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Business
Integrity Guide

Understanding
and preventing risks

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Business
Integrity Guide

Integrity on
a day-to-day basis

Total is one of **the largest integrated oil and gas companies** in the world, with activities in more than 130 countries. Its 100,000 employees put their expertise to work in every part of the industry — **exploration and production of oil and natural gas, refining, chemicals, marketing and new energies.** Total is working to help satisfy the global demand for energy, both today and tomorrow.
www.total.com



In all our host countries, we are committed to establishing high quality long-term relationships with our stakeholders, based on professionalism, accountability and integrity.

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

To ensure that these principles are applied every day in our jobs, we needed to express them in detailed, real-world terms. We needed to explain the challenges, set standards so that people could identify situations that might cross the line and provide guidance on how to address such situations.

That's the purpose of this Integrity Guide. Along with our ethics and compliance training and other initiatives to promote awareness, it will help you to protect the quality of our business relationships in all our operations and markets.

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

A handwritten signature in black ink, appearing to be 'P. Pouyanné', written over a horizontal line.

Patrick Pouyanné
Chief Executive Officer

How to use this guide

This Guide is designed to help you determine your behavior in certain situations and to serve as a basis for discussing ethical issues with others. It expresses what your common sense already tells you and provides arguments to help you to resist pressure.

The recommended standards will help you to make decisions in line with the Code of Conduct but they may not provide a solution to every situation. If you are unsure of the appropriate course of action, **make sure you ask the right people**, such as compliance officers, the Legal Department and the Ethics Committee, for advice.

All of our internal standards are also available in the REFLEX Group Referential.

Origins of the guide

The Integrity Guide was designed by the Ethics Committee and the Group Legal Department. It reflects our commitment to encouraging the application of the Code of Conduct by explaining the principles of integrity. A companion handbook, the Human Rights Practical Guide, deals with issues of human rights.

Intended users

The Integrity Guide is intended for all Total employees around the world. It is particularly important that managers refer to it when advising their team members and making decisions in difficult cases.

Group units are encouraged to make the Guide their own, by developing policies that address situations specific to their business and reflect the local legal and business environment.

Objectives and limits

Expanding on the Code of Conduct, the Guide sets out the policies, procedures and rules that will enable you to build trustworthy relationships informed by the highest standards of integrity. It will help you to understand sensitive or unusual situations and support you in rejecting unacceptable practices, whatever the environment and other people's perceptions.

Obviously, it cannot cover every possible situation. Rather, it deals solely with business integrity – specifically, preventing corruption, fighting fraud, complying with competition law, declaring conflicts of interest and honoring commitments – and provides practical examples to guide you in determining correct behavior.

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Fighting corruption

Definition

Corruption occurs when one individual offers or gives a benefit (i.e. a bribe) to another individual in exchange for an undue favor. The term «undue» in this context refers to a benefit or favor that breaches an individual's contractual, professional or legal obligations.

It is also a form of corruption to give in to undue solicitations or threats.

A bribe is corrupt whether it is given directly or through a third party.

The advantages and favors exchanged may take different forms and vary in importance. They include not only cash, but also goods and services, gifts, trips, entertainment, hospitality, a promotion or an honor, the awarding of a contract or an official permit or an administrative decision.

Examples



An offer of a gift or personal benefit in exchange for an undue favor

Payment to an intermediary in exchange for a promise to secure a favorable response from a decision-maker

Personal invitations to public officials in the expectation of obtaining a favor in return

A secret proposal to pass on an undeclared portion of an agent's fee (under-the-table payment)



The legal situation

All countries have laws banning the payment of bribes to **public employees because, as public servants, they have a fundamental obligation to act honestly**. International anticorruption agreements include provisions allowing national courts to prosecute individuals or companies accused of bribing foreign public officials or committing acts of bribery in foreign countries.

The laws of many countries also criminalize bribery and corruption in the private sector, i.e., between individuals, private companies, charities or professional bodies.

The penalties for bribery apply not only to the person or company that pays the bribe, but also to any accomplices. Individuals convicted of bribery can be **sentenced to a prison term and fined**. The penalties applied to companies may be commercial, financial or administrative.

Examples include heavy fines, the loss of the right to bid for contracts, ineligibility for credit insurance, dissolution of the company, the withdrawal of a permit, an obligation to return the proceeds of a corrupt transaction or the payment of compensation to the victims of corruption.



Situations to watch out for

Facilitation payments:

These are small additional payments made to guarantee the execution of routine administrative services that the payer is legally or otherwise entitled to receive (such as under the terms of a contract, by virtue of professional norms or the law).

Examples

Customs checks, administrative procedures, etc.

Note: The laws of many countries, including France and the United Kingdom, whose legislation applies outside their own territory, prohibit any and all facilitation payments without exception.

Total bans facilitation payments.

Exceptions are tolerated for individuals facing possible **physical harm** (an example would be refusing a vaccination that is not required in a country with poor sanitary conditions).



Examples of penalties

France

A five to 10-year prison term and a fine of €75,000 to €150,000 for an individual.

€375,000 to €750,000 for companies. Additional penalties may be levied in both cases.

USA

A criminal penalty of \$2 million or up to double the proceeds from the corrupt action.

\$100,000 for individuals.

Civil penalty: \$10,000 plus restitution.

Administrative penalties.

China

Up to life imprisonment or capital punishment. A fine of up to \$23,000.

Argentina

A prison term of 1 to 6 years.

Kuwait

A prison term and a \$35,000 fine.

Nigeria

A prison term of up to 7 years plus unlimited fine.

Collateral penalties

Blacklisting or withdrawal of guarantees.



Differences in perception

Good salesmanship or corruption?

Hospitality and gifts are courtesies that can strengthen a business relationship. The nature of these practices varies significantly, depending on the country and its customs, the persons involved and their beliefs, the company, and the type of marketing activity.

