

Paris, February 1st 2019

Voluntary Principles on Security and Human Rights Total SA – 2018 Annual Report

Introduction

Total is committed to implementing the recommendations contained within the Voluntary Principles on Security and Human Rights (the “VPSHR” or “VPs”). The Group joined the initiative in March 2012 and is continuing its efforts to further embed and promote the VPSHR into its day-to-day business activities.

In 2018, Total’s main achievements for the reporting year are the following:

- Enhancing Auto-Diagnostic and Risk-Assessment tools feedback and incident reporting procedures;
- Extending the implementation of the VPSHR Corporate tools to most subsidiaries;
- Updating the Group’s VPSHR referential;

I) Commitment to the VPSHR

a) Public statement of commitment

Total’s commitment to the VPSHR is explicitly enshrined in various Group documents, including the following:

- **The Code of conduct**¹, revamped in December 2018, highlights the five priorities incorporated in our security policy.
- **The Human Rights Guide**², published in December 2015, provides employees with practical guidance on how to integrate respect for human rights in decision-making.
- **The Human Rights Briefing Paper**³, published in July 2016 and updated in April 2018, is a dedicated report describing our approach to embedding respect for human rights in our operations in line with the UN Guiding Principles Reporting Framework.

In April 2018, the top management reaffirmed its commitment to the VPSHR in the **Human Rights Briefing Paper update**. Patrick Pouyanné, Chairman and Executive Officer of Total SA, reminded that the Group must ensure that *“the security of our personnel is managed in a responsible way so that the human rights of neighboring communities and other stakeholders are respected. The management of security risks, including the use of government security forces and private security providers, should be in line with applicable international standards related to the proportionate use of force”*⁴.

¹ Available on: https://www.total.com/sites/default/files/atoms/files/total_code_de_conduite_vf_0.pdf

² Available on: https://www.total.com/sites/default/files/atoms/files/human_rights_internal_guide_va.pdf

³ Available on: https://www.sustainable-performance.total.com/sites/shared/sustainable/files/atoms/files/total_-_human_rights_briefing_paper_update_april_2018.pdf

⁴ Op. cit. 2, page 5

b) Examples of promoting awareness of the Voluntary Principles

In 2018, training programs were implemented throughout the organization **at both corporate and operational levels**. For instance, 30 newly appointed corporate security officers who are based in entities located worldwide were trained during the annual security seminar held in Paris in April. At local level, government security forces (GSF) and private security companies (PSC) were trained, for example in Bolivia, Nigeria and Uganda.

At the 2018 Annual Plenary Meeting in Washington, Total participated in the verification presentation process and presented the Risk Assessment tool used by the Group.

Total also participated in workshops organized with other VP members as part of the **in-country implementation working groups**:

- On September 6th: Total Upstream Companies **in Nigeria** (TUCN) participated in a focus group discussion about the VPSHR process in Nigeria. It was part of a program conducted by Fund For Peace (FFP) along with the Democratic Control of Armed forces (DCAF) to collect best practices and lessons learned from different VPSHR 'In-country implementation working group'.
- On November 27th & 29th: Total E&P **Myanmar** participated in an Awareness-raising workshop in Yangon and Naypidaw held by the Myanmar Centre for Responsible Business (MCRB) with members of the 'In-country implementation working group'.

II) Policies and procedures

a) Implementation of the Voluntary Principles: our VPSHR referential

As part of its efforts to further implement the VPSHR within its activities, the Group decided to **update its VPSHR referential**. A revised framework was drafted in 2018 and will be implemented in 2019. This update helps clarify our **key requirements for our affiliates**, which are:

- To conduct a security and human rights Risk Assessment on a regular basis;
- To perform due diligence on the recruitment process of PSC and GSF on their human rights record;
- To engage in continuous dialogue and formalize relations with PSC and GSF;
- To organize VPSHR training tailored to all audiences;
- To ensure that robust incident management and reporting processes are in place.

b) Group procedure to conduct Security and Human Rights risk assessments and integrate findings

The Group developed **VPSHR implementation tools** in 2015:

- an 'Auto-Diagnostic' tool allowing affiliates to evaluate their own compliance with the VPSHR and identify areas for improvement;
- a 'Risk-Assessment' tool to assess security and human rights risks in the affiliate's operating environment. It includes a risk matrix and an action plan.

