



**Global Compact**  
Network France

# Communication on Progress

## GC-Advanced Level

### Self-assessment



# Reporting period: July 2018 – July 2019

## GC Advanced COP Self-Assessment

1. Please enter a short title for your submission

Total's 2018-2019 Communication on Progress

2. The Communication on Progress is in the following format:

- Stand-alone document
- Part of a sustainability or corporate (social) responsibility report
- Part of an annual (financial) report

3. What is the time period covered by your COP?

July 2018 – July 2019

4. Does your COP contain a statement by the CEO (or equivalent) expressing continued support for the Global Compact and renewing your company's ongoing commitment to the initiative and its principles?

- Yes
- No

5. Does your COP contain a description of actions and policies related to the following issue areas?

Human Rights	Labour	Environment	Anti-Corruption
<input checked="" type="checkbox"/> Yes			
<input type="checkbox"/> No	<input type="checkbox"/> No	<input type="checkbox"/> No	<input type="checkbox"/> No

6. Does your COP include qualitative and/or quantitative measurement of outcomes illustrating the degree to which targets/performance indicators were met?

- Yes

- No

7. How does your organization share its COP with stakeholders?

- Through the UN Global Compact website only
- COP is easily accessible to all interested parties (e.g., via its website)
- COP is actively distributed to all key stakeholders (e.g., investors, employees, consumers, local community)
- Both b) and c)

8. How is the accuracy and completeness of information in your COP assessed by a credible third-party?

*The Global Compact recognizes that there are various options in terms of external assessment. High-quality external assessment should ideally encompass qualitative and quantitative information and performance data in the COP, as well as an explanation of the management systems and processes that foster their credibility. A credible third party is defined as groups or individuals external to the reporting organization who are demonstrably competent in the subject matter and eligible to provide feedback on the basis of their role towards the company and their independent position. For guidance on the assurance process, companies may refer to [Your Path to External Assessment](#).*

- The COP describes any action(s) that the company **plans** to undertake to have the credibility of the information in its COP externally assessed, including goals, timelines, metrics, and responsible staff
- Information is reviewed by multiple stakeholders (e.g., representatives of groups prioritized in stakeholder analysis)
- Information is reviewed by a panel of peers (e.g., members of the same industry, competitors, benchmarked leaders, others organized via Global Compact Local Network)
- Information is assured by independent assurers (e.g., accounting or consulting firm) using their own proprietary methodology
- Information is assured by independent assurers (e.g.,

accounting or consulting firm) against recognized assurance standard (e.g., ISAE3000, AA1000AS, other national or industry-specific standard)

- Other established or emerging best practices:

**9. The COP incorporates the following high standards of transparency and disclosure:**

- Applies the GRI Sustainability Reporting Guidelines
- Is 'in accordance - core' with GRI Standards
- Is 'in accordance - comprehensive' with GRI G4
- Applies elements of the International Integrated Reporting Framework
- Provides information on the company's profile and context of operations

**10. Which of the following Sustainable Development Goals (SDGs) do the activities described in your COP address? [Select all that apply]**

- [SDG 1](#): End poverty in all its forms everywhere
- [SDG 2](#): End hunger, achieve food security and improved nutrition and promote sustainable agriculture
- [SDG 3](#): Ensure healthy lives and promote well-being for all at all ages
- [SDG 4](#): Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all
- [SDG 5](#): Achieve gender equality and empower all women and girls
- [SDG 6](#): Ensure availability and sustainable management of water and sanitation for all
- [SDG 7](#): Ensure access to affordable, reliable, sustainable and modern energy for all
- [SDG 8](#): Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
- [SDG 9](#): Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation
- [SDG 10](#): Reduce inequality within and among countries
- [SDG 11](#): Make cities and human settlements inclusive, safe, resilient and sustainable
- [SDG 12](#): Ensure sustainable consumption and production patterns

- [SDG 13](#): Take urgent action to combat climate change and its impacts
- [SDG 14](#): Conserve and sustainably use the oceans, seas and marine resources for sustainable development
- [SDG 15](#): Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss
- [SDG 16](#): Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels
- [SDG 17](#): Strengthen the means of implementation and revitalize the global partnership for sustainable development.

**11. With respect to your company's actions to advance the Sustainable Development Goals (SDGs), the COP describes: [Select all that apply]**

- Opportunities and responsibilities that one or more SDGs represent to our business
  - E.g., new growth opportunities; risk profiles; improved trust among stakeholders; strengthened license to operate; reduced legal, reputational and other business risks; resilience to costs or requirements imposed by future legislation.*
- Where the company's priorities lie with respect to one or more SDGs
  - Conducting an assessment on the current and potential, positive and negative impacts that your business activities have on the SDGs throughout the value chain can help you identify your company's priorities.*
- Goals and indicators set by our company with respect to one or more SDGs
  - Setting specific, measurable and time-bound sustainability goals helps foster shared priorities and drive performance. To do this: Define scope of goals and select KPIs; define baseline and select goal type; set level of ambition; announce commitment to SDGs; select indicators and collect data.*
- How one or more SDGs are integrated into the company's business model
  - Integrating sustainability has the potential to transform all aspects of the company's core business, including its product and service offering, customer segments, supply chain*

*management, choice and use of raw materials, transport and distribution networks and product end-of-life. It involves anchoring sustainability goals within the business up to the board level, embedding sustainability across all functions, and engaging in partnerships.*

- The (expected) outcomes and impact of your company's activities related to the SDGs
  - Example: For a food company that sells nutritionally balanced breakfasts and lunches to primary schools, an output is the number of meals served. An outcome is the rate of malnutrition among children served. Impact is the company's contribution to SDG Target 2.1, "end hunger and ensure access by all people, in particular the poor and people in vulnerable situations, including infants, to safe, nutritious and sufficient food all year round."*
- If the companies' activities related to the SDGs are undertaken in collaboration with other stakeholders
  - E.g., United Nations agencies, civil society, governments, other companies.*

- Other established or emerging best practices

**Foreword:**

The present Communication on Progress to the UN Global Compact refers to all components of Total's sustainability reporting in 2018-2019:

1. [Total's 2018 Registration Document](#) (RD), which includes among others : an integrated report (Chapter 1), a non-financial performance statement (Chapter 5) and a vigilance plan (Chapter 3.5).
2. [Total's 2018 Climate report](#)
3. [Total's 2018 Human Rights Briefing Paper](#)
4. Information published on Total's corporate web site ([www.total.com](http://www.total.com));
5. Information published on sustainable performance (<https://www.sustainable-performance.total.com/en>)
6. [Total's Code of Conduct](#)
7. In regards to GRI reporting, Total has adopted the GRI Standards since 2017 and reports in accordance with the 'Core' level. The [GRI index table](#) includes references to UN Sustainable Development Goals.

## I. CEO STATEMENT OF CONTINUED SUPPORT TO THE GLOBAL COMPACT

[See Total's 2018 Human Rights Briefing Paper – Message from the Chairman and CEO \(page 5\)](#)

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

### Summary of Criteria

#### ***Implementing the Ten Principles into Strategies & Operations***

Criterion 1: The COP describes mainstreaming into corporate functions and business units

Criterion 2: The COP describes value chain implementation

#### ***Robust Human Rights Management Policies & Procedures***

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

Criterion 4: The COP describes effective management systems to integrate the human rights principles

Criterion 5: The COP describes effective monitoring and evaluation mechanisms of human rights integration

#### ***Robust Labour Management Policies & Procedures***

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

Criterion 7: The COP describes effective management systems to integrate the labour principles

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

#### ***Robust Environmental Management Policies & Procedures***

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

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

Criterion 11: The COP describes effective monitoring and evaluation mechanisms for environmental stewardship

#### ***Robust Anti-Corruption Management Policies & Procedures***

Criterion 12: The COP describes robust commitments, strategies or policies in the area of anti-corruption

Criterion 13: The COP describes effective management systems to integrate the anti-corruption principle

Criterion 14: The COP describes effective monitoring and evaluation mechanisms for the integration of anti-corruption

#### ***Taking Action in Support of Broader UN Goals and Issues***

Criterion 15: The COP describes core business contributions to UN goals and issues

Criterion 16: The COP describes strategic social investments and philanthropy

Criterion 17: The COP describes advocacy and public policy engagement

Criterion 18: The COP describes partnerships and collective action

#### ***Corporate Sustainability Governance and Leadership***

Criterion 19: The COP describes CEO commitment and leadership

Criterion 20: The COP describes Board adoption and oversight

Criterion 21: The COP describes stakeholder engagement

## IMPLEMENTING THE TEN PRINCIPLES INTO STRATEGIES & OPERATIONS

### The Group's organization in dealing with CSR issues

The Group's vocation is to produce the energy that the world needs, and will need in the future, and to make it accessible to as many people as possible. The Company's action principles are driven by the Executive Committee and supported by the Board of Directors. The Group's organization is structured around three main levels: Corporate, business segments and operational entities.

#### A. The corporate level

##### 1) *Corporate functional divisions*

Corporate functional divisions support Total's business segments. Dedicated corporate functional divisions are responsible for Total's CSR issues especially:

- **the People & Social Responsibility division** which consists of: the Human Resources division, the Health, Safety and Environment division, the Security division, and the Civil Society Engagement Division;
- **the Strategy & Climate division** which is part of the Strategy-Innovation division and is responsible notably for ensuring that climate is incorporated in the strategy

##### 2) *Dedicated committees*

- **Ethics Committee:** the Ethics Committee is a central structure representing all of the Group's business segments. The Ethics Committee is the guarantor of compliance with the Code of Conduct and ensures its proper implementation. It is assisted in its work by the relevant departments, as well as by a network of local Ethics Officers. The Chairperson of the Ethics Committee reports to the Chairman and Chief Executive Officer of Total. The Chairperson submits an annual report to the Executive Committee and the Governance and Ethics Committee of the Board of Directors. Employees and stakeholders can refer any breach of the Code of Conduct to the Ethics Committee at any time.
- **Human Rights Committee and Department:** the Human Rights Committee is made up of representatives from different departments (safety, purchasing and societal commitment in particular) and business segments. It meets several times a year and coordinates actions relating to human rights and fundamental freedoms led by the various business segments and Subsidiaries, in line with the Human Rights roadmap approved by the Executive Committee. The Human Rights Department, within the Civil Society Engagement Division, supports the Group's operational managers with its expertise in implementing the Action Principles relating to human rights and fundamental freedoms.
- **Occupational Health, Safety and Environment Division:** a single HSE Division combines the Group's Occupational Health, Safety and Environment functions. Its role is to implement a strong and unified HSE model. Within the division, the HSE Departments of the Exploration & Production, Gas, Renewables & Power, Refining & Chemicals and Marketing & Services segments are in particular responsible for supporting the implementation of the Group's HSE policy.
- **Procurement:** a dedicated subsidiary, Total Global Procurement centralizes management of a large part of the Group's goods and services purchasing, whether for categories of products or services specific to one business activity or categories shared between several business activities. A Responsible Purchasing Committee meets at least once a year and brings together the Management Committee of Total Global Procurement and the Civil Society Engagement (including the Human Rights Department), HSE and Legal Divisions as well as the Ethics

[Registration Document 2018, Chapter 1.6.2 "An operational structure" p.27](#)

[Registration Document 2018, Chapter 3.5.4 Vigilance plan - "Organization" p.95](#)

Committee in order to monitor implementation of the Group's Responsible Purchasing roadmap. The roadmap sets out the strategic direction of the Responsible Purchasing working group.

- **The Risk Committee (CORISK):** the Risk Committee is chaired by a member of the Executive Committee (Senior Vice President of Strategy & Innovation or Chief Financial Officer). It is made up of representatives from the corporate Strategy & Climate, Finance, Legal, Insurance and HSE divisions. The Risk Committee meets on the same schedule as the Executive Committee. Any project submitted to the Executive Committee (and therefore giving rise to a financial commitment that exceeds certain thresholds) is first presented for opinion to the Risk Committee by the relevant operational division. The Risk Committee review includes notably risks and corresponding climate-related issues, as well as environmental and societal aspects.

## **B. Integrating climate into our business segments**

Total implements a clear strategy that is based on four main priorities and that integrates the challenges of climate change in each of the company's business segments:

- **Exploration & production:** drive profitable and sustainable growth in Exploration & Production activities, with priority given to the production of gas in particular of liquefied natural gas (the fossil fuel that emits the least amount of carbon dioxide) and constant concern on producing at a competitive cost by ensuring strict investment discipline;
- **Refining & chemicals:** further develop the competitiveness of the large integrated refining and petrochemical platforms and expand sustainable biofuels and recycling activities;
- **Marketing & Services:** increase the distribution of petroleum products, particularly in high-growing regions, and offer innovative solutions and services that meet the needs of customers above and beyond the supply of petroleum products; and
- **Gas, renewables & power:** expand along the full gas value chain by unlocking access to new markets and boost profitable growth in the low carbon electricity businesses, from production based on gas and renewable energies to electricity and gas distribution to end customers.

## **C. Corporate Social Responsibility at business unit level**

In every business unit, management is in charge of instilling Total's core values and strategies, while ensuring that our business principles are respected, in line with applicable laws. The role of the **Country Chairs** (Group Representatives in each country where Total operates), has been introduced, notably to:

- Promoting certain major Group policies evenly across the various affiliates in a given country: Security, Safety, Ethics and Corporate Social Responsibility (CSR).
- Promoting Total's business interests by more effectively coordinating the various Group businesses and projects with stakeholders, particularly local authorities.
- Offering improved career development opportunities to local employees in a given country through cross-LBU human resources (HR) management.

[Registration Document 2018, Chapter 1.6.2 "An operational structure" p.27](#)

In given subsidiaries, and depending on the size and activities of the subsidiary, specific individuals or teams might be responsible for deploying the company's sustainability engagements: HR, CSR, societal, HSE, legal, liaison officers, etc.

