitrust issues and are aware of the ethical and economic consequences of their actions."

This position is widely shared within the businesses.

For Michel Bénézit, President of Total Refining & Marketing and Chairman of its Management Committee, the issue is non-negotiable. In a message forwarded to the entire R&M staff during the 2006 intranet campaign he wrote: "We must guarantee that our business operations comply with the Total Code of Conduct. It is both an individual and collective duty. Concerning the protection of free competition in particular, R&M has a compliance program aimed at strengthening efforts to prevent violations. The purpose of the tool is to help us develop an unbending 'zero-infraction' attitude in our day-to-day business. Failure to adhere to the program's standards and guidelines would violate antitrust principles and harm the company's interests by exposing it and the employees in question to severe internal sanctions and criminal penalties. To help us ensure strict compliance, R&M's Legal Affairs and Agreements Department, together with the subsidiaries' legal teams, is responsible for providing training on a regular basis and, if necessary, advice. All antitrust issues must be brought to their attention as quickly as possible to ensure an appropriate and effective response."

Taking a similar tone in the *Practical Guide to Antitrust Law in Day-to-Day Chemical Operations*, Chemicals President François Cornelis said: “I feel it's necessary to remind all of you that our company intends to comply scrupulously with the local legislation of any country where we conduct business. Antitrust laws are of particular importance. By forbidding practices that restrict free competition, they aim to protect one of the main achievements of the European Union: the free circulation of products and services within a single market. A violation of antitrust legislation is a serious blow to our company's integrity, reputation and honor in the eyes of our shareholders, employees, customers, suppliers and the public at large. [...] Our company's success depends on the values it adheres to and the image it projects. Consequently, we need to apply strict, codified rules of conduct. Please make sure you give this matter your constant attention. Antitrust compliance is the responsibility of every employee.”

4.2.2 Implementation

Our businesses, especially Chemicals and R&M, 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.

Go to the [R&M practical guide](#)

Go to the [Chemicals practical guide](#)

Employees who are the most exposed to risk — 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 and Refining & Marketing have developed e-learning programs to help employees broaden their knowledge.

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.

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 and Refining & Marketing. They are supported by management at all levels and by Human Resources, which has an important role to play, especially in identifying employees exposed to competition-related issues.

4.2.3 Monitoring

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

In the past, Total had been investigated and found guilty of anti-competitive agreements. For more information about these cases, see pages 160 and 161 of the [2009 Registration Document](#).

4.2.4 Recent achievements

This information is collected for purpose of Communication on Progress in line with our UN [Global Compact](#) report.

An antitrust compliance survey was conducted across our businesses in 2008. Based on answers to the questionnaire, more than 4,500 employees received compliance training during the year, either collectively or individually, through dedicated seminars or e-learning modules. Furthermore, over 6,600 employees have signed personal commitment letters since the practice was introduced in 2007 (4,400 in Chemicals and 2,200 in Refining & Marketing).

4.3. 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 populace. 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.

Total is committed to strict transparency and participates actively in intergovernmental initiatives and dialogue on this issue. We support the Extractive Industries Transparency Initiative ([EITI](#)) to promote the cause.

4.3.1 Our position and commitments

As Thierry Desmarest wrote in an article published in *Rapport Moral sur l'Argent dans le Monde 2006* [A Global Moral Review of Money]: “*Transparency is in Total's interest. [...] Generating over 60% of its oil and gas production in non-OECD countries and as the leading multinational industry operator in Africa, Total is very directly concerned by these issues, which represent substantial financial flows. [...] Total's operations must be effectively integrated into the local environment. Our commitment to financial transparency can help make the integration process a success. It is therefore our duty to do everything we can to help authorities who want to implement a transparency program, to share with them our experience and provide them with technical information, and to cooperate fully with local agencies and outside experts, whether representatives of international financial institutions or of audit firms responsible for checking, comparing and consolidating data.*”

Total joined the EITI on its creation in 2002, at the World Summit on Sustainable Development, known as the Johannesburg summit. After being elected to the EITI Board⁽¹⁾ as an alternate member in September 2007, we were elected a permanent member in February 2009 in recognition of our deep commitment to the initiative. Our representative on the Board is Jean-François Lassalle.

4.3.2 Implementation

Promoting financial transparency to host countries

The principle of sovereignty is just as fundamental as the principle of financial transparency, which means that transparency cannot be achieved without the voluntary commitment of governments. While respecting this principle, we believe that we have to encourage host countries to move forward with EITI implementation. We support and assist them throughout the process by:

- Fostering dialogue between our managers and representatives of government, civil society and the EITI.
- Participating in EITI work and organizations.
- Promoting the EITI initiative at conferences and in articles.
- Providing resources and recommendations based on our experience.

4.3.3 Monitoring

Detailed, public information through country reports

As part of our commitment, we publish detailed reports on a number of host countries — Angola, Cameroon, Gabon, Nigeria and Norway. 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.

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

4.3.4 Recent achievements

This information is collected for purpose of Communication on Progress in line with our UN [Global Compact](#) report.