Favors that are overly generous in relation to normal business practices (in terms of quality, amount or frequency, the extent to which they meet a personal need, etc.) must be avoided, as they can be interpreted as a sign of undisciplined business practices or attempts to influence recipients or place them in a situation where they owe you a favor in return. A benefit granted or received with the aim of receiving a favor that breaches the law or your contractual or professional obligations is a bribe.

Uncooperativeness or discipline?

The precautions taken to guarantee transparency (obtaining information, drafting formal documents, asking for documentary evidence, warnings, questions, etc.) are not always welcomed by other parties. They may be viewed as indicating a lack of trust. For this reason, it is useful to explain that you are simply following the rules imposed on you by the company, which are designed to foster long-term relationships based on mutual trust.

Our recommendations

Our position

Corruption destroys trust, which is the basis of the economy and community life. By generating risks and inequalities, corruption retards economic growth and social progress. It impedes development, has a disproportionate effect on poor communities, and can have a material adverse effect on the environment and public health. Corrupt practices and the resulting court cases and scandals cause considerable damage to the reputation of the companies and individuals involved.

Faced with widely differing national regulations, the international community has taken action to define, prevent and condemn corruption.

We encourage all employees to seek transparency in our business dealings, through vigilance, awareness and a principled approach, and most of all through strict adherence to the rules set out in our Compliance Program and Policy (directive and related procedures).

Rules of behavior

Reject all solicitations and do not make any proposals that could be construed as attempts at bribery.

Before offering any gifts or other benefits to public employees, check that you will not be breaking the local law.

Inform all your contacts of our Code of Conduct.

Pay attention to the context and the way in which a gift or other benefit may be interpreted. Under no circumstances should the recipient view it as a bribe. Each unit should draw up strict rules to avoid any ambiguity.

Think ahead, to avoid finding yourself in a corner, where a refusal to accede to another party's demands could expose you to physical danger or threaten the business relationship.

Be suspicious of unusual situations or requests, or complicated schemes, and avoid dealing with a succession of intermediaries.

Respect the segregation of decision-making and payment responsibilities, and facilitate the transparency of payments.

If you are unsure what to do, ask your manager, compliance officer or the Legal Department for advice.



Checklist of questions you should ask

- Why is a signed agreement being called into question?
- Would you mind other people knowing about this gift or invitation?
- Does your business partner have a murky reputation?
- Will you be able to avoid involvement with illegal means?
- Will you still be able to make independent decisions?
- Will you dare to tell your manager?
- Do you have any reasons to avoid disclosing a transaction?
- If you make a favorable decision, will you receive a personal benefit in return?
- Do you have any doubts about the transaction's legality?



To find out more...

Read the internal standards for preventing corruption in the REFLEX Group

Referential including:

The Anti-Corruption Compliance Directive

The «Representatives Dealing With Public Officials» Procedure

The “Procurement and Sales” Procedure

The “Gifts and Hospitality” Procedure

Visit the Ethics Intranet

See the e-learning module on preventing corruption

Consult the main international conventions and agreements on the topic:

The 2003 United Nations Convention Against Corruption

The 2003 African Union Convention on Preventing and Combating Corruption

The 1999 Council of Europe Civil Law and Criminal Law Conventions on Corruption

The 1997 OECD Convention on Combating Bribery of Public Officials in International Business Transactions

The 1997 EU Convention on the Fight Against Corruption Involving Officials of the European Communities or Officials of the EU Member States

The 1996 Inter-American Convention Against Corruption

Rejecting fraud

Definition

Fraud is when you deliberately deceive people in order to secure unfair or unlawful gain or to avoid fulfilling a legal obligation. Fraudulent behavior is not committed by accident and usually involves secretive and non-authorized actions.

The motive for fraud may be to obtain a material gain (appropriation of assets, financial gain or cost savings) or a moral incentive, for example, a sense of obligation, or the will to gain recognition or to protect a reputation.

In practice, fraud may result from either an action or an omission. As a general rule, it is committed by forging documents and leads to the misappropriation or diversion of funds, to the misuse of equipment or to false information or accounting records. The company may be a victim of fraud or benefit from it.

Examples



Misappropriating funds, products, equipment or confidential information

Misstating the quantity of services

Destroying supporting documents or falsifying accounting entries to conceal an illegal transaction

Failing to make a filing or omitting a declaration, compulsory or optional, to a public or private agent, required by law or contract

Misrepresenting facts in reporting schedules



The legal situation

Fraud is always punished by law, generally on the grounds of theft, obtaining cash, goods or services under false pretenses, misappropriation of funds, extortion, bribery, misuse of corporate assets, breach of trust, forgery and use of forged documents or concealment of evidence or income. **These offenses are punishable by a fine or a prison term.**



Differences in perception

Certain behavior may appear to be justified by a desire, a need, an opportunity, a constraint, a widespread practice or a feeling of injustice. However, whatever the reasons – whether legitimate or not – fraud remains a malicious and unauthorized action carried out for the benefit of one person or company to the detriment of another.

Our recommendations

Fraudulent practice, even if it is widespread, cannot be justified by reference to local cultural practices, necessity or actual or expected profits. If you have any doubts about a course of conduct, you should contact the Legal Department or the Internal Control and Audit Department. Under no circumstances should you take advantage of any loopholes in the law for material fraudulent gain.

Promote a sound culture to prevent fraudulent behavior

Ensure that you know the rules and procedures applicable within the company and communicate them to others.

Encourage honesty and use sound judgment.

Encourage confident dialogue and recognize each individual's right to make a mistake.

Have the courage to ask questions and seek advice.

Take action to make processes more secure

Explain your internal organization (segregation of tasks, delegations of powers and signing authority, two levels of control).

Check that services have been properly performed.

Maintain an audit trail of transactions and ensure that they are accurately reflected in the accounts.

Clearly state the rules governing the use of the company's assets and resources, take action against any misuse of assets and resources and take disciplinary measures.

Protect confidential information and prevent the company's rights from being usurped.

Allow independent ex-post controls of the systems in place.