### Criterion 1: The COP describes mainstreaming into corporate functions and business units

- Place responsibility for execution of sustainability strategy in relevant corporate functions (procurement, government affairs, human resources, legal, etc.) ensuring no function conflicts with company's sustainability commitments and objectives
- Align strategies, goals and incentive structures of all business units and subsidiaries with corporate sustainability strategy
- Assign responsibility for corporate sustainability implementation to an individual or group within each business unit and subsidiary
- Design corporate sustainability strategy to leverage synergies between and among issue areas and to deal adequately with trade-offs
- Ensure that different corporate functions coordinate closely to maximize performance and avoid unintended negative impacts
- Other established or emerging best practices

## Implementing Total's values in its supply chain

### A. Total's expectations towards its suppliers

Launched in 2010, the Fundamental Principles of Purchasing specify the commitments that Total expects its employees and suppliers to adhere to in the following areas: respect for human rights at work, the protection of health, safety and security, preservation of the environment, prevention of corruption, and conflicts of interest and the fight against fraud, respect for competition law, as well as the promotion of economic and social development. These principles were drawn up in keeping with the fundamental principles defined in particular in the United Nations Universal Declaration of Human Rights, the conventions of the International Labor Organization, the United Nations Global Compact and the OECD Guidelines for Multinational Enterprises.

Total expects its suppliers to:

- adhere to the Fundamental Principles of Purchasing and ensure that they are adhered to in their activities,
- accept to be audited according to these principles,
- remain attentive to the everyday working conditions of their employees and their suppliers' employees,
- ensure that their own suppliers and subcontractors adhere to these Fundamental Principles of Purchasing,
- refer to the Group Ethics Committee when in doubt or in the event of any malfunction.

The rules set out in these Principles must be included or transposed into the agreements concluded with suppliers. To this end, these Principles are available for consultation by all suppliers in both French and English on Total's website (under "Suppliers").

Total has set up a number of channels of communication to raise employee awareness of the risks and issues related to its supply chain, notably in regards to human rights at work and corruption. As such, training modules have been developed explaining the Group's ethical commitments and the Fundamental Principles of Purchasing for the Total's purchasers.

[Registration Document 2018, Chapter 1 "Presentation of the Group - Integrated Report" p.3](#)

[Registration Document 2018, Chapter 3.5 "Vigilance Plan" p.93](#)

[Registration Document 2018, Chapter 5.10 "Contractors and suppliers" p.215-217](#)

[Total's Fundamental Principles of Purchasing](#)

[Total's Fundamental Principles of Purchasing Leaflet](#)

## **B. The supplier qualification process**

The supplier qualification process was harmonized at Group level in 2017 by Total Global Procurement. A new internal framework was published in 2018. A new computerized qualification tool will gradually be rolled out starting in 2019, with a planned scope of 107 countries thus far. It will be used to automate and document the supplier qualification process, which unfolds in four stages:

1. confirmation of interest;
2. a risk pre-analysis to decide whether an in-depth analysis of each criterion is necessary (HSE, anti-corruption, societal, financial, technical);
3. determination of the qualification status;
4. monitoring and renewal of qualification. Qualifications are valid for three years.

## **C. The supplier assessment process**

Simultaneously, the Group has set up a supplier assessment process to identify and prevent risks of severe impacts on human rights and fundamental freedoms, human health and safety. Thus, since 2016, the Group started conducting campaigns to audit working conditions amongst its suppliers. These audits are conducted by a specialized service provider, with which Total signed a framework contract in 2016.

Since 2017, the Group has been rolling-out specific training for Group purchasers to evaluate suppliers with respect to human rights.

Moreover, in September 2018, Total, BP, Equinor and Shell announced their intention to develop a common collaborative approach to assess the respect of human rights by their suppliers. The goal of this common approach is to encourage the improvement of working conditions in the supply chain of the companies involved.

## **D. Supplier awareness-raising actions**

The deployment of the anti-corruption policy in purchasing continued: after a Suppliers Day that integrated awareness-raising sessions for strategic suppliers in 2017, in 2018 approximately 229 suppliers underwent an anti-corruption analysis through the issuing of specific questionnaires, completed, in some cases, by external inspections.

Every year, one of the departments of the IPO (Total IPO in Shanghai, China) organizes a compliance day and invites one of its approved suppliers. It can explain the actions it takes regarding anti-corruption compliance, the concrete problems encountered and how it deals with them.

### **Criterion 2: The COP describes value chain implementation**

- Analyze each segment of the value chain carefully, both upstream and downstream, when mapping risks, opportunities and impacts
- Communicate policies and expectations to suppliers and other relevant business partners
- Implement monitoring and assurance mechanisms (e.g. audits/screenings) for compliance within the company's sphere of influence
- Undertake awareness-raising, training and other types of capacity building with suppliers and other business partners
- Other established or emerging best practices

[Registration Document 2018, Chapter 5.10 "Contractors and suppliers" p.215](#)

## **ROBUST HUMAN RIGHTS MANAGEMENT POLICIES & PROCEDURES**

As a Group committed to better energy, Total recognizes that embedding respect for human rights across its business activities in principle and practice is key. Respecting human rights is therefore one of Total's priority principles.

### **I/ A strong commitment to human rights**

#### **A. Respecting internationally recognized human rights**

As mentioned in its Code of Conduct and in its Human Rights Briefing Paper 2018, **Total is committed to respecting internationally recognized human rights** wherever the Group operates, in particular:

- the 1948 Universal Declaration of Human Rights,
- the Fundamental Conventions of the International Labour Organization,
- the United Nations Guiding Principles on Business and Human Rights
- the Voluntary Principles on Security and Human Rights (VPSHR)

The Group also adheres to the principles set out in:

- the OECD Guidelines for Multinational Enterprises
- the United Nations Global Compact

#### **B. The engagement of Total's CEO**

Total's CEO **regularly expresses his commitments to human rights**. In the Human Rights Briefing Paper 2018, Patrick Pouyanné underlines that Total "[remains] committed to continuous progress in implementing respect for human rights."

The CEO is regularly active in promoting human rights among business leaders and was as such invited to the Forum of the United Nations on Business and Human Rights 2018. This opportunity has allowed Total to explain how the Group integrates respect for human rights into its operations and value chain and how it puts into practice reasonable diligence concerning human rights, as well as to remind the challenges that needs to be tackled.

#### **C. Promoting human rights at global level**

Moreover, Total is involved in numerous global initiatives and working groups on human rights that bring together various stakeholders including Global Compact (Total participates in the Decent Work in Global Supply Chains Action Platform), Global Business Initiative on Human Rights, IPIECA or the VPSHR, to name a few.

Patrick Pouyanné recently endorsed the WBCSD CEO's guide on Human Rights to promote their adoption and promotion at senior level within companies.

[Code of Conduct](#)  
[p.19](#)

[Human Rights](#)  
[Briefing Paper 2018](#)  
[p.10](#)

[Human Rights](#)  
[Briefing Paper 2018](#)  
[p.5](#)

[Registration](#)  
[Document 2018,](#)  
[Chapter 1.5.3.2](#)  
["Support for global](#)  
[initiatives" p.26](#)

## II/ A dedicated management system for human rights

### A. Human rights in Total's organization

Total has fully integrated human rights within its organization,:

- **The Group's Human Rights Department** provides advice and support to employees and operational divisions and supervises efforts made to promote respect for human rights in close collaboration with the Ethics Committee. In particular, it runs a **Human Rights Committee** which coordinates the actions taken internally and externally by the various Group entities.
- **The Ethics Committee** is a central and independent structure where sit representatives of all Total's business segments. Its key role is one of listener and support.
- The Human Rights Department and the Ethics Committee rely on a network of **"ethics officers"** in charge of promoting the values set out in the Code of Conduct among employees working in the Group's subsidiaries and ensuring that the Group's commitments are correctly implemented at the local level.
- In 2018, Total has appointed **Country Chairs** who promotes the implantation of the Group's policies including on ethics and human rights, across the business units in the relevant country.
- **Every employee of Total is intended to respect the** Code of Conduct which also applies to the Group's suppliers and business partners. The Code of Conduct serves as a reference and a guide for all.

### B. Identifying Total's salient issues on Human Rights

The main challenges associated with the Group activities and respect for human rights are identified using the methodology set out in the United Nations Guiding Principles Reporting Framework relating to the "salient issues" with regard to human rights, that is to say the human rights at risk of the most severe negative impact through the Company's activities or business relationships.

Advancing the work on identifying the human rights risks associated to our businesses activities started with internal discussions and enquiries, as well as constant dialogue with our stakeholders and partners, such as SHIFT and the Danish Institute for Human Rights in particular.

This analysis, as well as the internal risk mapping activities, have led the Group to identify six risks subdivided across three key areas:

- **"Human rights in the workplace"** of Total's employees as well as of the employees of its suppliers and other business partners:
  - o forced labor and child labor,
  - o discrimination,
  - o just and favorable conditions of work and safety;
- **"human rights and local communities"**:
  - o access to land,
  - o the right to health and an adequate standard of living;
- **"respect for human rights in security-related activities"**:
  - o the risk of misuse of force.

[Registration Document 2018, Chapter 5.7 "Actions in support of human rights" p.205](#)

[Registration Document 2018, Chapter 3.5.4.2 "Human Rights Committee and Department" p.95](#)

[Code of Conduct p.26](#)

[Registration Document 2018, Chapter 5.7 "Actions in support of human rights" p.205](#)

### C. Raising awareness through communication and trainings

Promoting human rights necessitates to raise awareness and to develop dedicated trainings. Total has therefore released several documents that complement the Code of Conduct and stipulate the Group's expectations for its employees and business partners:

- [The Human Rights Practical Guide](#)
- [The Integrity Guide](#)
- [The Fundamental Principles of Purchasing](#)
- Human Rights Guide for M&A Legal Experts

To promote respect for human rights and to make sure employees understand the Group's commitments, Total also uses **internal communication channels**, such as its Ethics and Human Rights intranet websites or by means of events such as the **annual Business Ethics Day**. In 2018, the Business Ethics Day was held in December on the day of the 70<sup>th</sup> anniversary of the Universal Declaration of Human Rights.

Total organizes **special trainings** tailored to the challenges faced on the field by employees who are particularly exposed to such issues as human rights training sessions for HSE experts and Community Liaison Officers (CLO) organized with the Danish Institute for Human Rights or sessions designed to raise awareness of the Group's Ethics Officers. Actions intended to raise awareness of the Group's external stakeholders, such as specific VPSHR trainings for the private security providers, are organized as well.

## III/ Control mechanisms and assessment procedures

### A. Promoting respect for human rights in Total's economic sphere of influence

Total intends to promote respect for human rights as part of its **qualification processes** when selecting new business partners, suppliers and contractors, and pays special attention to **limiting and managing the potential impacts** of its activities on local communities' rights:

**Qualification processes** related to suppliers, contractors, business partners:

- Qualification process for mergers and acquisitions within the Group which seeks, on a case-by-case basis, to cover both anti-corruption and human rights issues
- Qualification of suppliers through a Total Global Procurement (TGP) methodology
- Qualification of security providers: when security providers or government forces such as the army or police protect Total's employees and facilities, the Group verifies that they are adequately trained and we report any incident to management.

**Managing societal impacts** : Total has also developed several tools to address human rights issues on the ground before implementing new projects:

- the Stakeholder Relationship Management Tool+ (SRM+) is an effective tool for defining and regularly re-adjusting the societal/CSR strategy of Total's business units. Based on identifying and mapping the Group's main stakeholders and a clear understanding of local expectations and issues, the aim is to assess the quality of the relationship and then jointly define an action plan to build a long-term trusting relationship grounded in respect for human rights.

[Registration Document 2018, Chapter 5.7 "Actions in support of human rights" p.205](#)

[Human Rights Briefing Paper 2018](#)

[Code of Conduct p.21](#)

- the Management Operation Societal Tool (MOST) for Exploration & Production subsidiaries is a tool which includes a geographical information system and can be used to manage relations with stakeholders, complaints about sites, as well as societal projects and the resulting specific actions (access to land, compensation, dialog) more efficiently

## **B. Assessment of Total's practices**

The practices of the Group's entities and the risks to which they may be exposed are regularly evaluated when it comes to human rights issues. The Group works with independent third parties and qualified experts to conduct these assessments:

- Total has engaged GoodCorporation to verify the proper application of the principles set out in the Code of Conduct at the Subsidiary level;
- The Group also works with the Danish Institute for Human Rights to assess the impact on human rights and fundamental freedoms of the Group's activities in sensitive contexts;
- In some cases, the Group works with independent experts such as CDA, a company specialized in preventing and managing conflict between businesses and local communities;
- An annual self-assessment questionnaire enables each of the Group's Subsidiaries and operational entities to measure and evaluate the level of implementation of their societal governance on the field.

## **C. Whistleblowing and grievance mechanisms**

On a day-to-day basis, [the Group encourages a climate of dialogue and trust](#) that enables individuals to express their opinions and concerns.

- Employees can thus go to their line manager, an HR or other manager, their Compliance Officer or their Ethics Officer.
- The Group's employees and Suppliers, as well as any other external stakeholder, can contact the Ethics Committee to ask questions or report any incident where there is a risk of non-compliance with the Code of Conduct using the generic email address ([ethics@total.com](mailto:ethics@total.com)).

Grievance handling procedures are also in place within the Group in order to receive and facilitate the resolution of concerns and [grievances of local communities](#) that may be affected by its Activities. The Group's local entities handle these grievances in order to offer an appropriate response to anyone who feels that they have suffered damage as a result of the activity and to improve internal processes in order to reduce nuisances or impacts that may be caused by the activities. Grievance mechanisms systems are adapted as per each business segment specificities.

## **D. Reporting and transparency**

In 2016, Total published an initial Human Rights Briefing Paper, in line with the UN Guiding Principles Reporting Framework, making it the first company in the oil and gas industry to do so. An updated version of this document was published in 2018.