- The *Total in Cameroon*, *Total in Nigeria*, *Total in Gabon*, *Total in Angola* and *Total in Norway* reports have been updated.
- The *Total in UK* report has been published
- These six countries accounted for 46% of our production in 2009.

4.4. The Extractive Industries Transparency Initiative (EITI)

4.4.1 Origin and goals of the EITI

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 process was launched in 2002 at the World Summit for Sustainable Development in Johannesburg, on the initiative of Tony Blair. Many countries, companies working in the extractive industries (BP, Shell, Exxon, Chevron, Total, etc.), investors, financial institutions like the World Bank and a number of NGOs (Publish What You Pay, Transparency International, Save the Children, Global Witness and Secours Catholique) joined the process on its foundation. The initiative was backed by the G8 Summit in Evian in June 2003, in Gleneagles in July 2005, and in Heiligendamm in June 2007.

4.4.2 The EITI is based on a specific situation...

Many countries that depend on revenues from such natural resources as oil, gas and minerals have tended to under-perform economically and socially.

Better use of revenue flows generated by extractive industries that invest heavily in these countries can reduce poverty and stimulate growth. By encouraging greater transparency regarding these revenues, their use can be managed more effectively.

4.4.3 ...and a commitment

The initiative is based on a commitment from producing countries to publicly declare that they have signed on to the EITI's principles and to implement an action program leading to the disclosure of revenues they receive from the extractive industry. The decision to take part in this voluntary process lies with individual governments.

Similar approaches had already been undertaken in the diamond industry (Kimberley Process) and the wood industry (EC Initiatives).

4.4.4 Why support the EITI?

The EITI is a process founded on a voluntary, win-win approach.

Benefits for companies

The transparency process promotes the emergence of stable economic and political conditions and an improved investment climate over the long-term.

Benefits for implementing countries

The EITI promotes greater economic and political stability and sends a positive signal to foreign investors by fostering sound, sustainable development and poverty reduction. The EITI is supported by the International Monetary Fund (IMF) and the World Bank, which make greater transparency a condition for economic aid.

Benefits for civil society organizations, such as NGOs

The initiative supports good governance, strengthens public institutions and raises public awareness. It helps civil society to better understand the private sector and, consequently, improves its relations with it. It strengthens ties with investors and international organizations.

Benefits for local communities

Local communities receive a greater share of oil, gas and mining revenues. The EITI enables governments and companies to strengthen and promote the values of social justice, responsibility, integrity and good governance.

4.4.5 EITI, a defined framework for the oil industry

The Extractive Industries Transparency Initiative ([EITI](#)) promotes greater transparency in the management of oil revenues. It calls for all private and national extractive companies to publish what they pay 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.

4.4.6 Total and the EITI

Total's participation

Total joined the EITI on its creation in 2002, at the World Summit on Sustainable Development, known as the Johannesburg summit.

After being elected to the EITI Board as an alternate member in September 2007, we were elected a permanent member in February 2009 in recognition of our deep commitment to the initiative. Our representative on the Board is Jean-François Lassalle. The Board comprises 20 permanent members representing implementing countries, supporting countries, civil society organizations, the oil, gas and mining industries, and investment companies.

Promoting financial transparency to host countries

The principle of sovereignty is just as fundamental as the principle of financial transparency, which means that transparency cannot be achieved without the voluntary commitment of governments. While respecting this principle, we believe that we have to encourage host countries to move forward with EITI implementation. We support and assist them throughout the process by:

- Fostering dialogue between our managers and representatives of government, civil society and the EITI.
- Participating in EITI work and organizations.
- Promoting the EITI initiative at conferences and in articles.
- Providing resources and recommendations based on our experience.

Detailed, public information through country reports

As part of our commitment, we publish detailed reports on a number of host countries, accounting for 37% of our production in 2008. 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. These five countries accounted for 37% of our production in 2008.



TOTAL

Le Président-Directeur Général

HdL/nh-2010/120

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

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

Paris, 29 July, 2010

Dear Mr. Secretary General,

Please find attached Total's 2010 Communication on Progress, as well as a copy of our 2009 Environment & Society (CSR) report, entitled "Ten questions for Total".

Total has been very happy and proud to participate in the Global Compact tenth anniversary in New York in June 2010. During this important gathering, we approved the "New York Declaration" which has been adopted by the participants, and which reaffirms Total's commitment to the ten principles of the Global Compact.

I also signed on behalf of Total the Women's Empowerment Principles, which fit very well with Total's policy regarding gender equality in the Company.

Regarding Human Rights, Total has developed, along with the Danish Institute, a Human Rights Compliance Assessment tool which has been implemented for the first time in our Angolan subsidiary, and which will be tested from now in other countries where Total operates.

Our engagement in the Global Compact is of utmost importance to us, and we will continue to deepen the implementation of the ten principles inside our Company.

Yours respectfully,

Christophe de Margerie

Encl.

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TOTAL S.A.
Société Anonyme au capital de 5 871 057 210 euros
Siège social : 2 place Jean Millier - La Défense 6 - 92400 Courbevoie - France
542 051 180 RCS Nanterre