Internal control

Definition used by the Institut Français de l’Audit et du Contrôle interne (IFACI), based on the COSO (Committee of Sponsoring Organizations of the Treadway Commission) definition:

«Internal control is a process, carried out by an entity's board of directors, management and other personnel, designed to provide reasonable assurance that:

Transactions are effective, secure and efficient and allow the organization to achieve its basic goals, its performance and earnings targets and its objective of protecting assets.

Financial reporting is reliable.

The applicable laws and regulations and the organization’s guidelines are complied with.»



To find out more...

Read the «Guidelines to be followed in case of fraud incidents» Directive in the REFLEX Group Referential

See the Corporate Internal Control and Audit Intranet

Declaring **conflicts of interest**

Definition

A conflict of interest refers to any situation in which an employee's personal interests could conflict with the interests of the company. When separate, sometimes divergent interests exist side-by-side, there is a risk of biased and questionable choices being made, for example, by granting undue privileges, breaking the law, or adversely affecting the company's assets or reputation.

Personal interests may result from personal ambition, financial or business commitments outside Total, membership of a political party or adherence to a set of beliefs. They can be related to membership of a non-profit organization or charity, or to cultural, financial, political, religious or sports considerations, or result from family ties or friendships or even a feeling of being obligated to someone.



Examples

A special relationship with a supplier, contractor or industrial partner, due to family or financial ties

The holding of political office

Holding two or more jobs

The application by a relative for a position within the company



The legal situation

In most countries, public employees, members of certain regulated professions (bankers, investment advisors, lawyers, accountants, etc.) and generally individuals who have access to inside information are banned from acquiring personal interests in the businesses they manage. The regulations governing these professions usually impose strict obligations to prevent and manage conflicts of interest. **The aim is to ensure that professional people are impartial and exercise independent judgment.**

Breaching these rules may lead to **individual penalties** or to **transactions being declared null and void**.

Notwithstanding these legal obligations, declaring conflicts of interest is fundamental to preventing risks and maintaining trust in business relationships.



Differences in perception

A conflict of interest may not automatically be perceived as such, and its possible consequences may not be readily apparent. The perception of a conflict of interest varies according to the persons and the type of interests involved.

Guided by tradition or your beliefs, you may underestimate the risks of a situation, leading you to ignore other feasible solutions, seek to fulfill your own interests or those of a third party to the detriment of the company, lose the trust of your colleagues or inadvertently encourage illicit practices.

You should therefore seek other points of view to identify the existence of a conflict of interest, assess the implications and ensure that you make choices consistent with the company's interests.

Our recommendations

Even the appearance of a conflict of interest could damage the image of Total and of our employees. Identifying and reporting existing or potential conflicts of interest removes any ambiguity.

Identify potential personal conflicts of interest.

Regularly reviewing whether personal considerations may influence your decision-making helps you pinpoint potential conflicts of interest and take appropriate action as needed.

If you are not sure whether a conflict of interest exists, notify your manager and explain the situation, particularly if it may lead you to obtain benefits that are contrary to the Group's interests. You should follow this procedure:

- regardless of whether or not there is a risk of the law being breached,
- whether the advantage is real or potential, and benefits you or a relative, a friend, or a person that has any power or authority over you.

Declare any conflict of interest to your manager, to protect yourself and the company.

Full disclosure of the situation allows risks to be assessed and managed as needed. In some cases, it will be sufficient for you to be recused from making a decision (for example, to hire one of your relatives). In other cases, solutions may have to be found to prevent or eliminate the conflict of interest. It may also be the case that, after considering the circumstances, management decides that no conflict of interest exists (for example, if you lawfully hold a second job).

Adhere to strict principles of business conduct to minimize potential conflicts of interest.

In addition to your obligation to protect Total's interests, you can reduce your risk of finding yourself in situations involving potential conflicts of interest if you:

- avoid acquiring any interest in the business of a competitor, supplier or customer without your manager's prior written approval,
- do not take on a second job without first obtaining your manager's written approval if you have a full-time employment contract with Total,
- avoid direct or indirect personal business relationships with Total customers, suppliers or competitors,
- decline all gifts or benefits that might make you feel beholden to a customer, a supplier, a partner or any other third party.



Checklist of questions you should ask

In practice, is the situation likely to affect the decisions that you make in the company's name?

Do you or your friends and family stand to gain from the contract, the hire, etc.?

Do you feel obliged to make a decision for the wrong reasons, due to personal considerations?

Could other people believe that the conflict of interest will influence the way you work?

Would you be embarrassed if your interests came to light?

How would a customer or supplier react?

Do you have the impression that your actions fall outside the scope of your responsibilities?

Are you afraid that your working or business relationships will suffer?



To find out more...

Consult the Ethics Intranet

Complying with **competition law**

Definition

Competition law aims to foster, at every stage of production and distribution, a vibrant business environment that gives consumers access to a broad range of competitively priced products and services.

To achieve that goal, competition law requires businesses to act independently in the marketplace, so that each business puts competitive pressure on the others and does not take unfair advantage of its power in the market.

Most countries have rules governing competition and each year new countries adopt competition regulations.

Examples



**Sharing the business strategy
with a competitor**

**Dividing up markets or customers
with competitors**

**Setting discounts to retailers based
on the respect of certain prices**

**Offering loyalty discounts
to customers when the company
is a dominant player**



The legal situation

Countries with competition law generally punish two types of anti-competitive behavior:

Agreements or practices involving collusion

Competition law prohibits any agreement or practice between independent companies that aims to limit or has the effect of limiting market competition. Prohibited agreements and practices include:

Jointly setting or restricting a partner's freedom to set its own terms and conditions of sale, including prices, volumes and production capacities.

Discussing with a competitor confidential or strategic information about the company's business or its marketing or production plans, such as pricing policy, promotional campaigns, customer and supplier names and plans to expand or cut capacity.

Limiting or controlling production and industrial or commercial markets.

Dividing up markets or customers.

Boycotting a customer or a supplier.

Abuse of a dominant position¹

It is prohibited for one or more businesses to take unfair advantage of a dominant position in a market.