[Registration Document 2018, Chapter 5.7 "Actions in support of human rights" p.205](#)

[Registration Document 2018, Chapter 3.5.7 "Whistleblowing mechanisms" p.97](#)

[Human Rights Briefing Paper 2018](#)

As a member of the VPSHR since 2012, Total issues annual VPSHR reports, the most recent published in February 2019 describes how the Group implements the VPSHR in our operations. In particular, Total shares its challenges, learning and best practices with regards to security and human rights issues and, as appropriate, report VPSHR risk incidents connected to our activities.

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

- 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)
- Integrated or stand-alone statement of policy expressing commitment to respect and support human rights approved at the most senior level of the company
- Statement of policy stipulating human rights expectations of personnel, business partners and other parties directly linked to operations, products or services
- Statement of policy publicly available and communicated internally and externally to all personnel, business partners and other relevant parties
- Other established or emerging best practices

### **Criterion 4: The COP describes effective management systems to integrate the human rights principles**

- Process to ensure that internationally recognized human rights are respected
- On-going due diligence process that includes an assessment of actual and potential human rights impacts
- Internal awareness-raising and training on human rights for management and employees
- Operational-level grievance mechanisms for those potentially impacted by the company's activities
- Allocation of responsibilities and accountability for addressing human rights impacts
- Internal decision-making, budget and oversight for effective responses to human rights impacts
- Processes to provide for or cooperate in the remediation of adverse human rights impacts that the company has caused or contributed to
- 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
- Other established or emerging best practices

### **Criterion 5: The COP describes effective monitoring and evaluation mechanisms of human rights integration**

- System to monitor the effectiveness of human rights policies and implementation with quantitative and qualitative metrics, including in the supply chain
- Monitoring drawn from internal and external feedback, including affected stakeholders
- Leadership review of monitoring and improvement results
- Process to deal with incidents the company has caused or contributed to for internal and external stakeholders
- Grievance mechanisms that are legitimate, accessible, predictable, equitable, transparent, rights compatible, a source of continuous learning, and based on engagement and dialogue
- Outcomes of integration of the human rights principles
- Other established or emerging best practices

[VPSHR Annual Report 2018](#)

[Registration Document 2018, Chapter 5.7 "Actions in support of human rights" p.205](#)

[Registration Document 2018, Chapter 5.9 "Societal challenges" p.210](#)

[Human Rights Briefing Paper 2018](#)

[Human Rights Guide](#)

[Code of Conduct](#)

## ROBUST LABOUR MANAGEMENT POLICIES & PROCEDURES

### I/ Security and Respect for Each Other at the core of Total's values

Total's ambition is to become the responsible energy major. Thus, in order to help provide specific solutions to the major challenges emerging over the coming decades, Total relies on the know-how and commitment of over 104,000 employees around the world.

#### A. Total's employees – a top priority

The Group addresses its challenges thanks to the commitment of its employees all over the world. The capacity of the employees to mobilize themselves and act in an entrepreneurial spirit is vital. It enables ambitious projects to be completed and offers everyone the opportunity to give meaning to their work and grow professionally.

The Group is an image of its employees: diverse. **Attracting and developing a diversity of talents** that the Group needs is one of the key factors in the implementation of the Company project. **Maintaining employee's long-term employability** is also an important factor in Total's success. The technical and commercial know-how of employees and their ability to manage large projects underpin the Group's operational excellence and are essential for the Group's development. **To ensure a high level of commitment from its employees**, the Group promotes Human Resources development based on respect for each other, health and well-being at work. For these reasons, Total strives to **ensure that the most demanding safety, ethics and integrity, management and social performance practices** are implemented wherever it operates. It is especially relevant since the fields in which Total operates can give rise to occupational health and safety risks.

#### B. Total's commitment to respecting labour laws

Total's commitments to respecting labour laws is described notably in:

- The Code of Conduct, which sets out the values and principles guiding the Group's actions and the obligation for employees to comply with them;
- The Health, Safety, Environment and Quality Charter.

Total is committed to respecting all applicable national and international laws and norms:

- the 1948 Universal Declaration of Human Rights,
- the Fundamental Conventions of the International Labour Organization,
- the United Nations Guiding Principles on Business and Human Rights
- the Voluntary Principles on Security and Human Rights

The Group also adheres to the principles set out in:

- the OECD Guidelines for Multinational Enterprises
- the United Nations Global Compact

[Registration Document 2018, Chapter 5.3 "Social challenges" p.181](#)

[Code of Conduct p.10](#)

[Health, Safety, Environment and Quality Charter](#)

### C. A dedicated organization

- **Dedicated divisions:** Total relies on the **Group Human Resources division**, which forms part of the People & Social Responsibility division, whose President is a member of the Executive Committee. In particular, the Group Human Resources division has the role of defining the Human Resources strategy and policies of the Group in accordance with the business challenges and the Company's project and supports the various Human Resources departments in the Group's business segments. As far as personal health and safety are concerned, Total can rely on the **HSE division**, which also forms part of the People & Social Responsibility division which coordinates the promotion and implementation of new policies to support the various HSE departments of the Group's entities and subsidiaries.
- In 2018, Total has appointed **Country Chairs** who promotes the implantation of the Group's policies including on safety, security and human resources, across the business units in the relevant country.
- **Each entity is responsible** for creating a suitable work environment so that they offer all employees the same career opportunities and can benefit from all of the skills and diverse approaches they bring.

### D. A large corpus of Human Resources policies

Total has developed a global HR policy, which is completed at local levels with specific measures to ensure that the Group addresses the following challenges:

- attracting and developing talents by identifying and enhancing each person's abilities, based on the principle of non-discrimination and equal opportunity;
- maintaining employees' long-term employability by facilitating skills acquisition in order to keep up with the development of job sectors and technologies;
- ensuring a high level of commitment based on respect for each other, health and well-being at work.

#### 1) *CSR IndustriALL agreement*

In January 2015, Total signed an agreement with the trade union federation IndustriALL. This agreement covers the promotion of labor rights in the workplace and the Supply Chain. Under this agreement, the Group made a commitment to maintain minimum Corporate Social Responsibility (CSR) standards and guarantees worldwide for subsidiaries in which it has more than a 50% stake (occupational health and safety, human rights in the workplace, enhancement of the dialogue with employees, life insurance, professional equality, social responsibility and assistance with organizational changes).

#### 2) *Responsible compensation policy*

The Group's compensation policy applies to all companies in which TOTAL S.A. holds the majority of voting rights. The aim of this policy is to ensure external competitiveness and internal fairness, reinforce the link to individual performance, increase employee share ownership and implement the Group's Corporate Social Responsibility commitments. The compensation structure of the Group's employees is based on a base salary and on an individual variable compensation starting at a certain level of responsibility. Total has also developed complementary collective variable compensation programs and pension & employee benefit programs.

[Registration Document 2018, Chapter 5.3 "Social challenges" p.181](#)

[Registration Document 2018, Chapter 5.3.3 "Ensuring a high level of commitment based on respect for each other, health and well-being at work" p.185](#)

[Global Agreement with IndustriALL](#)

[Registration Document 2018, Chapter 5.3.1.2 "A responsible](#)

### 3) *Employee shareholding and savings*

Employee shareholding, one of the pillars of the Group's Human Resources policy, is extended via three main mechanisms: the grant of performance shares, share capital increases reserved for employees, and employee savings. Total has also developed several employee savings allowing investments in a wide range of mutual funds as well as a Collective Retirement Savings plan. As a result, more than 60% of the Group's employees are shareholders.

### 4) *Long-term employability*

The Group's policy in the field of training hinges on five major areas:

- sharing Total's corporate values, particularly with respect to HSE, ethics, leadership, innovation and digital technology;
- supporting the development of existing activities and creating new ones in order to achieve the Group's ambitions;
- increasing key skills in all business areas to maintain a high level of operating performance;
- promoting employees' integration and career development through Group induction and training on management and personal development; and
- supporting the policy of mobility and diversity within the Group through language and intercultural training.

The Group's training efforts remained strong in 2018, with 75% of employees having attended at least one site training during the year. In 2018, there were 234,174 days of onsite training (3.3 days per employee in average), for a total budget around €157 million.

### 5) *Promotion of diversity and non-discrimination*

Total aims to promote equal opportunities and diversity. It intends to ban all discrimination related to origin, gender, sexual orientation or identity, disability, age or affiliation with a political, labor or religious organization. Present in more than 130 countries, diversity is an integral part of the Group's DNA. Openness to the world, its cultures and differences is a significant feature of Total and is a key success factor.

**A diversity Council:** the diversity policy of the Group is supported at the highest level and promoted by the Diversity Council, which is chaired by a member of the Group's Executive Committee. It monitors Total's performance in regards to specific objectives to promote women and non-French nationals in senior positions.

**The Group's targets for 2020** are:

- women represent 25% of senior executives (they were approximately 5% in 2004 and are 21.6% in 2018);
- women represent more than 20% of Management Committees members (head office and subsidiaries) (they are 21.8% in 2018).
- local managers representing 50% to 75% of the subsidiaries' Management Committee members (they represented 52% in 2018 compared to 54% in 2017)
- non- French nationals representing 40% of senior executives (having represented approximately 19% in 2004 and are 32.1% in 2018).

[compensation policy" p.182](#)

[Registration Document 2018, Chapter 5.3.1.3 "A proactive policy to increase employee shareholding and employee savings" p.183](#)

[Registration Document 2018, Chapter 5.3.2 "Maintaining employees' long-term employability" p.184](#)

[Registration Document 2018, Chapter 5.3.3.1 "Promoting equal treatment of employees and banning discrimination" p.185](#)

In addition to gender and internationalization, the Group has recently taken new commitments in favour of disabled employees and youth integration. It also promotes inter-religious tolerance through the publication of a dedicated guide.

#### 6) *Health and safety*

The Group's personal safety policy covers three main areas: preventing occupational accidents, preventing transport accidents, and preventing accidents linked to technological risks, such as fires and explosions. It relates to all employees of Group subsidiaries, employees of external contractors working on these entities' sites as well as employees of transport companies under long-term contracts. The safety results are monitored with the same vigilance for all. It aims for zero fatalities in the exercise of its activities.

With regard to prevention of occupational health risks, the Group implements a policy that defines the risk assessment methodology to be applied by all Group entities and subsidiaries including chemical, physical, biological, ergonomic and psychosocial risks. It must result in the design and roll-out of an action plan. In addition, it requires that each Group entity sets out a formal medical monitoring procedure. In 2018, 98% of employees with specific occupational risks benefitted from regular medical monitoring.

The HSE Division organizes the Group's **World Safety Day**, which aims to bring teams on board and raise awareness of ways to put the HSE Action Principles into practice among Total's employees.

#### **E. Tracking and measuring the Group's performance**

Total aggregates a series of **social, health and safety indicators** that allow the Group to follow the evolution of its performance as it aims to reach for its objectives. These indicators are used to measure the outcomes of integration of the Labour principles.

Social reporting is based on two surveys: the Global Workforce Analysis, and the complementary Worldwide Human Resources Survey.

- The Global Workforce Analysis is conducted once a year, in all the controlled consolidated Group companies. This survey mainly covers worldwide workforces, hiring under permanent and fixed-term contracts as well as employee turnover at the worldwide level. This survey produces a breakdown of the workforce by gender, professional category, age and nationality.
- The Worldwide Human Resources Survey (WHRS) is an annual survey which comprises 211 indicators in addition to those used in the Global Workforce Analysis. The indicators cover major components of the Group Human Resources policy, such as mobility, career management, training, work conditions, social dialogue, Code of Conduct deployment, human rights, health, compensation, retirement benefits and insurance.

Safety reporting covers all employees of activities, working on sites and industrial assets for which TOTAL S.A. or a controlled company is the operator, as well as employees of contractors working there, and employees of transport companies under long-term contracts. In 2018, the Group safety reporting scope covered 456 million hours worked, equivalent to approximately 250,000 people.

[Total's social indicators](#) / [Total's safety indicators](#)

[Registration Document 2018, Chapter 5.4.1 "Preventing occupational accidents" p.189](#)

[Registration Document 2018, Chapter 5.4.2 "Preventing occupational health risks through improved assessment" p.191](#)

[Registration Document 2018, Chapter 5.3.3.3 "Promoting social dialogue" p.188](#)

## II/ Social dialogue: an essential pillar of Total's success

### A. Promotion of social dialogue

Social dialogue is one of the pillars of the Company project. It includes all types of negotiations, consultations or exchanges of information between the Group entities, the employees and their representatives about economic and social issues and related to the life of the company.

- At European level, **the European Committee** enables the provision of information and discussions about the Group's strategy and social, economic and financial situation, as well as on matters relating to sustainable development, environmental and societal responsibility, and safety. It examines any significant proposed organizational change concerning at least two companies in two European countries, to express its opinion, in addition to the procedures initiated before the national representative bodies.
- Within **the IndustriALL agreement, an annual FAIR** (Facilitation, Application, involvement and Results) Committee has been set to monitor the agreement implementation and identify areas for improvement and actions to be taken through annual meetings. Three such meetings were held to date in 2016, 2017 and 2018.
- The Group was also one of the first French companies **to join the Global Deal initiative** at the end of 2017 to work collectively to promote social dialogue, fight against inequalities and promote a more equitable and inclusive globalization.
- The Group had 316 active agreements (including 190 in France) with employee representatives in place at the end of 2018.

In addition, every two year, Total carries out an internal survey (Total Survey) among its employees to gather their views and expectations with regard to their work situation and perception of the Company, locally and as a Group. The results of the last survey conducted in 2017 among 70,000 employees in 124 countries demonstrated that employees have a commitment rate of 78% and that 85% of them are proud to work for Total.

### B. Whistleblowing mechanisms

On a day-to-day basis, the Group encourages a climate of dialogue and trust that enables individuals to express their opinions and concerns.