Both tools were progressively deployed throughout the Group primarily on high-risk entities. These tools are now applied to a wider group of affiliates to improve measurement and performance tracking within the Group. The number of affiliates targeted by both tools increased from 46 in 2016 to 168 affiliates in 2018. The last campaign showed that our VPSHR tools still require some fine-tuning in order to increase the number of responses received, strengthen the relevance of indicators collected, and improve follow-up actions.

c) Group procedure or mechanism for reporting and addressing security-related incidents involving human rights implications

Total's **VPSHR incident or near-miss incident procedure** is integrated in the VPSHR referential. The revised VPSHR referential includes the incident report template and reinforces the measures which should be taken by any local business unit involved in security-related incidents with human rights implications:

- Ensure that appropriate and immediate medical care is provided to any injured person;
- Ensure the protection of any witnesses from internal or external pressure whenever necessary;
- Assess the nature of the incident and conduct internal investigations to establish facts and responsibilities, and monitor/follow up, where applicable;
- Immediately report the incident (within 24 hours) to the relevant authorities at Group and local business unit levels – follow-up actions will be taken depending on the local context and type of incident;
- Ensure that remediation actions are put in place for affected stakeholders (e.g. compensation).

In 2018, Corporate Security decided to further improve VPSHR incident reporting by integrating it into the new **Group security reporting mechanism** consecrated in a Company Rule. As of now, VPSHR incident will be one of 12 categories of security incidents classified as 'serious', which must be reported within 24 hours to Corporate Security.

d) Group procedure for taking into consideration the Voluntary Principles when entering into relations with private security companies (PSC)

In 2017, the Group reviewed the template of **contracts with PSC** at corporate level. Group entities were then encouraged to review these contracts and to include provisions requiring PSC to comply with the VPSHR commitments and the Group requirements. The revised VPSHR referential stipulates that all contracts with PSC will have to include a VPSHR clause. A template is appended to the company rule. The integration of VPSHR clauses in contracts with PSC is monitored during country security reviews, which are conducted on an ongoing basis by Corporate Security.

III) Country Implementation

C.1 Examples of country implementation

Papua New Guinea

a) Context

Total E&P Papua New Guinea (TEP PNG)'s current operations consist of pre-development activities within the Gulf Province of Papua New Guinea. Following, the **Human Rights Impact Assessment (HRIA)** conducted in 2017 with the Danish Institute for Human Rights (DIHR) and focused on **gender, security and conflict**, recommendations were made, including: working with government security forces towards VPSHR training and improving security risk assessment and management.

b) Policies and procedures

Building up on HRIA recommendations, TEP PNG focused its program on the application of the VPSHR with regular training and engagement with police and private security company (PSC). Training is a cornerstone of the affiliate security department's efforts to meet VPSHR standards. In 2018, a Total of 103 security related personnel received detailed VPSHR training.

c) Relations with Private Security Companies (PSC)

Each contract signed by the affiliate with its PSC includes a VPSHR clause that is explained and agreed upon during the contract negotiation phase.

All newly deployed security personnel are trained to understand, respect and promote the VPSHR. Subjects covered in these training sessions include: the sensitivity of local communities, the proportionate use of force, intervention methods, incident reporting and conflict resolution.

d) Relations with Government Security Forces (GSF)

The Memorandum of Understanding (MoU) initially signed with the PNG police in 2016 was reviewed in January 2018. On this occasion, TEP PNG reiterated its expectations that VPSHR standards be respected.