A dominant position is when a company has sufficient economic clout in a market to ignore what its competitors are doing.

Competition authorities consider that a company holds a dominant position when it has a market share of more than 30 to 40% and does not have any competitors that are comparable in size.

Holding a dominant position is not prohibited per se. It is only considered wrong to take unfair advantage of such a position.

Abuse of a dominant position consists of employing business practices that squeeze competitors out of the market. Examples include:

Refusing to sell or supply a product for no objectively valid reason.

Offering loyalty discounts likely to severely discourage customers from buying from competing suppliers.

Setting exorbitant purchase or selling prices or, conversely, pricing goods or services below cost.

Discriminating, i.e. applying different terms and conditions to equivalent services.

Making contracts contingent on the acceptance by the partners of services unrelated to the contract's purpose (tie-in sales).

1. In U.S. legislation and the legislation of countries influenced by the U.S. model, abuse of a dominant position is called monopolization.



High-risk situations

Situations that involve relationships with competitors, especially participating in industry associations, working with competitors in joint ventures or a temporary consortium and entering into supply or distribution agreements.

Product or service markets in which a company or group of companies holds a strong position in a specific geographic area.

Markets that are in decline, highly concentrated markets and markets with high barriers to entry.



Penalties

In most countries, breaches of competition law expose offenders to the risk of:

A fine of up to 10% of the Group's company's global revenue, the agreements or contracts concerned being declared null and void, the payment of damages to the businesses and/or consumers hurt by the infraction.

The image and reputation of a company found guilty of anticompetitive practices are also seriously damaged.

In addition, in a number of countries individuals who breach antitrust regulations are exposed to the risk of: a fine, a term of imprisonment, a ban on serving as a corporate officer.

Moreover, individuals who engage in anticompetitive practices are subject to internal penalties up to and including termination.



Examples of penalties

France

A fine equal to 10% of global revenue.
A €75,000 fine and a four-year prison term for individuals.

USA

\$100 million per infringement.
A 10-year prison term and a \$1 million fine for individuals.

China

A fine of between 1% and 10% of global revenue.

Brazil

A fine of between 0.1% and 20% of revenue for the business sector in which the infringement was committed.
A 2- to 5-year prison sentence for individuals.

European Union

A maximum fine of 10% of global revenue.

Our recommendations

Compliance with competition law is both a legal obligation and a basic Total business principle.

In addition to the risk of financial penalties, competition law violations damage our image and reputation, causing suppliers, customers and investors to lose trust in us.

We expect our employees to conduct themselves with irreproachable integrity at all times, turning to their legal department and compliance teams for guidance as needed, and to report any incident immediately.

Rules of behavior

Set your marketing and industrial strategy and your prices independently.

Never agree to limit your business dealings to a single territory or specific customers.

Never discuss or offer a price or a discount based on an agreement with competitors.

Do not discuss strategic and/or confidential information with competitors.

Take action when someone provides you with inappropriate information: leave the meeting and keep a record of your reasons; report all incidents to your manager or to the Legal Department.

Deciding what constitutes a market under antitrust rules is a tricky exercise. Ask the Legal Department to help you assess your position in the market.

Be vigilant when you hold a much larger market share than your competitors, even in a very small geographic market.

If you are not sure what to do, consult the Legal Department.



To find out more...

Read the internal standards on antitrust law in the REFLEX Group Referential:

The “Prevention of anticompetitive concerted practices” Directive

The “Prevention of abuses of a dominant position” Directive

The Procedure for the use of management regarding competition law

Consult the e-learning module about competition law “Play Fair”

Consult the Ethics Intranet

Fulfilling commitments

Definition

The value of a commitment depends on the degree of trust between the parties involved. Loyalty (from the Latin word *legalis*, meaning in compliance with the law) is a core concept underpinning business relationships, and a proof of integrity and determination to fulfill commitments.

In business relationships, the obligation of loyalty is embodied in legal principles such as the concept of *good faith*, which refers to behavior reflecting integrity and honesty, particularly in the execution of an obligation.

Good faith is first and foremost *the absence of malicious intent*, but it also embodies *willingness and cooperation*.

Our recommendations

«Do what we say and say what we do.»

Honest behavior and communications create trust.

A promise to do or not do something or to give something may be made in writing or orally, or may sometimes result from a gentleman's agreement. A written commitment fixes the promise, gives it greater recognition and increases the relationship's robustness and safety.

A reasonable approach, to demonstrate your integrity in all circumstances, is to:

- Ensure that you know the rules and procedures applicable within the company and communicate them to others.

- Encourage honesty and use sound judgement.

- Promote confident dialogue and recognize each individual's right to make a mistake.

- Have the courage to ask questions and seek advice.



To find out more...

Booklet 2

**« Integrity on
a day-to-day basis »**

Suppliers Contractors Intermediaries Agents

The challenges

Promote healthy competition.

Only pay for services that are legal and have effectively been rendered.

Take the interests of business partners into account.

Avoid liability claims against employees and the company.

Our standards

We are committed to ensuring that our suppliers and service providers:

- are selected according to objective criteria.
- effectively render legally permissible services.
- benefit from fairly negotiated contract terms.

Declaring conflicts of interest

You have a special relationship with a current or potential supplier or service provider because you own shares in the company, you are related to or are friends with its members, or you have personal reasons for considering that you owe someone there a favor.

The risks

Creating an ambiguous relationship where the parties' independence could be questioned,

impairing objective action and decisions,

harming your reputation by giving the impression that you put your personal interests before those of the company,

distorting competition through the application of criteria that are not strictly business-related, and potentially receiving sub-standard services.

Identify the nature of the conflict of interest.

Declare the conflict of interest to your manager, so that it can be dealt with appropriately.

Seek guidance in dealing with the conflict of interest, and if necessary recuse yourself from the decision-making process temporarily.

1. An offshore payment is a payment into a bank account in a country with a no-tax or low-tax environment and lax banking regulations, commonly referred to as a "tax haven". These transactions are legal but are heavily regulated. They are also closely monitored by the banks under banking regulations. They should be avoided wherever possible and require special vigilance.