- Employees can thus go to their line manager, an HR or other manager, their Compliance Officer or their Ethics Officer.
- The Group's employees and Suppliers, as well as any other external stakeholder, can contact the Ethics Committee to ask questions or report any incident where there is a risk of non-compliance with the Code of Conduct using the generic email address ([ethics@total.com](mailto:ethics@total.com)).

[Registration Document 2018, Chapter 1.3.2.2 "Employee commitment is essential to the success of the Company project" p.12](#)

[Registration Document 2018, Chapter 5.3.3.3 "Promoting social dialogue" p.188](#)

[Registration Document 2018, Chapter 3.5.7 "Whistleblowing mechanisms" p.97](#)

### III/ Promotion of Total's standards in the supply chain

#### A. Total's expectations towards its suppliers

The relationship between the Group and its Suppliers is based on adherence to the principles set forth in the Code of Conduct and in the Fundamental Principles of Purchasing. The Fundamental Principles of Purchasing specify the commitments that Total expects from its suppliers in the following areas, notably in regards to respect for human rights at work, health protection, safety and security. The requirements specified by this document must be communicated to Suppliers and be included in or transposed into agreements. These principles are available for consultation by all suppliers in both French and English on Total's website.

#### B. Communication and training

The Fundamental Principles of Purchasing are brought to the attention of Suppliers as of their registration in the Supplier database. Training initiatives are also undertaken with the Group's Suppliers, such as the responsible security training given to safety service providers' personnel, and the Safety Contract Owners program, which brings together more than 650 suppliers at the Group level.

#### C. Qualification process and assessment

The Supplier qualification process was harmonized at Group level in 2017 by Total Global Procurement. A new internal framework was published in 2018. In particular, it was used to set up a new IT qualification tool to be deployed progressively within the Group which also will serve as a consolidated database. The framework covers human rights, environment, health and safety. Depending on the results of a risk analysis carried out by Suppliers, a detailed assessment is performed. It includes questionnaires addressing the aforementioned issues and, if needed, an action plan, a technical inspection of the site by employees or an audit of working conditions carried out by a specialist service provider with which a framework agreement was signed in 2016.

[Registration Document 2018, Chapter 3.5.3.3 "Fundamental Principles of Purchasing" p.95](#)

[Registration Document 2018, Chapter 3.5.6.2 Awareness and training of Suppliers" p.97](#)

[Registration Document 2018, Chapter 3.5.5.2 "Procedures for assessing Suppliers" p.96](#)

[Registration Document 2018, Chapter 5.3 "Social challenges" p.181](#)

[Registration Document 2018, Chapter 5.4 "Personal health and safety challenges" p.189](#)

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

- Reference to principles of relevant international labour standards (ILO Conventions) and other normative international instruments in company policies
- Reflection on the relevance of the labour principles for the company
- 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).
- Inclusion of reference to the principles contained in the relevant international labour standards in contracts with suppliers and other relevant business partners
- Specific commitments and Human Resources policies, in line with national development priorities or decent work priorities in the country of operation
- Participation and leadership in wider efforts by employers' 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).
- Structural engagement with a global union, possibly via a Global Framework Agreement
- Other established or emerging best practices

### **Criterion 7: The COP describes effective management systems to integrate the labour principles**

- Risk and impact assessments in the area of labour
- Dialogue mechanism with trade unions to regularly discuss and review company progress in addressing labour standards
- Allocation of responsibilities and accountability within the organization
- Internal awareness-raising and training on the labour principles for management and employees
- Active engagement with suppliers to address labour-related challenges
- 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
- Other established or emerging best practices

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

- System to track and measure performance based on standardized performance metrics
- Dialogues with the representative organization of workers to regularly review progress made and jointly identify priorities for the future
- 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
- 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
- Outcomes of integration of the Labour principles
- Other established or emerging best practices

## ROBUST ENVIRONMENTAL MANAGEMENT POLICIES & PROCEDURES

### I/ Total's ambition to become the responsible energy major

#### A. Total's commitment to better energy

Energy and climate are intimately connected. The world needs energy, but an energy that is locally respectful of the environment and globally less impactful on climate.

As described in Total's company's project defined in 2016, Total's commitment is to provide people with the energy they need by:

- Producing, processing and distributing energy at an affordable cost while meeting the **highest standards of safety and environmental stewardship**.
- Supplying a **responsible energy mix of steadily decreasing carbon intensity**, meeting the requirements of the Paris Agreement. The Group aims to both reduce the environmental footprint and the CO<sub>2</sub> emissions of its operations, and to actively contribute to finding solutions to limit the impact of climate change.
- Providing customers with solutions that enable them to **use energy responsibly**.

To meet these challenges, Total's ambition is to **become the responsible energy major**. It intends to do so by contributing to supply to as many people as possible a more affordable, more available and cleaner energy.

Total considers respect for the environment to be a priority and puts climate change at the heart of the Company's strategic vision.

#### B. Total's support to international frameworks and collective action

##### 1) *Support to international frameworks*

Total refers to the Rio Declaration, which defines the right to a healthy environment of a quality that permits a life of dignity and well-being, in the Group's [Human Rights Guide](#).

Total recognizes the Paris Agreement and supports the objectives associated to it. It is also committed to contribute to the United Nations' Sustainable Development Goals particularly with regards to those subjects that are connected to climate change and the development of more available and cleaner energy for as many people as possible.

[Registration Document 2018, Chapter 1.2.1, "A collective ambition to meet challenges facing the energy sector" p.9](#)

[Registration Document 2018, Chapter 1.5.3.2, "Support for global initiatives", p. 26](#)

## 2) *Active participation in international initiatives*

The Group plays an active role in various **international initiatives** that involve the private and public sectors to bring about notably:

- **carbon pricing** (the World Bank's Carbon Pricing Leadership Coalition, Caring for Climate United Nations Global Compact, Paying for Carbon call: Total and five other industry leaders);
- **the end of routine flaring of associated gas** (the World Bank's Zero Routine Flaring by 2030 initiative);
- **control over methane emissions** (Oil & Gas Methane Partnership of the Climate and Clean Air Coalition, the Oil & Gas Climate Initiative in cooperation with UN Environment and EDF, etc.);
- **greater transparency on climate challenges**: support of the recommendations from the G20 Financial Stability Board Task Force on Climate-related Financial Disclosures (TCFD).
- **biodiversity**: Total joined in 2018 the Act4Nature initiative and made commitments to protect biodiversity;
- **the circular economy**: Total is a founding member of the Alliance to End Plastic Waste, launched in 2019, which brings together companies in the plastics and consumer goods value chain to provide solutions for the disposal of plastic waste in the environment, especially in oceans, and to promote their recycling in a circular economy.

### **C. Total's Governance in regards to climate and environmental issues**

#### **Climate:**

Total has an organization and structured governance framework to make sure climate-related challenges are fully integrated into the Group's strategy. Since September 2016, its organization includes a Strategy-Innovation corporate division, which includes the Strategy & Climate division as well as the Gas, Renewables & Power business segment, whose President is a member of the Executive Committee.

- **A governance oversight by the Board of Directors**: Total's Board of Directors ensures that climate-related issues are incorporated into the Group's strategy and examines climate change risks and opportunities during the annual strategic outlook review of the Group's business segments. To carry out its work, the Board of Directors relies on its Strategic & CSR Committee, whose rules of procedure were changed in September 2017 then in July 2018 in order to broaden its missions in the realm of CSR and in questions relating to the inclusion of climate-related issues in the Group's strategy.
- **Role of management**: Total's Chairman and Chief Executive Officer, in compliance with the long-term strategic direction set by the Board of Directors, implements the strategy of the Group and its business segments while making sure climate change challenges are taken into account. He relies on the President, Group Strategy-Innovation, who is a member of the Executive Committee, to whom the Senior Vice President Strategy & Climate, and the Senior Vice President Climate report. The Senior Vice President Climate chairs the Climate-Energy steering Committee, which mainly includes representatives of Strategy and HSE management from the various business segments. The mission of this Committee consists of structuring the Group's approach to the climate, and in particular to:
  - propose GHG emission reduction targets for the Group's operated oil & gas facilities;
  - propose a strategy to reduce the carbon intensity of the energy products used by the Group's customers;
  - monitor the existing or emerging CO<sub>2</sub> markets; and
  - drive new-technology initiatives and projects that can reduce CO<sub>2</sub> emissions (energy efficiency, CO<sub>2</sub> capture and storage, for example).

[Registration Document 2018, Chapter 5.6.3 "Climate change-related challenges - Risk management" p.201](#)

## Environment:

To address its challenges, Total relies on the HSE division, which is part of the People & Social Responsibility division, whose President is a member of the Executive Committee. The HSE division manages in an integrated manner the environmental, security, health and societal challenges associated with the Group's operations. It coordinates the implementation of the Group's Health, Safety, Environment and Quality charter, which incorporates these challenges.

## II/ Policies and management system

### A. Policies

#### Climate

Climate change is at the heart of the Company's strategic vision. Total positions itself on high-growth low-carbon markets and intends to offer customers an energy mix with a carbon intensity that shall gradually decrease. To accompany these changes, Total has introduced a carbon intensity indicator for the energy products used by its customers with the ambition to reduce it by 15% between 2015 (date of the Paris Agreement) and 2030. Total has five major levers to structure its approach.

- Improving energy efficiency
- Growing in natural gas
- Developing a profitable low-carbon electricity business
- Developing sustainable biofuels
- Investing in carbon sink businesses

#### Environment

Total's environment policy is based on the Group's Safety, Health, Environment and Quality charter.

Total considers the respect for the environment to be a priority. Total strives to control its energy consumption, its emissions in natural environments (water, air, soil), its residual waste production, its use of natural resources and its impact on biodiversity. With regards to the environment, Total takes a constructive approach that is based on transparency and dialogue when communicating with its stakeholders and third parties. Total also implements an active policy of avoiding, reducing, managing and monitoring the environmental footprint of its operations.

The Group's internal requirements state that the environmental management systems of its operated sites that are important for the environment (sites that emit more than 30 kt CO<sub>2</sub>e per year) must be ISO 14001 certified within two years of start-up of operations or acquisition: 100% of these 71 sites were in conformity in 2018. Beyond these internal requirements, at the end of 2018, a total of 264 sites operated by the Group were ISO 14001 certified.

[Registration Document 2018, Chapter 5.5.2 "Environmental challenges - Preventing incident risks" p.193](#)

[Registration Document 2018, Chapter 5.6.2 "Climate change-related challenges - strategy" p.199](#)

[Safety, Health, Environment and Quality Charter](#)

[Registration Document 2018, Chapter 5.5 "Environmental challenges" p.192](#)

## B. Road map and objectives

Total steers its operations with the aim of working in a sustainable, active and positive manner. The Group was one of the first in the industry to publish measurable improvement targets in the areas of environment and climate change.

The Group's climate targets:	What has been accomplished:
<ul style="list-style-type: none"> <li>— an 80% reduction of routine flaring<sup>(1)</sup> on operated facilities between 2010 and 2020 in order to eliminate it by 2030,</li> <li>— an average 1% improvement per year in the energy efficiency of operated facilities between 2010 and 2020,</li> <li>— a sustainable reduction in the intensity of the methane emissions of the Exploration &amp; Production segment's operated facilities to less than 0.20% of the commercial gas produced, by 2025.</li> <li>— a GHG emission reduction (Scopes 1 &amp; 2) on operated oil &amp; gas facilities of 46 Mt CO<sub>2</sub>e in 2015 to less than 40 Mt CO<sub>2</sub>e in 2025.</li> </ul>	<ul style="list-style-type: none"> <li>— more than 80% reduction in routine flaring between 2010 and 2018;</li> <li>— more than 10% improvement in energy efficiency between 2010 and 2018;</li> <li>— an intensity of the methane emissions below 0.25% of the commercial gas produced in 2018;</li> <li>— a GHG emission reduction (Scopes 1 &amp; 2) on operated oil &amp; gas facilities from 46 Mt CO<sub>2</sub>e to 42 Mt CO<sub>2</sub>e between 2015 and 2018.</li> </ul>

<sup>(1)</sup> Routine flaring, as defined by the working group of the Global Gas Flaring Reduction program within the framework of the World Bank's Zero Routine Flaring initiative.

The Group's environmental targets <sup>(a)</sup> :	What has been accomplished:
<ul style="list-style-type: none"> <li>— decrease SO<sub>2</sub> air emissions by 50% between 2010 and 2020;</li> <li>— maintain hydrocarbon content of water discharges below 30 mg/l for offshore sites and below 15 mg/l for onshore and coastal sites;</li> <li>— valorize more than 50% of the waste produced by the sites operated by the Group.</li> </ul> <p>Moreover, the Group is committed to:</p> <ul style="list-style-type: none"> <li>— systematically develop biodiversity action plans for production sites located in protected areas<sup>(1)</sup>;</li> <li>— not conducting oil and gas exploration or production operations in the area of natural sites listed on the UNESCO World Heritage List<sup>(2)</sup>;</li> <li>— not conducting exploration in oil fields under sea ice in the Arctic.</li> </ul>	<ul style="list-style-type: none"> <li>— more than 50% reduction in SO<sub>2</sub> air emissions reached since 2017;</li> <li>— 100% of the Group's oil sites have met the target for the quality of onshore discharges since 2016 and 96% of the Group's oil sites have met the target for the quality of offshore discharges in 2018;</li> <li>— more than 50% of the waste produced by the sites operated by the Group was valorized in 2018;</li> <li>— 5 biodiversity action plans deployed or in preparation in 2018;</li> <li>— no oil and gas exploration or production activity in the area of natural sites listed on the UNESCO World Heritage List<sup>(2)</sup>;</li> <li>— no exploration activity in oil fields under sea ice in the Arctic.</li> </ul>

(a) For the climate change targets, refer to point 5.6 of this chapter.

[Total's Biodiversity brochure 2018](#)

[Registration Document 2018, Chapter 1 "Commitments and indicators of progress" p.24-25](#)

[Registration Document 2018, Chapter 5.5.5 "Environmental challenges- Promoting a better use of natural resources by supporting the circular economy"](#)

The Group's companies are also focused on controlling the waste produced on all of the operated sites, at every stage in their operations.