In accordance with this MoU and in order to strengthen PNG police forces' knowledge and skills on human rights, TEP PNG continues to work in coordination with the police training department. The affiliate helped facilitate the training of 36 reserve police staff assigned to the protection of affiliate personnel and assets, with a focus on VPSHR and conflict resolution. Police was also trained on-site on a systematic basis, at the start of every rotation before patrolling.

In September 2018, following a significant community disruption, TEP PNG organized a briefing on VPSHR and conflict resolution for police staff before they were deployed in the surrounding area to conduct the necessary investigations.

Nigeria

a) Context

Total in Nigeria is active in the whole chain of oil and gas: upstream, midstream and downstream. In 2018, Total Upstream Companies in Nigeria (TUCN) and Total Nigeria PLC (TNPLC) focused their efforts on awareness-raising and training activities.

b) Policies and procedures

As part of Total new 'One Total' organization, a country chair is now appointed for each country as the local guarantor of consistent deployment of cross-functional policies and they rely on a country security officer for all security related subjects. Thus TUCN security management has offered to assist other Total entities present in Nigeria in implementing the VPSHR. A VPSHR workshop was held for both TNPLC⁵ management and the management of the PSC.

In 2018, TUCN started developing a training video on the VPSHR with the support of an external organization and Corporate Security. The training video is to be released in 2019. This training module was designed with both a local take on VPSHR and a more general angle, allowing it to be easily disseminated to other affiliates and countries and to be applied to situations involving both PSC and GSF. It includes a reminder of Total requirements and expectations. A quiz will be added to the video to strengthen the interactive nature of the training module.

c) Relations with Government Security Forces (GSF) and Private Security Companies (PSC)

TOTAL affiliates in Nigeria continued to deliver VPSHR training sessions for the security personnel in 2018. 40 training sessions were organized throughout the year and 733 security guards received training, in various areas of the country.

All personnel assigned to the protection of Total's affiliates in Nigeria are given an induction course on VPSHR prior to their deployment. In addition, GSF are trained at every unit crew change and periodic VPSHR refreshers are delivered on a regular basis. In 2018, Total E&P (TEP) Nigeria signed a MoU with the Nigeria Security & Civil Defense Corps (NSCDC) which includes VPSHR provisions.

d) Participation in the work of the VPSHR Initiative

TUCN is an active member of the Nigeria In-Country Implementation working group. It participates in the monthly meetings to share information and coordinate efforts and activities. While the Federal Government of Nigeria is not yet a member of the initiative, TUCN regularly encourages the authorities to join the Voluntary Principles Initiative.

In September 2018, TUCN and the country security officer participated in a Focus Group Discussion in Port Harcourt. This event coordinated by Fund for Peace and DCAF was an opportunity to share best practices and lessons learned in the process of implementing the VPSHR in Nigeria.

⁵ Total Marketing and Services subsidiary

Brazil

a) Context

Total E&P do Brazil (TEPBR) operates primarily in the Rio de Janeiro State which faces a complex economic situation due to both a recent fall of oil prices and the 'Lava Jato' corruption case. The security situation deteriorated rapidly and all public services in Rio de Janeiro including security forces were affected.

a) Policies and procedures

Following Total new organization, the Group appointed a country security officer in Brazil who is responsible for raising all affiliates awareness on the VPSHR and the Group requirements to ensure adequate implementation of the VPSHR.

b) Relations with Private Security Companies (PSC)

All TEPBR calls for tenders and contracts with PSC include a VPSHR clause. Total's Code of Conduct and Human Rights Guide are also appended to the contract. Moreover, the selection of potential PSC is carried out based on their reputation and capacity to respect human rights.

c) Relations with Government Security Forces (GSF)

TEPBR established good relations with GSF through the *Security Group of the Brazilian Petroleum Institute*. This group promotes information-sharing and organizes meetings between security officers from International Oil & Gas companies, the command of GSF in the Rio de Janeiro State and the Federal Intervention Forces.