Fighting corruption

During business negotiations, an intermediary (such as a sales agent, local correspondent, consultant, financial advisor or lawyer) offers "help" in securing a contract or ensuring that a transaction goes smoothly.

The risks

Committing a serious offence (corruption or influence-peddling) personally or in the company's name,

becoming inadvertently involved in a tax fraud or a money-laundering transaction,

being fined, banned from bidding for government contracts, sent to prison or incurring other punishments provided for by law.

Check the intermediary's identity, reputation, competence and whether or not he or she is legally able to intervene, by conducting a risk analysis in accordance with the «Representatives» procedure.

Avoid agreeing to an escalating fee based on results and negotiate a reasonable flat fee in line with local industry practices.

Clearly describe in the contract the services to be rendered by the intermediary in the contract.

Insert clauses in the contract whereby the intermediary undertakes to comply with the Group's Code of Conduct and to refrain from engaging in any corrupt practices or influence peddling.

Refuse to make payments in cash and avoid making offshore payments.¹

Check that the beneficiary of the payment really is the intermediary with whom the contract was signed.

Remain attentive to any incidental benefits or additional costs generated by the contract. Any such benefits or costs must be adequately evidenced and traceable.

Consult the Legal Department and your compliance officer.



Fighting corruption

Declaring conflicts of interest

A supplier or service provider offers a personal benefit or incentive, such as an invitation, free travel, a gift, a service or an under-the-table payment.

The risks

Gifts and favors can influence the recipient's impartiality and honesty, influence negotiations and may lead to a business relationship being maintained when it is no longer needed,

accepting such benefits can create doubts about our integrity, encourage attempts at corruption and tarnish the Group's reputation,

creating a special personal relationship can lead to a state of dependence that limits our freedom of choice, in ways that are not in the Group's best interests.

Refuse any and all payments (cash, bonds, securities or anything convertible into cash).

Never accept any personal benefits. Gifts, travel and invitations offered in what is clearly a business context must correspond to legal and customary business practices (particularly when offered by government officials) and should be accepted only when nothing is expected in return.

Ensure that even permissible benefits do not influence the final decision.

Request the approval of your manager if the value of gifts and invitations exceeds the ceiling set by the rules of your unit, and **record** them in the «Gifts and Invitations» register.

Civil servants Public bodies Governments

The challenges

Observe political neutrality.

Contribute to sound business practices.

Avoid liability claims against employees and the company.

Our standards

We are committed to ensuring that our relationships with public bodies, civil servants and government officials:

- are legal, independent and transparent.
- do not create any ambiguity in the way we conduct our business activities.

Declaring conflicts of interest

As a local citizen, you hold or stand for election to an official position in a political party, a political association or in local or national government.

The risks

Combining two different positions can mislead third parties and potentially create confusion with serious consequences for both your own and the company's reputation,

failure to disclose an official position may lead to suspicion that you are hiding a conflict of interest or that your decisions are not objective.

Make sure that holding such an office has absolutely nothing to do with your position in the company.

Inform your manager of the office held or of your plans to stand for election. This will enable the company to assess whether the official position is compatible with your job and to implement solutions guaranteeing your neutrality and impartiality.

Ensure that when you communicate in your personal capacity you do not inadvertently commit the Group.

Fighting corruption Rejecting fraud

Your company has applied for an administrative authorization. The procedure is dragging on and you realize that your contacts are waiting for a “gesture” in exchange for completing the formalities.

The risks

Encouraging further requests, abuse of office and a lack of integrity, participating in corruption,
incurring unwarranted costs that are difficult to evidence and check.

Do not give in to the request because Total prohibits facilitation payments.

Find out why the procedure is being held up – are there legal reasons? – and **assess** whether the matter should be taken up with higher-level officials.

Ask local contacts whether they have experienced similar problems.

Remind the officials concerned of our business principles and discuss possible alternative courses of action with the local team, especially your compliance officer.

Determine with the Legal Department whether the payment can be made within the law and have the final decision approved by your manager.



Fighting corruption

A site visit is organized for local government officials. They ask whether members of their family can come along and take part in the planned entertainment.

The risks

Giving the impression that the Group is improperly using its influence,
encouraging abuses of office,
demonstrating poor management discipline.

Remind them that the purpose of the visit is to help public decision-makers better understand the company and its operations.

Officially set out in writing the reasons why the invitation is being extended.

Check that the visit is clearly budgeted and placed on an official footing, that it cannot under any circumstances be viewed as influencing a significant decision, creating any obligation or leading to the delivery of any benefit.

Identify non-business-related events to which family members can be invited and stipulate that the company will not pay any additional costs resulting from their presence.

Business partners Associates

The challenges

Penetrate local markets with reliable and professional business partners.

Maintain healthy relations with these partners, based on clearly worded contracts.

Avoid liability claims against employees and the company.

Our standards

We are committed to working only with competent partners that enjoy an excellent reputation:

- we ask them to commit to complying with our Code of Conduct.
- decision-making responsibilities, contributions, gains and liabilities are shared on a clear and equitable basis, so that our partnership operates in a fair and transparent manner.

Fighting corruption Rejecting fraud

When we acquire facilities to expand our business, the vendor insists that we team up with an unknown company that will assume certain local risks associated with the operation.

The risks

Committing the company's assets and reputation in a relationship with a dishonest partner that is pursuing different goals which may harm the company's interests,

inadvertently becoming associated with unprincipled or dangerous practices.

Find out exactly whom you are dealing with, by conducting a risk analysis with your compliance officer to spot potential warning signs and address them.

Consider alternative solutions that offer better guarantees over the long term, by looking beyond the original deal structure.

Prepare a document clearly setting out all the commitments of the parties involved, with the help of a lawyer.

Ensure that these commitments are compatible with Group policies.

Fighting corruption

When shortlisting companies that have responded to an invitation to tender, a partner insists on adding and selecting a company that does not fulfill the qualification criteria, stating that he guarantees the company's performance.