Between 2017 and 2020, TOTAL is rolling out a range of actions that form part of the circular economy and are based on five commitments to different areas of the circular economy:

- limit the production of waste and favor its valorization,
- develop polymers that contain up to 50% recycled plastic,
- install solar panels on 5,000 service stations,
- improve by an average of 1% per year the energy efficiency of the Group's operated industrial facilities,
- incorporate a criterion dedicated to the circular economy into the Company's purchases.

#### What has been accomplished:

- with regards to the valorization of waste, the target has been met,
- conclusive industrial tests have been carried out on the three main types of polymer (polyethylene, polypropylene and polystyrene),
- by the end of 2018, solar panels had been installed on 880 service stations,

### C. Engaging employees and suppliers in Total's approach

#### 1) *Top management*

Aware of the importance of climate change challenges faced by the Group, the Board of Directors decided, in 2016, to introduce changes to the variable compensation of the Chairman and Chief Executive Officer to take better account of the achievements of Corporate Social Responsibility (CSR) and the Group's HSE targets. The Board of Directors meeting of March 13, 2019 decided to change the criteria for the determination of the variable portion of the Chairman and Chief Executive Officer's compensation for the year 2019. Among others, a quantifiable criteria related to the evolution of GHG emissions (Scopes 1 & 2) on operated oil & gas facilities.

Scope 1 & 2 emission reduction targets will be included in Total's executives compensation.

#### 2) *Employees*

Total seeks to ensure that all employees share its environmental protection requirements. Employees receive training in the required skills. Total also raises employee awareness through internal communication campaigns (e.g., in-house magazines, intranet, posters). As an example, in the framework of the World Environment Day 2019, a conference was organized to sensitize employees on the theme of biodiversity.

#### 3) *Suppliers*

To ensure the conveyance of its principles and values to its suppliers, Total has developed a document that must be attached or transposed in contracts: the "Fundamental Principles of Purchasing". Every Total's supplier is expected to comply with these principles and is audited by the Group.

Total's business partners must:

- Appoint someone in the organization to oversee environmental issues.

[Registration Document 2018, Chapter 5.6.1 "Governance" p.199](#)

[Registration Document 2018, Chapter 5.5.1 "Environmental challenges - General policy and environmental targets" p.193](#)

- Be familiar with current environmental regulations and stay abreast of regulatory changes.
- Verify compliance at regular intervals. Define an environmental policy with quantitative objectives.
- Introduce a system for managing and tracking emissions, discharges and releases (air, water, waste). Conduct an environmental impact assessment for the products and services provided.

[Fundamental principles of Purchasing](#)

### III/ Monitoring management

In light of the specific nature of its activities, the Group's operations pose risks for which Total develops structured management systems. The Group's activities involve a wide range of operational risks, such as explosions, fires, accidents, equipment failures, leakage of toxic products, emissions or discharges into the air, water or soil, that can potentially cause death or injury, or impact natural resources and ecosystems. As such, risk identification and incident & oil spill preparedness are crucial to limit Total's potential impacts on the environment.

#### A. Prevention of major incidents through risk identification process and assessments

##### 1) *Prior to investment*

All investment, divestment or acquisition projects which are submitted to the Executive Committee for approval are assessed and reviewed with regards to their risks and impact, particularly environmental, before the final investment decision is made.

Climate-related risks form part of the major risks that are identified and analyzed by the Group Risk Management Committee. The latter therefore has a map of the climate-related risks to which the Group is exposed. In addition, the Risk Committee (CORISK) assesses investment projects, risks and corresponding climate-related issues (flaring, GHG emissions, sensitivity to CO<sub>2</sub> prices) before they are presented to the Executive Committee.

[Registration Document 2018, Chapter 5.6.3 "Climate change-related challenges - Risk management" p.201](#)

##### 2) *During operations*

###### • **Environment:**

For new facilities developed by the Group, impact assessments are systematically carried out on emissions to air and water. If necessary, actions are taken to limit their impact.

To prevent incident risks and, in particular, major industrial events, Total carries out periodic risk assessments and implements adapted risk-management policies and measures.

[Registration Document 2018, Chapter 5.5.1 "Environmental challenges - General policy and environmental targets" p.193](#)

The Group has management structures and systems that present similar requirements and expectations across all the entities. Total strives to minimize the potential impacts of its operations on people, the environment and property through a major technological risk management policy. This management draws on a shared approach in all segments that includes, on the one hand, risk identification and analysis, and on the other hand, the management of these risks.

[Registration Document 2018, Chapter 5.4](#)

The One MAESTRO (Management and Expectations Standards Toward Robust Operations) reference framework, which focuses on HSE issues and is common to all of the business segments, has been gradually rolled out since 2018. This reference framework stipulates that HSE audits must be carried out every three to five years on all assets, activities and sites operated by the Group's entities and subsidiaries, which must also perform a self- assessment at least every two years. The Group's HSE audit protocol is based on this framework and contains all of the requirements of ISO 14001:2015 and ISO 45001:2018. The audit protocol is applied in full during self-assessments and according to a risk- based approach during audits.

- **Climate:**

With regard to risks related to climate issues, the Group ensures that it assesses the vulnerability of its facilities to climate hazards so that the consequences do not affect the integrity of the facilities, or the safety of people. More generally, natural hazards (climate-related risks as well as seismic, tsunami, soil strength and other risks) are taken into account in the construction of industrial facilities, which are designed to withstand both normal and extreme conditions. The Group carries out a systematic assessment of the possible repercussions of climate change on its future projects. These analyses include a review by type of risk (e.g., sea level, storms, temperature, permafrost) and take into account the lifespan of the projects and their capacity to gradually adapt. These internal studies have not identified any facilities that cannot withstand the consequences of climate change known today.

## **B. Incident preparedness and management**

In order to manage a major accidental spill efficiently, the Group implemented a global crisis management system that is primarily based on a dedicated organization and a crisis management center at the head office to enable the management of two simultaneous crises. As part of this process, Total regularly trains in crisis management on the basis of risk scenarios identified through analyses. In particular, the Group has response plans and procedures in place in the event of a hydrocarbon leak or spill. For accidental spills that reach the water surface, oil spill contingency plans are regularly reviewed and tested during exercises. These plans are specific to each company or site and are adapted to their structure, activities and environment while complying with Group recommendations.

In the event of accidental pollution, the Group companies can call on in-house human and material resources (Fast Oil Spill Team, FOST) and benefit from assistance agreements with the main third-party organizations specialized in the management of hydrocarbon spills. Since 2014, subsea capping and subsea containment equipment that can be transported by air has been strategically positioned at different point of the world in order to provide solutions that are readily available at the event of oil or gas eruptions in deep offshore drilling operations. Total has also designed and developed its own capping system to stop potential eruptions in drilling or production operations as quickly as possible.

## **C. Tracking and measuring Total's performance**

Total implements an active policy of avoiding, reducing, managing and monitoring the environmental footprint of its operations. As part of this policy, emissions are identified and quantified by environment (water, air and soil) so that appropriate measures can be taken to better

["Personal health and safety challenges" p.189](#)

[Registration Document 2018, Chapter 5.6.3 "Climate change-related challenges - Risk management" p.201](#)

[Registration Document 2018, Chapter 5.5.2 "Environmental challenges - Preventing incident risks" p.194](#)

[Registration Document 2018, Chapter 5.5.3. "Environmental challenges - Limiting the environmental footprint", p.195](#)

[Registration Document 2018, Chapter 5.6.4](#)

control them. As for climate change, several indicators have also been introduced to coordinate Total's performance.

The Audit Committee takes part in the annual review of the results of the climatic and environmental reporting process. In addition, these results are audited by an independent third party and Total is reporting every year to the CDP – (climate/water).

Reporting on environmental indicators or indicators related to climate change covers all activities, sites and industrial assets in which TOTAL S.A., or one of the companies it controls, is the operator, i.e., either operates or contractually manages the operations ("operated domain"). Compared to the scope of consolidation, this corresponds to fully consolidated companies, with some exceptions, as well as a number of non-fully consolidated entities.

[Total's environmental indicators](#) / [Total's climate indicators](#)

#### **D. Dialogue with local stakeholders**

Every Group entity and subsidiary is expected to dialogue regularly with its stakeholders about the assets, activities or sites that it operates. For instance, around its industrial sites, Refining & Chemicals has set up structures for dialogue and exchanges with local stakeholders (such as the Community Advisory Panels in the United States or the special local commissions on some European platforms). These structures allow for communities to report both their environmental and societal concerns.

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

- Reference to relevant international conventions and other international instruments (e.g. Rio Declaration on Environment and Development)
- Reflection on the relevance of environmental stewardship for the company
- Written company policy on environmental stewardship
- Inclusion of minimum environmental standards in contracts with suppliers and other relevant business partners
- Specific commitments and goals for specified years
- Other established or emerging best practices

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

- Environmental risk and impact assessments
- Assessments of lifecycle impact of products, ensuring environmentally sound management policies
- Allocation of responsibilities and accountability within the organization
- Internal awareness-raising and training on environmental stewardship for management and employees
- Grievance mechanisms, communication channels and other procedures (e.g. whistleblower mechanisms) for reporting concerns or seeking advice regarding environmental impacts
- Other established or emerging best practices

["Climate change-related challenges - Targets and metrics to measure climate-related risks and opportunities" p.202](#)

[Registration Document 2018, Chapter 5.11 "Reporting scopes and method" p.219](#)

[Registration Document 2018, Chapter 5.6 "Climate change-related challenges" p.198](#)

[Climate Report 2018](#)

[Registration Document 2018, Chapter 5.5 "Environmental challenges" p.192](#)

[Biodiversity brochure](#)

**Criterion 11: The COP describes effective monitoring and evaluation mechanisms for environmental stewardship**

- System to track and measure performance based on standardized performance metrics
- Leadership review of monitoring and improvement results
- Process to deal with incidents
- Audits or other steps to monitor and improve the environmental performance of companies in the supply chain
- Outcomes of integration of the environmental principles
- Other established or emerging best practices

## ROBUST ANTI-CORRUPTION MANAGEMENT POLICIES & PROCEDURES

Total is a major player in the energy sector, in which public authorities play a significant role and in which the amounts invested may be very high. Total is present in more than 130 countries, some of which have a high perceived level of corruption according to the index drawn up by Transparency International. Total is aware of the risk of corruption and applies a principle of zero tolerance.

### I/ Total: zero-tolerance for corruption

Total's principles on fighting corruption are described in its Code of Conduct.

"Respect for Each Other goes hand in hand with honesty, unwavering business integrity and, as a result, the rejection of corruption and fraud in any form. [...] We maintain a policy of zero tolerance for fraud of any kind, particularly bribery and corruption, influence peddling and violations of antitrust law.

We do not tolerate any form of corruption or influence peddling, defined as follows:

- Promising or granting a payment or benefit of any kind to a public official, private individual or company, either directly or indirectly (through a third party or intermediary), despite its illegality, in return for:
  - Performing, failing to perform, facilitating, delaying or expediting an action related to official or professional duties, or
  - Using undue influence to obtain a favorable decision or benefit of any kind from a public authority.
- Soliciting, accepting or receiving a payment or undue advantage of any kind in return for performing, failing to perform, facilitating, delaying or expediting an action related to official or professional duties. Acts of corruption and influence peddling or violations of antitrust law shall render the culprits and the company alike liable to harsh disciplinary action, both civil and criminal, regardless of the country in which the fraudulent behavior occurred, in accordance with applicable laws and regulations. Total employees are invited to review our Anti-Corruption Compliance Program to ensure they are abiding by its principles at all times."

In addition, examples of unacceptable behaviour are provided.

#### A. **A company committed to respecting anti-corruption laws and supporting dedicated international frameworks**

Total complies with applicable anti-corruption laws, such as the U.S. Foreign Corrupt Practices Act, the UK Bribery Act or the French law on transparency (called "Sapin II"). The UN Convention against Corruption and the OECD Convention on Combatting Bribery of Public Officials in International Business Transactions are also references for the Group and are mentioned in its Business Integrity Guide.

Total is an active member of anti-corruption initiatives and supports collaborative and multipartite approaches. Total joined the Partnering Against Corruption Initiative (PACI) in 2016, thereby adhering to the PACI Principles for Countering Corruption. The Group's commitment has been further reinforced by Total's Chairman and Chief Executive Officer joining the PACI Vanguard Board.

Total is a member of other initiatives that contribute to the global effort to fight against corruption, such as the UN Global Compact since 2002 or the Extractive Industries Transparency Initiative (EITI) ever since it was launched in 2002. Furthermore, in October 2018, Total's Chairman and Chief Executive Officer took part in the International Anti-Corruption Conference, which is organized every two years by Transparency International.

[Registration Document 2018, Chapter 5.8 "Fighting corruption and tax evasion" p.208](#)

[Total's Code of Conduct p.15-17](#)

[Registration Document 2018, Chapter 5.8 "Fighting corruption and tax evasion" p.208](#)

[Business Integrity Guide p.8](#)

## II/ A dedicated program and a deep involvement of management

### A. A specific organization

This anti-corruption compliance program is drawn up and monitored by a dedicated organization acting at the corporate and business segment levels: the Legal Risks Management and Compliance department, headed by the Chief Compliance Officer, and the Branch Compliance Officers. They coordinate a network of nearly 390 Compliance Officers in charge of rolling out and running the program at the subsidiary level. This structured organization lies in close proximity to operational activities while having its own dedicated reporting line.

Moreover, there is a high level of commitment by the General Management that is reflected by the principle of zero tolerance for corruption that is set out in the Group's Code of Conduct. Managers have a duty to lead by example and are responsible for promoting a culture of integrity and dialog. This commitment is expressed in regular statements made by the Chairman and Chief Executive Officer.