The risks

Resorting to unfair or discriminatory practices,
triggering a dispute,
incurring the partnership's liability,
not obtaining the desired standard of quality,
giving in to blackmail.

Select the best candidate based on independent and objective criteria and conduct a risk analysis by following the Group "Purchasing & Sales" procedure.

Remind the partner that the choice of company must be based solely on the pre-determined criteria, which must be applied to all candidates without exception.

Determine whether there are legitimate reasons for giving preference to the recommended company and assess the value of the partner's guarantee.

Assess whether there are circumstances where this type of consideration could be taken into account in the future on a fully transparent basis.

Stress the importance of protecting the interests of both Total and the partner by making informed decisions.

Encourage communication of the Code of Conduct.



Fighting corruption Rejecting fraud Fulfilling commitments

You are tasked with organizing an immersion course at one of our sites for the employees of a foreign public-sector partner of the Group. The participants ask who will pay their expenses while attending the course.

The risks

Creating opportunities to bypass rules, if they are not clearly announced in advance,
enabling possible misuse of resources provided by the Group,
creating doubt as to the true purpose of the course and the expenses.

Confirm with the partner the course's terms and conditions, its detailed program and check with the partner that the request is legal.

Prepare a detailed course budget.

Inform the participants that payment of their expenses is conditional upon their effective participation in the course.

Inform the participants of the per diem they will receive, if applicable. The amount should correspond to a reasonable estimate of the costs they will incur and/or the ceiling for expense reimbursements upon presentation of appropriate documentation, and the partner should be fully apprised of the applicable terms.



Declaring conflicts of interest Fighting corruption

To increase our chances of acquiring a plant being sold by the government, you are strongly encouraged to team up with a specific local business partner.

The risks

Being accused of having won the contract with influence peddling or corruption of national or foreign public officials: such actions, wherever they take place, are punished by national and international laws. This can have serious consequences: harming the company's reputation, being banned from bidding for public contracts, high litigation costs, fines or other penalties.

Analyze, with your compliance officer, the risks of this association with the local partner by following the "Joint Ventures and Business Partners" procedure.

Ensure that the proposed business partner does not have any special or family ties with the decision-makers involved and stipulate that under no circumstances should the local partner exercise undue influence.

Prepare a contract, with the help of lawyers, including clauses whereby the business partner undertakes to comply with our Code of Conduct and warrants that he or she will not engage in any influence peddling or corrupt practices.

Customers Distributors Resellers

The challenges

Earn the trust of our customers, distributors and resellers by reliably delivering safe, high quality products and services.

Contribute to a sound business environment.

Our standards

We are committed to ensuring that:

- our public statements and advertisements are truthful, and our commitments are clearly stated and strictly adhered to.
- effective policies are developed to prevent and respond to health and safety risks, both for users of our products and the general public.
- our transactions are fair and in full compliance with the law.



Rejecting fraud

You discover that the quantities of Total-owned inventories held by service stations or customers are different from the quantities recorded in the accounts.

The risks

- Incurring losses from products that have not been billed or paid,
- allowing third parties to make improper use of our products or brands due to poor tracking,
- being accused of participating in the misappropriation of products or fraud.

Contact your manager to ensure that the differences are checked and resolved without delay.

Remind customers of their obligation to keep accurate accounts.

Remind customers of the contractual terms governing the sale of Group-owned inventories.



Rejecting fraud Fulfilling commitments

A customer asks for the annual volume discount on sales made to an entity that is not the normal purchasing company.

The risks

- Participating in tax evasion,
- improperly enriching a third party to the detriment of the customer,
- infringing the rights of minority shareholders.

Obtain details of the entity's identity and relationship with the customer.

Review all contracts signed with the customer and with the entity concerned.

Consult without delay the Finance, Legal and Tax Departments to determine whether the payment is acceptable.



Fighting corruption

Rejecting fraud

Fulfilling commitments

You discover that service station dealers or distributors sometimes agree to give cash in exchange for fuel vouchers given by our customers to their employees.

The risks

- Allowing distributors and customer employees to misuse fuel vouchers, covering up a fraudulent practice that distorts accounting records and product flow data,
- tarnishing the Group's image and exposing it to a loss of confidence and litigation.

Remind distributors in writing that this practice is prohibited and that they have an obligation of transparency.

Introduce voucher traceability procedures to permit the identification of any cases of misuse.

Ask the customer to tighten its internal rules concerning the use of fuel vouchers.

Identify the clauses in the distribution contract that could be used to put an end to the practice.



Rejecting fraud

When signing a major customer contract, the customer's representatives propose waiving your proposed discount in exchange for a benefit in kind (such as free product deliveries).

The risks

- Creating misunderstandings concerning the different types of benefits that may properly be offered and creating a situation of personal dependence that may affect the execution of current or future contracts, agreeing to an unlawful request.

Remind them immediately that the original discount was offered for commercial reasons based on a specific contractual framework.

Explain that the benefit must be received by the company and under no circumstances can it take the form of a personal reward or benefit.

Determine whether the request is legitimate.

Assess with the Legal Department the possibility of exchanging one type of commercial benefit for another.

Employees Company

The challenges

- Foster a corporate culture based on fair practices.
- Promote the Group's strengths and reputation.
- Preserve the Group's resources.
- Avoid liability claims against employees and the company.

Our standards

We are committed to:

- managing the business honestly and with a dedication to a job well done.
- using the resources available to us wisely and in a reasonable manner.
- declaring conflicts of interest.



Declaring conflicts of interest Rejecting fraud

A colleague wants to use a company photocopier to make copies of a document for a charitable organization that he helps to run and asks you for your opinion.

The risks

- Diverting company resources for personal benefit,
- encroaching on working hours,
- preventing equipment from being used by others,
- encouraging a lack of discipline and accountability.