### B. Total's anti-corruption compliance program

To prevent risks of corruption, Total has implemented a robust, regularly updated anti-corruption compliance program that has been rolled out throughout the Group. The aim of this program is to promote a culture of compliance, transparency and dialog, components that are key in ensuring the sustainability of the Group's operations and activities.

Total's anti-corruption compliance program is based primarily on the following seven pillars:

- management commitment or "tone at the top"
- risk assessment,
- adoption of internal standards,
- awareness raising and training of the employees,
- feedback of information, including the whistleblowing system,
- mechanisms for assessing and monitoring the implementation of the program,
- and imposition of disciplinary sanctions in the event of misconduct.

### C. Risk assessment, due diligence and internal standards

To ensure that the compliance program is adequate regarding the risks to which Total is exposed, these must first be identified and assessed. Beyond the Group risk mapping, a risk mapping dedicated to the risks of corruption have been carried out at Group level and every Compliance Officer is responsible for establishing a mapping dedicated to the risks of corruption within their entities, with the aim of drawing up a suitable action plan. Employees are provided with tools that help them identify the risk of corruption, e.g., the Typological guide of corruption risks. Specific rules have been adopted and incorporated within the Group referential in order to mitigate the identified risks.

The Code of Conduct is complemented by a regularly updated set of anti-corruption standards. The Anti-Corruption Compliance Directive which was updated in 2016, recalls the main principles and organizes the roll-out of the anti-corruption program. This Directive is complemented by rules that deal with more specific subjects in order to prevent the various identified risks. These rules relate, among others,

[Registration Document 2018, Chapter 5.8 "Fighting corruption and tax evasion" p.208](#)

[Registration Document 2018, Chapter 5.8 "Fighting corruption and tax evasion" p.208](#)

[Registration Document 2018, Chapter 5.8 "Fighting corruption and](#)

to the due diligence process, i.e., the analysis and assessment of third parties before entering into business relations with them. This analysis is performed according to criteria that differ depending on the risk level associated with the type of third party. These provisions are incorporated in the supplier and service provider qualification process, which was harmonized in 2017-2018 in connection with the gradual roll-out of a shared database within the Group. Thus, anti-corruption is part of the criteria that are integrated in the qualification process. Total expects suppliers to agree to be audited for adherence to Total's "Fundamental Principles of Purchasing" and must comply with them.

Standards have also been drawn up to deal with high-risk areas, such as relations with third-parties, on which are performed, if necessary, a due diligence process; gifts and hospitalities, which have to be registered and approved by the line manager above given thresholds; conflicts of interest, which must be declared to the line manager; compliance programs implemented within joint-ventures; and human resources-related processes such as recruitment.

#### **D. Awareness raising and training**

Awareness raising actions are carried out towards all employees. The Group's intranet contains a section on the fight against corruption which provides employees with various media, e.g., the internal standards or guides such as the booklet entitled Prevention and fight against corruption or the Business Integrity Guide. Poster campaigns communicating the key messages in the risk areas are organized on a regular basis; the latest one was launched in mid-2018. An initial anti-corruption e-learning course was rolled out in 2011 in 12 languages, followed by a more in-depth e-learning module in 2015. This module is accessible to all employees and mandatory for the targeted personal (approximately 30,000 employees). New employees are also required to follow these e-learning courses.

More targeted training courses are also provided for the most highly exposed functions, whether by the corporate or segments Compliance teams or by the Compliance Officers in the subsidiaries. In-depth training is available to the Compliance Officers and a digital training program, intended more specifically for new Compliance Officers, was launched in early 2019.

The Group also annually organizes Business Ethics Day on the occasion of the UN's International Anti-Corruption Day and Human Rights Day. This event was held for the fourth time in December 2018 and was devoted to the updated Code of Conduct which was published on the same day and presented by the Chairman and Chief Executive Officer in a video.

### **III/ A strict control system**

#### **A. Feedback of information and whistleblowing mechanisms**

The feedback of information is ensured primarily through an annual reporting process. This is performed by the Compliance Officers, reviewed by their Branch Compliance Officer and sent to the Chief Compliance Officer. This reporting contributes to monitor the roll-out and implementation of the anti-corruption program, through figures on key elements of the program, for example the number of training courses

[tax evasion" p.208-209](#)

[Fundamental principles of Purchasing](#)

[Registration Document 2018, Chapter 5.8 "Fighting corruption and tax evasion - Internal standards" p.209](#)

[Code of Conduct](#)

[Prevention and fight against corruption](#)

[Business Integrity Guide](#)

or due diligences performed.

The consolidated data resulting from this reporting, which reflects the results of the implemented policies, is presented once a year to the Executive Committee and the Board of Directors via the Governance and Ethics Committee. This presentation provides an opportunity to report the results of the undertaken actions at the very highest level and to review the roadmap aligned with the identified areas of improvement.

In addition, Total strives to develop a speak-up culture and asks its employees to report any situations that they consider to be contrary to the Code of Conduct. This culture is encouraged by regular communications that inform personnel about the various speak-up channels; employees, depending on the option they feel is most appropriate, can contact: their line manager, their human resources manager, their Compliance Officer or Ethics Officer, or the Group Ethics Committee. Both employees and third parties can refer to this Committee by writing to [ethics@total.com](mailto:ethics@total.com). The Group will tolerate no retaliation measure toward anyone who submits a report in good faith and undertakes to respect confidentiality.

### **B. Assessment and monitoring**

The anti-corruption program is monitored firstly by the line managers and the Compliance Officers who are in charge of ensuring the day-to-day implementation of the rules. Secondly, controls are performed by the Compliance function, in particular through assessment missions (referred to as compliance reviews) that are undertaken by a dedicated team within the Group's Compliance department. Internal Control also performs annual tests, in particular by documentary checks, in order to verify the quality of the reporting performed by the Compliance Officers. Thirdly, Group Audit helps monitor the anti-corruption program through audits performed according to a framework that includes compliance topics or via more specific missions such as those relating to the Sarbanes-Oxley regulations.

Moreover, it can be added that failure to comply with the anticorruption legislations could expose the Group to a high financial and criminal risk, a risk to its reputation, as well as measures such as the review and reinforcement of the compliance program under the supervision of an independent third party. The commitment of the entire Group and the efforts undertaken are unrelenting in order to ensure the sustainability and continuous improvement of the anti-corruption compliance program, which the U.S. authorities deemed to be appropriate in 2016, thus putting an end to the monitorship process that was introduced in 2013.

### **C. Sanctions and proceedings**

In line with the principle of zero tolerance and in application of the Code of Conduct and the Anti-Corruption Directive, any infringement of the anti-corruption standards must give rise to disciplinary sanctions, up to dismissal. The Group's resolve in this matter is recalled in communication media intended for employees as well as on the intranet. This resolve, which results from the management commitment, contributes to the robustness of the anti-corruption compliance program.

As of March 2019, there are no governmental, legal or arbitration proceedings, including any proceeding of which the Company is aware that are pending or threatened against the Company, that could have, or could have had during the last 12 months, **a material impact** on the Group's financial situation or profitability. For more details on current proceedings, please refer to Total's Registration Document 2018 p.85.

[Registration Document 2018, Chapter 5.8 "Fighting corruption and tax evasion" p.208-209](#)

[Registration Document 2018, Chapter 5.8 "Fighting corruption and tax evasion" p.208-209](#)

[Registration Document 2018, Chapter 5.8 "Fighting corruption and tax evasion" p.208-209](#)

[Registration Document 2018, Chapter 3.2 "Legal and arbitration proceedings" p.85](#)

[Registration Document 2018, Chapter 5.8 "Fighting corruption and tax evasion" p.208-209](#)

### **Criterion 12: The COP describes robust commitments, strategies or policies in the area of anti-corruption**

- Publicly stated formal policy of zero-tolerance of corruption
- Commitment to be in compliance with all relevant anti-corruption laws, including the implementation of procedures to know the law and monitor changes
- Statement of support for international and regional legal frameworks, such as the UN Convention against Corruption
- Detailed policies for high-risk areas of corruption
- Policy on anti-corruption regarding business partners
- Other established or emerging best practices

### **Criterion 13: The COP describes effective management systems to integrate the anti-corruption principle**

- Support by the organization's leadership for anti-corruption
- Carrying out risk assessment of potential areas of corruption
- Human Resources procedures supporting the anti-corruption commitment or policy, including communication to and training for all employees
- Internal checks and balances to ensure consistency with the anti-corruption commitment
- Actions taken to encourage business partners to implement anti-corruption commitments
- Management responsibility and accountability for implementation of the anti-corruption commitment or policy
- Communications (whistleblowing) channels and follow-up mechanisms for reporting concerns or seeking advice
- Internal accounting and auditing procedures related to anticorruption
- Other established or emerging best practices

### **Criterion 14: The COP describes effective monitoring and evaluation mechanisms for the integration of anti-corruption**

- Leadership review of monitoring and improvement results
- Process to deal with incidents
- Public legal cases regarding corruption
- Use of independent external assurance of anti-corruption programs
- Outcomes of integration of the anti-corruption principle
- Other established or emerging best practices

## TAKING ACTION IN SUPPORT OF BROADER UN GOALS AND ISSUES

Total's vocation is to produce the energy that the world needs and will need in the future, and to make it accessible to as many people as possible. This is a real challenge; close to one billion individuals still have no access to electricity. This vocation is to be accomplished in a responsible manner and by working to make an effective contribution to the climate change challenge, in particular.

### I/ Total: a group committed to contributing to the United Nations' Sustainable Development Goals

#### A. The identification of priority SDGs

Total adheres to the United Nations Global Compact and the responsible development strategy of the Group is based, in particular, on taking into account the United Nations' Sustainable Development Goals in its operations. The Group also made a commitment to respect the UN Guiding Principles for Business and Human Rights following their adoption in 2011.

Total has integrated the United Nations' recommendations to better identify the scope of its contribution to the SDGs. Through its activities, the Group is concerned by all of the SDGs. However, Total has identified the following SDGs as those on which it can have a more direct influence.

#### *Integrating Climate into Total's strategy*

- **SDG 13:** by incorporating the [challenges of climate](#) change into its strategy.
- **SDG 7:** by developing a [portfolio of low carbon activities](#) and an [affordable energy](#) offering to as many people as possible.
- **SDG 9:** by [investing](#) in reliable, modern, responsible industrial sites, as well as in research and development.

#### *Protecting the environment*

- **SDG 12:** by reducing its [environmental footprint](#) and increasing its involvement in the [circular economy](#).
- **SDG 14 and 15:** by committing to protect [biodiversity](#) through its operations and corporate citizenship policy.

#### *Respecting and mobilizing employees and suppliers*

- **SDG 8:** by providing a [solid social base](#) for its employees and promoting decent working conditions in its [supply chain](#).
- **SDG 3:** by ensuring the [safety](#) of its employees and stakeholders and the [health](#) of all people linked to its activities.
- **SDG 4:** by supporting the evolution of existing jobs through [training](#) and employees' skills enhancement.
- **SDG 5:** by strengthening its commitment to [diversity](#), particularly through policies to promote women within the Company.

[Registration Document 2018, Chapter 1.2.1 "A collective ambition to meet the challenges facing the energy sector" p.9](#)

[Sustainable performance > Our vision > Total and the Sustainable Development Goals](#)

[Sustainable Performance](#)

## **Contributing to the economic development of our host regions**

- **SDG 16:** by contributing to the promotion of [human rights](#), [transparency](#) and the [fight against corruption](#).
- **SDG 10:** by contributing to the [development and progress of the territories](#) in which the Group operates.

In addition, Total supports **SDG 17:** by encouraging a [collective approach](#) to find solutions to the global sustainable growth challenges

## **B. Contributing to the SDG's through sustainable investments and innovations**

Climate change is at the heart of the Company's strategic vision. Total positions itself on high-growth low-carbon markets and intends to offer customers an energy mix with a carbon intensity that shall gradually decrease. To accompany these changes, Total has introduced a carbon intensity indicator for the energy products used by its customers and has five major levers to structure its approach.

### *1. Improving energy efficiency*

The energy efficiency services market is experiencing strong growth, which is expected to accelerate in the coming years. In this context, the Group is investing in this market, with the aim of helping customers optimize their consumption and emissions, in particular by choosing between the best energy sources.

- Through the “**Total Ecosolutions**” program, the Group is developing innovative products and services that perform above market standards on the environmental front. At year-end 2018, 97 products and services bore the “Total Ecosolutions” label. The CO<sub>2</sub>e emissions avoided throughout the life cycle by the use of “Total Ecosolutions” products and services, compared to the use of benchmark products on the market and for an equivalent level of service, are measured annually based on sales volumes. This represented 1,75 Mt CO<sub>2</sub>e in 2018.
- In 2017, the Group finalized **the acquisition of GreenFlex**, a French company founded in 2009 with over 700 customers. In a fast-growing market, Total has set for GreenFlex a target of USD 1 billion in revenue for 2022.

For its own operated facilities, Total has an objective of improving the energy efficiency of an average of 1% per year between 2010 and 2020. In addition and in order to pursue its efforts, Total will invest 300M\$ over 5 years in downstream facilities.

### *2. Growing in natural gas*

To respond responsibly to the strong rise in demand for electricity, Total remains committed to gas, whose CO<sub>2</sub> emissions are half those of coal when used to generate electricity. The Group wishes to be present throughout the whole gas chain, from production to end customer. The Group is developing new LNG markets by launching projects of Floating Storage and Regasification Units (FSRU) for the import of LNG, for example in Myanmar or Côte d'Ivoire, allowing for access to gas and energy in developing countries.

[Registration Document 2018, Chapter 5.6.2.4 "Energy efficiency" p.203](#)

[Registration Document 2018, Chapter 2 "GRP - Energy efficiency services" p.55](#)

[Registration Document 2018, Chapter 5.6.2.3 "Growing in natural gas" p.200](#)

[Registration Document 2018, Chapter 5.6.2.3 "Developing a](#)

### 3. *Developing a profitable low-carbon electricity business*

As demand for electricity is expected to grow strongly in the coming decades, Total intends to become a major player in this segment. To meet this target, Total plans to invest \$1.5 to \$2 billion per year. Total aims at holding a production capacity of 10 GW of low-carbon electricity by 2023.

Total pursues its contribution to bringing access to energy to developing countries through its dedicated program. By the end of 2018, 2.7 million lamps and solar kits had been sold, improving the day-to-day lives of nearly 12 million people.

### 4. *Developing sustainable biofuels*

A pioneer in biofuels for more than 20 years, Total is now one of Europe's major actors with 2.4 Mt blended sustainable biofuels in 2018 for a worldwide distribution of 3.2 Mt. Production at La Mède factory, which started in 2019, with a capacity of 0.5 Mt per year of hydrotreated vegetable oil (HVO) based on sustainable certified charges.

### 5. *Investing in carbon sink businesses*

Carbon storage is key to achieving carbon neutrality in the second half of the 21<sup>st</sup> century. Total is focusing, on the one hand, on developing CCUS and, on the other, on preserving and restoring the capacity of ecosystems to act as carbon sinks. Total allocates significant resources to CCUS by dedicating up to 10% of the Group's R&D budget to it. Total announced in February 2019 the creation of an entity dedicated to investments in natural carbon sinks, composed of experts in environment and agronomy, with an investment budget \$100 million per year from 2020 onwards. Furthermore, actions of preservation and restoration of the forest are currently conducted.

In addition to its range of products and services allowing for a lower carbon portfolio, Total is also innovating in the area of **plastic recycling and circular economy**:

The Group is working with stakeholders involved in recovery and recycling to contribute to the emergence of competitive recycling channels by developing new markets for recycled plastics. As way of example, in France, Total, Saint-Gobain, Citeo and Syndifrais founded a partnership to develop an industrial polystyrene recycling value chain by 2020 which aims to incorporate the polystyrene gathered and sorted in the Group's plastics production units in Carling and Feluy. In February 2019, Total acquired French company Synova, a leader in manufacturing high-performance recycled polypropylene for the automotive sector, and which current production capacity in 20 kt/y of polypropylene produced from recycled plastic material gathered from wastes and industrial scraps. Total is also committed to develop polymers that contain up to 50% recycled plastic.

## II/ Supporting and promoting the SDGs within the company and internationally

### A. **A public support to sustainable development**

Total regularly supports and promotes the SDGs through its official publications but also through the CEO's continuous statement of support. Total's Chairman and CEO, as an SDG Pioneer nominated in 2017 in recognition of the commitments made by the Group for

[profitable low-carbon electricity business" p.200](#)

[Registration Document 2018, Chapter 2 "GRP - Access to energy" p.55](#)

[Registration Document 2018, Chapter 5.6.2.3 "Developing sustainable biofuels" p.200](#)

[Registration Document 2018, Chapter 5.6.2.3 "Investing in carbon sink businesses" p.200](#)

[Registration Document 2018, Chapter 2 "RC - Plastics recycling and circular economy" p.60](#)

[Registration Document 2018, Chapter 5.5.5 "Promoting a better use of natural resources by supporting the circular economy" p.197](#)

driving partnerships and investing in low carbon energies, personally contributes to raising awareness on SDGs.

In its official publications and reports, Total publicly acknowledges and advocates the importance of addressing the issues raised by the Sustainable Development Goals.

- [Code of Conduct](#)
- [Registration Document 2018](#)
- [Climate report 2018](#)
- [Biodiversity Brochure 2018](#)
- [Human Rights Briefing Paper 2018](#)

The Group is also willing to raise awareness among its employees. In June 2019, Total promoted the European Sustainable Development Week” with internal communications materials presenting how Total’s CSR strategy contributes to the SDGs.

## **B. Developing international partnerships and collective actions**

The challenges posed by climate change require a collective effort. The Group has played an active role in various international initiatives that involve the private and the public sectors to bring about notably:

- **carbon pricing** (the World Bank’s Carbon Pricing Leadership Coalition, Caring for Climate – United Nations Global Compact, Paying for Carbon call: Total and five other industry leaders);
- **the end of routine flaring of associated gas** (the World Bank’s Zero Routine Flaring by 2030 initiative);
- **control over methane emissions** (Oil & Gas Methane Partnership of the Climate and Clean Air Coalition, the Oil & Gas Climate Initiative in cooperation with UN Environment and EDF, etc.); and
- **greater transparency**: support of the recommendations from the G20 Financial Stability Board Task Force on Climate- related Financial Disclosures (TCFD).

Total also actively supports collaborative and multi-stakeholder initiatives in areas in which the coordinated involvement of governments, companies and civil society is key to global progress, particularly:

- **financial transparency**: the Group has adhered to the Extractive Industries Transparency Initiative (EITI) since its launch in 2002;
- **the fight against corruption**: Total joined the Partnering Against Corruption Initiative (PACI) in 2016 and the Chairman and Chief Executive Officer now sits on the Board of PACI (“PACI Vanguard”);
- **the challenge of security and respect for human rights** by being a member of the Voluntary Principles on Security and Human Rights (VPSHR) since 2012;
- **diversity**: Total signed in 2010 the “Women’s Empowerment Principles – Equality Means Business” set out by the United Nations Global Compact, and in 2018 it signed the pledge for diversity as part of the European Roundtable of Industrialists;
- **biodiversity**: Total joined in 2018 the Act4Nature initiative and made commitments to protect biodiversity;
- **the circular economy**: Total is a founding member of the Alliance to End Plastic Waste, launched in 2019, which brings together

[Registration Document 2018, Chapter 1.5.3.2 "Support for global initiatives" p.26](#)

companies in the plastics and consumer goods value chain to provide solutions for the disposal of plastic waste in the environment, especially in oceans, and to promote their recycling in a circular economy;

- **better access to energy** for populations of emerging countries through a partnership with SE4All;
- **the reduction of inequalities** through the development of social dialogue to favor more inclusive economic growth: Total was one of the first French companies to adhere to the Global Deal initiative at the end of 2017.

### III/ Total and its societal responsibility

The Group's activities are a source of opportunities through the socio-economic development that they fuel. Nevertheless, they may cause nuisances and may have negative impacts on the living conditions of local communities and residents. In line with its socially responsible commitments, the Group intends to actively support local and global initiatives that contribute to more inclusive growth and global progress.

#### A. A responsible tax policy

Tax payments of Total represent a substantial part of the Group's economic contribution to the countries in which it operates. Total is mindful of its responsibility and is committed to paying its fair share of taxes to the host countries of its operations, in compliance with applicable laws and conventions and in accordance with our Code of Conduct. Total's intercompany transactions are thus based on arm's length terms and its tax strategy is aligned with our business strategy. The formation of affiliates worldwide is driven by business operations, as well as regulatory constraints and JV requirements. It is the Group's long term commitment not to create affiliates in countries generally acknowledged as tax havens and to repatriate or liquidate existing affiliates, where feasible.

In 2019, Total adhered to the BTeam's Responsible Tax Principles, which are intended to drive best practice. The Principles cover 3 areas: approach to management, relationships with others and reporting to stakeholders.

#### B. A structured societal approach

Every entity pays close attention to local issues by defining short-term and long-term societal targets and its priority fields of action that take account of:

- the need to remain within the regulatory and contractual framework, as well as meeting the applicable international standards;
- the social, economic and environmental concerns and expectations of the stakeholders;
- the assessment of the societal context in terms of risks and impacts;

These targets are built into a structured operational action plan, based on three pillars:

- dialogue and involvement of local stakeholders;
- avoiding and reducing the societal impacts of the Group's activities;

[Registration Document 2018, Chapter 5.8.2 "Fighting tax evasion"p.210](#)

[Registration Document 2018, Chapter 5.9.1 "Development of a societal strategy integrated with operations"p.211](#)

- taking initiatives in favor of the local communities and residents.

Total acknowledges the specificities of indigenous and tribal peoples (as referred to in International Labor Organization's Convention No. 169) and has developed a Charter of Principles and Guidelines Regarding Indigenous and Tribal Peoples to be followed with communities that are in contact with its subsidiaries. This charter encourages the use of experts in order to identify and understand these peoples' expectations and specificities, consult with them and contribute to their socioeconomic development.

Moreover, Societal impact assessments conducted upstream of industrial projects developed by the Group help to identify the types of potential impacts of the activities on the communities and to set up specific and adapted local action plans to avoid, reduce or compensate for these impacts.

### **C. A local socio-economic development partner**

If Total is able to build and develop partnerships throughout the world, it is also because it has incorporated a local value creation process into its development model. This process is systematic, professional and a major competitive advantage. Based on dialogue with the local population and public and private players, this process is used to identify development priorities and create synergies. The Group intends to apply this approach over the long term to ensure that its major projects create shared prosperity.

Beyond the societal initiatives that are directly related to the Group's industrial and commercial activities, Total is committed to general interest measures in the countries where it operates. It wishes to act in a way that ensures the vitality and sustainability of the territories in which the Group is present by favouring actions that benefit young people first.

In order for its corporate citizenship initiatives to have a greater impact, four areas of focus have been defined as part of the Total Foundation program driven by the Fondation d'entreprise Total in France and supported by the Group:

- road safety: committed to safer mobility;
- forests and climate: committed to a more beneficial environment for humans;
- education and integration of young people: committed to empowering young people in socially vulnerable situations; and
- dialogue on cultures and heritage: committed to cultural openness and appreciation of heritage.

Since the end of 2018, the Group has launched Action!, the Group's Employee Volunteering Program, through which Total gives its employees the time and means to get involved and contribute to the development of the areas where the Group is present. It thus allows employees, on a voluntary basis, the possibility to support, up to three days per year during their working time, or outside of it, local solidarity projects within the scope of the Total Foundation program.

[Registration Document 2018, Chapter 5.9.1.2 "Managing the societal impacts of the Group's activities" p.212](#)

[Registration Document 2018, Chapter 5.9.2.1 "Developing an approach to create shared value" p.213](#)

[Registration Document 2018, Chapter 1.3.4.3 "A local socio-economic development partner" p.14](#)

### Criterion 15: The COP describes core business contributions to UN goals and issues

- Align core business strategy with one or more relevant UN goals/issues
- Develop relevant products and services or design business models that contribute to UN goals/issues
- Adopt and modify operating procedures to maximize contribution to UN goals/issues
- Other established or emerging best practices

### Criterion 16: The COP describes strategic social investments and philanthropy

- Pursue social investments and philanthropic contributions that tie in with the core competencies or operating context of the company as an integrated part of its sustainability strategy
- Coordinate efforts with other organizations and initiatives to amplify—and not negate or unnecessarily duplicate—the efforts of other contributors
- 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
- Other established or emerging best practices

### Criterion 17: The COP describes advocacy and public policy engagement

- Publicly advocate the importance of action in relation to one or more UN goals/issues
- Commit company leaders to participate in key summits, conferences, and other important public policy interactions in relation to one or more UN goals/issues
- Other established or emerging best practices

### Criterion 18: The COP describes partnerships and collective action

- 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
- Join industry peers, UN entities and/or other stakeholders in initiatives contributing to solving common challenges and dilemmas at the global and/or local levels with an emphasis on initiatives extending the company's positive impact on its value chain
- Other established or emerging best practices

[Total and the Sustainable Development Goals](#)

[Registration Document 2018, Chapter 1.5.3.2 "Support for global initiatives" p.26](#)

## CORPORATE SUSTAINABILITY GOVERNANCE AND LEADERSHIP

Corporate social responsibility is at the heart of Total's governance. Determined to become the responsible energy major, the Group's CEO and the Board of Directors are attentive to the concerns of their stakeholders and give a great importance to dialogue.

### I/ The Board of Directors involvement

#### A. The Board of Directors organisation

The Board of Directors determines the strategic orientations of Total and supervises their implementation. The Board of Directors strives to promote creation of long-term value by the Company by taking into account the social and environmental challenges of its activities. The Board of Directors validates the Registration Document which includes Total's non-financial reporting and its integrated report. This document is used to fulfill the Communication on Progress.

The Board of Directors relies on the work of four Committees that it has constituted: the Audit Committee, the Governance, and Ethics Committee, the Compensation Committee and the Strategy & CSR Committee.

#### B. The Strategic & CSR committee

To allow the Board of Directors of TOTAL S.A. to ensure the Group's development, the Strategy & CSR Committee's duties include:

- examining the Group's overall strategy proposed by the Company's Chief Executive Officer;
- examining the Group's corporate social and environmental responsibility (CSR) issues and, in particular, issues relating to the incorporation of the Climate challenge in the Group's strategy;
- examining operations that are of particular strategic importance;
- reviewing the competitive environment, the main challenges the Group faces, including with regard to social and environmental responsibility, as well as the resulting medium and long-term outlook for the Group.

### II/ Patrick Pouyanné: a CEO committed to CSR issues

#### A. Leading the Group's CSR strategy

Since 2015, Patrick Pouyanné has held the position of Chairman and Chief Executive Officer of TOTAL S.A. As Chairman of the Board of Directors and member of the Strategic & CSR committee, Patrick Pouyanné has a direct influence on Total's CSR strategy. The Chairman organizes and oversees the work of the Board of Directors and ensures that the Company's corporate bodies operate effectively and in compliance with good governance principles. The Chairman coordinates the work of the Board of Directors and its Committees. The Chairman establishes the agenda for each Board meeting, including items suggested by the Chief Executive Officer.

[Registration Document 2018, Chapter 4.1.2 "Practices of the Board of Directors" p.125](#)

[Registration Document 2018, Chapter 4.1.2 "Practices of the Board of Directors" p.125](#)

[Registration Document 2018, Chapter 4.1.2.3 "Committees of the Board of Directors", p.137](#)

[Registration Document 2018, Chapter 4.1.2 "Practices of the](#)

## B. The CEO's public support

Patrick Pouyanné regularly expresses its support to sustainable development and to the UN Global Compact's through speeches or forewords published in official reports such as:

- The Climate report 2018
- The Human Rights Briefing Paper 2018

The CEO also writes opinion columns dedicated to CSR issues (diversity, climate, road safety etc.) that can be found on LinkedIn.