Recommend that he check whether there are rules governing the use of company resources and that he ask his manager for authorization. In principle, employees should not use their working time or the company's resources for personal ends. To avoid confusion and creeping abuse of the system, each department should establish a standard rule and management should decide whether exceptions should be allowed on a case-by-case basis. The decision should be consistent with the company's social responsibility policies and comply with the principle of political neutrality.



Fulfilling commitments

During a dinner with friends, the conversation touches on the challenges facing the oil industry. Your job means that you have first-hand knowledge of the circumstances behind an event that has recently been in the news.

The risks

- Being held liable for disclosing confidential or inaccurate information,
- damaging the company's reputation.

Remember, when taking part in the conversation, that you have an obligation to treat as strictly confidential any company information that is not in the public domain.

Do not discuss confidential issues or reveal any confidential information. For example, do not mention the names of the people involved, the financial implications or the resources deployed.

Do not act as the company's spokesperson.



Declaring conflicts of interest Fulfilling commitments

A friend or relative who has applied for a job with the company puts pressure on you to intervene on their behalf.

The risks

Damaging your unit's climate of transparency and trust,
encouraging favoritism¹ or nepotism², in direct contradiction of the
principles of respect and fairness,
creating a conflict of interest that is detrimental to the company.

Do not get involved in a decision-making process that is not part of your job.

Recognize that decisions affecting the company's interests must always
be made impartially and objectively.

Fulfill your professional responsibilities in accordance with the authority vested
in you.

1. Favoritism: an inclination to grant unfair or illegal favors.
2. Nepotism: favoritism shown to relatives or close friends by those in power.



Fulfilling commitments

You often see unauthorized persons (adults or teenagers) waiting outside your workplace in the hope of being given various tasks to perform, such as helping to load or unload trucks, running errands, making photocopies or washing vehicles. They seem to be more numerous when the company has a lot of business.

The risks

Employing undeclared or illegal workers,
putting assets and people in danger,
creating a climate of insecurity,
exposing the company to liability claims or legal proceedings.

Do not hire these people to perform any work.

Inform the HSE manager or the site manager of what you have seen.

Note what you have seen in the schedules used to report this type of situation
(security, human resources, industrial safety and other reporting systems).

Competitor businesses



The challenges

Promote healthy competition.

Prevent breaches of competition law by the company or employees.

Foster a corporate culture based on respect for free competition.

Protect the company's image and reputation.

Our standards

- make sure that you have the authorizations and approvals you need to contact competitors.
- establish the parameters for the discussion beforehand with the help of the Legal Department and make sure that you stay within the allowed bounds.
- set your marketing strategy and prices independently.
- ensure that you are able to document the source of information obtained on the market through lawful channels.
- do not misuse any power you may wield in the market.
- report incidents to the Legal Department and/or your manager.



Complying with competition law

You attend a meeting on safety issues organized by the company's industry association. At the end of the meeting, a participant mentions the uptrend in raw material prices and volunteers the information that his or her company will raise prices soon to maintain its margins.

The risks

Committing an offense personally or in the company's name,
getting involved in a competition law violation: by announcing plans to pass on the impact of rising costs, the participant reduces the normal uncertainty companies have concerning the marketing strategy of their competitors,
fines for the company, disciplinary action and even prison time for the individuals involved.

Always ask for a detailed agenda before agreeing to attend a meeting.

Do not provide any strategic information about the company, such as current or future pricing policies, prices, costs, margins, discounts, customer lists, capital expenditure, volumes, production capacities, terms and conditions of sale and contract bids.

If the conversation strays into questionable territory during industry association meetings or meetings attended by competitors, **leave** the meeting and demand a written record of why you left the room.

Pay careful attention and make sure that no commercially sensitive topic is broached when attending social events. If any such topics come up, make your disapproval clear and end the conversation immediately if the person you are talking to is unwilling to change the subject.



Complying with competition law

You need to review the company's marketing position. While contacting coworkers to gather information, you realize that one of them regularly phones our competitors for updates on the prices they charge.

The risks

Committing an offense in the company's name,
getting involved in a competition law violation: competition law prohibits sharing price information with competitors,
fines for the company, disciplinary action and even prison time for the individuals involved.

Take quick action by reporting the incident to the Legal Department, the compliance team and your manager immediately.

Do not exchange price information with competitors. Even if the prices for the products in question are a matter of public knowledge, sharing them with competitors makes them available faster and more cheaply, artificially skewing the competitive environment.

Businesses have a right to obtain the public prices of a competitor provided they do so using their own resources and at their own expense, without their competitors' help. For example, you may collect price information by going to points of sale, researching prices on the Internet or commissioning an authorized company to conduct surveys, as long as the findings are reported exclusively to your company. Always consult the Legal Department to take all the necessary precautions for conducting price surveys.

There is nothing wrong with occasionally learning about competitors' prices through unsolicited information provided by a customer, during business negotiations, for example. In such cases accurately record the source (customer name, date) of the information received.



Complying with competition law

You organize a meeting to plan the future marketing strategy of the company, which holds a 55% share of a market in which its biggest competitor has less than a 10% share. At the meeting someone suggests giving customers loyalty discounts in exchange for acting as their exclusive supplier or based on the company's revenue growth with that customer.

The risks

Committing an offense in the company's name,
getting involved in an abuse of a dominant position,
fines for the company, disciplinary action and even prison time
for the individuals involved.

The company's strong market position means that it is very likely a dominant player. So avoid a marketing strategy involving practices that make it harder for competitors to penetrate a market whose competitiveness is already undermined by the company's dominant position. Examples include discriminatory practices, below-cost pricing, customer loyalty discounts, exclusive supplier agreements and tie-in sales. In line with this stance, **do not take up** the suggestion made at the meeting.

Before implementing this type of business practices, always **contact** the Legal Department to assist you in assessing whether or not the company is a dominant player on the market.

Civil society Not-for-profit organizations Non-governmental organizations

The challenges

Contribute to the balanced development of the local environment, economy and society, while preserving our independence and safeguarding our reputation.

Ensure that our contributions are used efficiently.

Avoid liability claims against employees and the company.