Moreover, Patrick Pouyanné promotes CSR values and principles by being a leader in international initiatives. The CEO often takes part in international conferences and was for instance invited to the Forum of the United Nations on Business and Human Rights 2018. This opportunity has allowed Total to explain how the Group integrates respect for human rights into its operations and value chain and how it puts into practice reasonable diligence concerning human rights, as well as to remind the challenges that needs to be tackled. On June 18<sup>th</sup> 2019, Patrick Pouyanné took part in the EITI (Extractive Industries Transparency Initiative) Global Conference to further encourage States to publish existing contracts.

## C. Taking a personal responsibility: the compensation policy

As part of the variable compensation of the CEO a quantifiable target is dedicated to safety and a qualitative criteria is dedicated to the personal contribution of Patrick Pouyanné to Total's CSR performance.

- In 2017, 20% of the variable compensation tied to safety performance and 10% to CSR performance.
- In 2018, the portion dedicated to CSR performance increased to reach 15%, the variable compensation portion dedicated to HSE/CSR criteria rising to a maximum of 35% of the CEO's base salary.

The Board of Directors meeting of March 13, 2019 decided to change the criteria for the determination of the variable portion of the Chairman and Chief Executive Officer's compensation for the year 2019. Among others, a quantifiable criteria related to the evolution of GHG emissions (Scopes 1 & 2) on operated oil & gas facilities was introduced and will account for 10%. In 2019, the portion dedicated to HSE/CSR criteria will then rise to 45% of the CEO's base salary.

### Criterion 19: The COP describes CEO commitment and leadership

- CEO publicly delivers explicit statements and demonstrates personal leadership on sustainability and commitment to the UN Global Compact
- CEO promotes initiatives to enhance sustainability of the company's sector and leads development of industry standards
- CEO leads executive management team in development of corporate sustainability strategy, defining goals and overseeing implementation
- Make sustainability criteria and UN Global Compact principles part of goals and incentive schemes for CEO and executive management team
- Other established or emerging best practices

[Board of Directors" p.128](#)

[Climate report 2018 "The Electric Century" p.5](#)

[Human Rights Briefing Paper 2018 "Message from the Chairman and CEO" p.5](#)

[Patrick Pouyanné's LinkedIn profile](#)

[Patrick Pouyanné's Twitter](#)

[Registration Document 2018, Chapter 4.3.2 "Chairman and Chief Executive Officer's compensation" p149 and 158-159](#)

[Registration Document 2018, Chapter 4 "Report on corporate governance" p.111](#)

## Criterion 20: The COP describes Board adoption and oversight

- Board of Directors (or equivalent) assumes responsibility and oversight for long-term corporate sustainability strategy and performance
- Board establishes, where permissible, a committee or assigns an individual board member with responsibility for corporate sustainability
- Board (or committee), where permissible, approves formal reporting on corporate sustainability (Communication on Progress)
- Other established or emerging best practices

## Stakeholder engagement

### A. Dialogue procedures

Total sets up dialogue procedures with its stakeholders at every level of its organization.

In accordance with the Group's framework on societal matters, stakeholders are identified, mapped and prioritized according to their levels of expectations and involvement. This mapping is kept up to date. A structured dialogue with the stakeholders is established and maintained, initially at local level but also at the central level.

At the local level, Total has deployed since 2006 its internal Stakeholder Relationship Management (SRM+) methodology. This approach aims to list the main stakeholders of each Subsidiary and site (depots, refineries, etc.), to categorize them, to schedule consultation meetings to better understand their expectations, concerns and opinions. This approach then permits to define action plans to manage the impacts of activities and to take into account local development needs in order to build a long-term trusting relationship. This mechanism is used to explain the Group's Activities to communities and other stakeholders, and to pay particular attention to potentially vulnerable local populations. It has been integrated in almost all the Subsidiaries. The system is supplemented by a network of mediators with local communities, deployed within the Exploration & Production segment to maintain a constructive dialogue with neighboring communities.

At the central level, the relevant departments of the Holding also ensure that dialogue is maintained with the Group's stakeholders. For example, in 2018 upon publication of the Information Document on Human Rights, the Human Rights Department of the Civil Society Engagement Division consulted certain of its stakeholders on the risk map published in the 2017 Vigilance Plan.

Among these numerous stakeholders, Total maintains regular dialogue with the Group's employees and their representatives who have a privileged position and role. Every other year, Total also conducts an internal staff satisfaction survey, which is carried out by a third party polling institute. The last employees' engagement survey was held in 2017.

[Registration Document 2018, Chapter 3.5.1.3 "Dialogue with stakeholders" p.93](#)

[Registration Document 2018, Chapter 5.9. "Societal challenges" p.210](#)

[Registration Document 2018, Chapter 5.7 "Actions in support of human rights" p.205](#)

[Registration Document 2018, Chapter 5.3 "Social challenges" p.181](#)

## B. Whistleblowing mechanisms

On a day-to-day basis, [the Group encourages a climate of dialogue and trust](#) that enables individuals to express their opinions and concerns.

- Employees can thus go to their line manager, an HR or other manager, their Compliance Officer or their Ethics Officer.
- The Group's employees and Suppliers, as well as any other external stakeholder, can contact the Ethics Committee to ask questions or report any incident where there is a risk of non-compliance with the Code of Conduct using the generic email address ([ethics@total.com](mailto:ethics@total.com)).

[Registration Document 2018, Chapter 3.5.7 "Whistleblowing mechanisms" p.97](#)

### **Criterion 21: The COP describes stakeholder engagement**

- Publicly recognize responsibility for the company's impacts on internal and external stakeholders
- Define sustainability strategies, goals and policies in consultation with key stakeholders
- Consult stakeholders in dealing with implementation dilemmas and challenges and invite them to take active part in reviewing performance
- Establish channels to engage with employees and other stakeholders to hear their ideas and address their concerns, and protect 'whistle-blowers'
- Other established or emerging best practices

[Registration Document 2018, Chapter 3.5.1.3 "Dialogue with stakeholders" p.93](#)

[Registration Document 2018, Chapter 5.9. "Societal challenges" p.210](#)

## ANNEXE : WOMEN'S EMPOWERMENT PRINCIPLES

Total is committed to respecting the principle of equal treatment for women and men and promotes this fundamental principle and ensures that it is correctly applied. Equal treatment for women and men is promoted in the Group through a global policy of gender diversity, targets set by General Management, Human Resources processes that take the issue of gender into consideration, agreements in favor of a better work-life balance (such as the agreement on remote working in France) and awareness-raising and training actions.

Total's commitment spans from recruitment to the end of a career. It guarantees equal treatment for women and for men in the process for identifying high-potential employees and appointing executives. In terms of compensation, specific measures have been set in place since 2010 to prevent and compensate for unjustified salary gaps.

### **B. Total's women's representation targets**

The Group's target for 2020 is:

- women represent 25% of senior executives (they were approximately 5% in 2004 and are 21.6% in 2018);
- women represent more than 20% of Management Committees members (head office and subsidiaries) (they are 21.8% in 2018).

In order to increase the representation of women in Management Committees, at the end of 2018 the Executive Committee set a new target of 20% women members of Management Committees of branches and large operational divisions.

In terms of TOTAL S.A., Total's commitment took shape in 2016 with the arrival of the President of the People & Social Responsibility division to the Group's Executive Committee (7 people). With regard to diversity in the 10% of the highest management of the Company positions, the proportion of women equals 15%. At Group level, which is the most relevant perimeter considering Total's activities, this proportion equals 21%.

Total aims to hire women in proportions that reflect the percentages of qualifications awarded by the higher education establishments in its business segments. The Group strives to promote the same proportion of women and men with equivalent qualifications and experience within the overall population eligible for a specific promotion.

[Consult Total's indicators on diversity](#)

### **C. Promoting diversity inside and outside the company**

To encourage young women to choose to study technical subjects, Total has been a partner of the "Elles bougent" organization in France since 2011, and served as honorary Chairman in 2015. Some 130 female engineers regularly inform high-school girls about careers in science.

Diversity is also promoted through action to change mentalities, and awareness, training and communication events are held regularly. Internal training courses such as "Managing your career as a woman" and "Managing diversity" are also available. Through its mentoring

[Registration Document 2018, Chapter 5.3.3.1 "Promoting equal treatment of employees and banning discrimination" p.185-186](#)

activities and development workshops, the TWICE (Total Women's Initiative for Communication and Exchange) network also helps to develop the gender diversity policy. It aims to promote the progression of women within the Group, particularly to management roles, and help women further their careers.

Moreover in 2018 and in the framework of the Startupper of the Year Challenge by Total, the Group has introduced a new prize "Top Female Entrepreneur" to encourage more women entrepreneurs to contribute.

#### **D. Working collectively to promote gender equality**

The signing of agreements, international charters and commitments relating to diversity is emblematic of the Group's conviction at the very highest level of decision-making.

Thus, in 2010, Total signed the "Women's Empowerment Principles – Equality Means Business" set out in the United Nations Global Compact, and its commitment to equal opportunities and the equal treatment of women and men is regularly embodied in agreements that address the issue of diversity, such as the global agreement signed in 2015 with IndustriALL, or the Global Deal to which Total has adhered more recently in 2017.

In 2016, Total, along with 20 other oil and gas companies, got involved at the World Economic Forum by signing "Closing the Gender Gap – a Call to Action".

#### **E. A will to support women in the communities**

In the framework of its operations, Total's pays special attention to the most vulnerable populations. The Group conducts Societal impact assessments to identify the types of potential impacts of the activities on the communities and to set up specific and adapted local action plans to avoid, reduce or compensate for these impacts. Women are often part of these vulnerable populations. Therefore, Total has developed several actions to support women in local communities. By way of example, in Papua New Guinea in 2018, the appointment of a woman from a Papua tribe residing close to Block PRL 15 as the Community Liaison Officer (CLO), helped to establish constructive dialog, with the involvement of women in this process.

In Papua New Guinea, the Societal Baseline Study and the Human Rights Impact Assessment (HRIA) also highlighted the critical nature of health problems, especially among women for which maternal mortality rates are very high. A partnership with the government agency NVS (National Volunteer Service) resulted in the hiring of two social workers to help the populations in the villages close to Block PRL 15, who live under very precarious sanitary conditions. Members of the local communities are being trained to eventually replace the social workers as employees of the Gulf Province. Care centers are being set up, and in two years (2017 – 2018) more than 4,000 consultations have taken place.

[Registration Document 2018, Chapter 5.9.2.3 "Supporting the creation of new businesses" p.214](#)

[Registration Document 2018, Chapter 5.9.1.1 "Dialogue and involvement of local stakeholders", p.211](#)

[Registration Document 2018, Chapter 5.9.1.2 "Managing the societal impacts of the Group's activities" p.212](#)

**The COP describes policies and practices related to supporting women's empowerment and advancing gender equality in the workplace:**

- Achieving and maintaining gender equality in senior management and board positions
- Achieving and maintaining gender equality in middle management positions
- Equal pay for work of equal value
- Flexible work options
- Access to child and dependent care
- Support for pregnant women and those returning from maternity leave
- Recruitment and retention, including training and development, of female employees
- Gender-specific health and safety issues
- Gender-based violence and harassment
- Education and training opportunities for women workers
- Creating and maintaining workplace awareness of gender equality and, inclusion and non-discrimination for all workers
- Mentoring and sponsorship opportunities for women workers
- No practice for this criterion have been reported
- Other established or emerging best practices
- Any relevant policies, procedures, and activities that the company plans to undertake by its next COP to address this area, including goals, timelines, metrics, and responsible staff

**The COP describes policies and practices related to supporting women's empowerment and advancing gender equality in the marketplace:**

- Supplier diversity programme
- Composition of supplier base by sex
- Support for women business owners and women entrepreneurs
- Supplier monitoring and engagement on women's empowerment and gender equality including promotion of the Women's Empowerment Principles to suppliers
- Gender-sensitive marketing
- Gender-sensitive product and service development
- No practice for this criterion have been reported
- Other established or emerging best practices
- Any relevant policies, procedures, and activities that the company plans to undertake by its next COP to address this area, including goals, timelines, metrics, and responsible staff

### The COP describes policies and practices related to supporting women's empowerment and advancing gender equality in the community:

- Designing community stakeholder engagements that are free of gender discrimination/stereotyping and sensitive to gender issues
- Gender impact assessments or consideration of gender-related impacts as part of its social and/or human rights impact assessments
- Ensuring female beneficiaries of community programmes
- Community initiatives specifically targeted at the empowerment of women and girls
- Strategies to ensure that community investment projects and programmes (including economic, social and environmental) positively impact women and girls.
- Strategies to ensure that community investment projects and programmes (including economic, social and environmental) include the full participation of women and girls
- No practice for this criterion have been reported
- Other established or emerging best practices
  - Any relevant policies, procedures, and activities that the company plans to undertake by its next COP to address this area, including goals, timelines, metrics, and responsible staff

### The COP contains or refers to sex-disaggregated data:

- Achieving and maintaining gender equality in senior management and board positions
- Achieving and maintaining gender equality in middle management position
- Equal pay for work of equal value
- Flexible work options
- Access to child and dependent care
- Support for pregnant women and those returning from maternity leave
- Recruitment and retention, including training and development, of female employees
- Gender-specific health and safety issues
- Gender-based violence and harassment
- Education and training opportunities for women workers

- Creating and maintaining workplace awareness of gender equality and, inclusion and non-discrimination for all workers
- Mentoring and sponsorship opportunities for women workers
- No practice for this criterion have been reported
  - Other established or emerging best practices
  - Any relevant policies, procedures, and activities that the company plans to undertake by its next COP to address this area, including goals, timelines, metrics, and responsible staff