Our standards

We are committed to ensuring that:

- our contributions to local organizations and communities in our host countries are transparent and appropriate, in line with our values of respect and exemplary behavior.
- the manner in which the contributed funds are used is governed by strict rules.



Fighting corruption Rejecting fraud

A valued customer is a candidate in local elections. He/she asks the company to contribute to his/her political party's campaign funds.

The risks

Breaking the law,
impairing the Group's political neutrality,
creating a situation of dependence or an unjustified special relationship,
raising suspicions of corruption.

Inform the customer that Group companies are banned from funding political organizations and providing any form of partisan support.

Notify your manager of the request.

Refuse to provide any in-kind support, such as the loan of resources or equipment, or the purchase of advertising space or promotional items.



Declaring conflicts of interest Fighting corruption

An important trading partner asks the company to make a gift to a charity ball organized by a charity headed by his wife.

The risks

Wasting company resources or using them inefficiently,
associating the Group's name or reputation with a cause
that is not universally supported given the circumstances,
making a gift in the hope of obtaining an unjustified benefit,
in the company's or your own personal interests, thereby participating
in an illegal practice.

Notify your manager of the request.

Obtain information about the charity (purpose and bylaws, members, officers, reputation) and the purpose of the event, which should be for the public interest (such as healthcare, education, humanitarian action, environment, heritage).

Ensure that any donation is compatible with company policy.

Insist on transparency as to the use of the funds.

Choose to pay directly for services to be supplied in connection with the event.

Organize a collective decision to release funds.



Declaring conflicts of interest Fighting corruption

A colleague who is also a city councilor asks the Group to help finance the development of sports activities for local young people.

The risks

- Impairing the Group's political neutrality,
- creating a suspicion of corruption,
- inadvertently funding a political party.

Check that the funds will be spent to directly promote a public interest initiative and that the colleague is personally involved on a voluntary basis outside of work.

Make sure that the municipality is included in the list of stakeholders under the Group's corporate social responsibility policies and is therefore entitled to receive support.¹

Check that the project is being led by an identified not-for-profit organization.

Obtain as much information as possible about the not-for-profit: its purpose, bylaws, members and reputation. The project must consist of a practical initiative allowing for transparent reporting.

1. Corporate contributions such as gifts, philanthropic donations and sponsoring are voluntary initiatives to support a project that is in the public interest and under no circumstances should they serve to conceal illegal interests. They reflect the company's commitment to corporate social responsibility and are made in such areas as community support, environmental protection and the conservation or enhancement of a country's cultural heritage. Under no circumstances should the company provide financial support for political activities.

Shareholders Investors



The challenges

Make the Group's resources productive, create asset value and preserve the company's reputation.

Enable shareholders to make a fair assessment of their investment and make informed decisions.

Maintain shareholders' confidence and attract new investors.

Avoid liability claims against employees and the company.

Our standards

We are committed to managing our business efficiently, by:

- keeping an accurate record of the Group's transactions and financial position.
- regularly providing full and transparent information.
- providing equal access to information and remaining attentive to shareholder concerns.



Declaring conflicts of interest Rejecting fraud

You have heard rumors that the Group is about to make an acquisition. This is a major transaction that is still confidential. You have also recently inherited a small sum of money that you would like to invest in Total shares.

The risks

- Being suspected of insider trading,
- facing criminal prosecution or administrative sanctions¹,
- damaging the Group's reputation for integrity.

Protect the confidentiality of sensitive information that is still unknown to the public.

Refrain from disclosing such information to third parties before it is released.

Check with the Legal Department about the applicable prohibitions imposed by law regarding insider trading, to verify if the transaction is allowed.

The same precautions should be taken if you are planning to sell shares, particularly if, before publication, you know of the financial results of the Group and you consider, rightly or wrongly, that such an announcement could have an influence on the share price.

1. Securities transactions are subject to restrictions which, if they are breached, may expose the person concerned to severe civil, administrative and criminal penalties. Any person who is in possession of material non-public («inside») information about a company, whatever the means by which such information is obtained (e.g. as a result of the person's job or function or his or her relationship with another person) must not buy or sell that company's shares either directly or through a third party. Communication of such "inside" information to any third party prior to its publication is also prohibited.

The greatest care should be exercised when using information that is not in the public domain, which must be treated as strictly confidential.



Rejecting fraud Fulfilling commitments

To meet your unit's annual sales target, your manager asks you to record in this year's accounts a sale that is planned to be completed on January 15 of the next year.

The risks

- Giving an inaccurate view of the company's results and financial position, harming the Group's image by giving inaccurate financial information to shareholders,
- exposing the company and its management to legal risks under the regulations governing internal control of financial information,
- encouraging poor management and a lack of reporting discipline.

Whatever the amount involved, **object** to the request on the grounds that recognition of the sale before it is completed does not comply with Group accounting standards.



Rejecting fraud Fulfilling commitments

In connection with a company investment decision, your colleagues ask you to ignore recent unfavourable information about the project, despite the fact that this information changes your evaluation of the project.

The risks

The deliberate omission of information can lead to flawed operating decisions,

encouraging a poor decision that is harmful to shareholders.

Point out that the investment control process is primarily intended to provide the most accurate estimate possible of the project's financial implications, based on all the information available, regardless of any operational or personal considerations.

Insist that, whatever the amounts involved, the efficient operation of our business depends on the objectivity and reliability of the people responsible for preparing financial information for internal or external use.

Integrity

a universal concept

In Latin, the term **integritas** referred to the wholeness or completeness of an object or a person.

Today, **integrity** is a universal concept, recognized by a wide variety of cultures around the world.

It is described in different languages by one or more different terms that are generally synonymous with uprightness, disinterest and probity.

In some languages, the term integrity also designates purity, openness, truthfulness or loyalty.



Intégrité
Integrity
Integridad
Integritas
integriteit
Integrität
Olododo
Uadilifu
Bütünlük
نِزَاهَةٌ
正直
целостность
יִשְׁרָר
ईमानदारी
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