During these meetings, TEPBR discussed opportunities to raise military's awareness of the VPSHR and recommendations regarding the risk of misuse of force in the event of GSF interventions.

d) Relations with partners

The *Security Group* also allowed TEPBR to discuss security best practices with International Oil & Gas companies. As such, TEPBR shared its experiences, procedures and tools with Petrobras to help them implement the VPSHR.

IV) Notable security incident with human rights implications : Congo 2018

Context:

Total E&P Congo (TEP Congo) operations are located at Djeno terminal, on the coast 20km south of Pointe-Noire and 500km west of Brazzaville. These assets are protected by PSC units. However the outer perimeter and surrounding area are patrolled by a unit of 20 GSF. A MoU was signed with the Army of Congo regarding the protection of the Djeno Terminal in 2011, which contains VPSHR provisions.

After a previous incident occurred in the same area in April 2017, our VPSHR reporting mechanism was emphasized to the affiliate and meetings were organized with the Army General commanding the GSF posted on site. It permitted the affiliate to better address the 2018 incident.

Incident:

On 21st September, 2018 at 7AM local time, a canoe occupied by 2 fishermen from Djeno capsized, drifted to the north and stranded on the beach bordering the GSF camp. Moments later, the capsized fishermen and 6 fellow workers arrived on the beach to get their canoe back. Despite their explanation to the GSF presents in their nearby camp, they were all instructed to leave the area and then beaten as they were leaving.

Affiliate reaction:

- Total E&P Congo received intelligence of the incident at around 8AM.
- Immediately after, medical care was delivered within the infirmary of the oil terminal to one fisherman who required assistance.
- The inquiry conducted after the incident by TEP Congo showed that the quarrel escalated while the GSF were without the supervision of their detachment commander.
- Following the intervention of the security team in the inquiry process the fishermen recovered their canoe and the situation has since calmed down between the detachment, the fishermen and their local community.
- Upon reception of the incident report, an appointment with the Army General commanding the GSF on site was immediately requested by TEP Congo.
- After a site inspection from a high ranking official from the battalion providing the unit, a meeting was held on 26th September with the affiliate's security team, the village chief and the Army General commanding the GSF and his deputy. During this meeting, Total's expectations in terms of standards of service and VPSHR were recalled and it was decided to reinforce VPSHR training to these detachments. The permanent presence of a commander was subsequently required and the Army General gave guarantee to take disciplinary actions against the security guards who misbehaved.

Follow-up actions include:


- The deputy in charge of the military detachment during the incident was replaced.
- After the incident, the procedure was updated: once a month, at each changeover of the GSF on site, a VPSHR briefing is made by TEP Congo Security Supervisor, while the village chief meets with the newly appointed deputy in charge of the military detachment.

V) Plans for the organization to advance the Voluntary Principles: 2019 Objectives

In 2019, Total will continue to further embed the VPSHR within its own activities and increase awareness-raising. The Group's VPSHR implementation objectives are as follows:

- Further embed VPSHR buy-in by our affiliates and provide ongoing support to them;
- Improve the provision of user-friendly Auto-diagnostic and Risk-Assessment tools and integrate them in a digital platform;
- Develop a partnership with a member of the VPSHR initiative to provide trainings;
- Implement a new training program tailored to our different audiences;
- Improve management and reporting on near-miss or incidents related to VPSHR;
- Continue to support the implementation of the VPSHR internationally and participate in VPSHR working groups.

Denis Favier
Senior Vice-President Corporate Security



Annexes

I- Human Rights Briefing Paper update



ADDRESSING OUR SALIENT ISSUE **RELATED TO SECURITY**

RISK OF MISUSE OF FORCE

We continue to actively implement the Voluntary Principles on Security and Human Rights (VPSHR), an initiative launched in 2000 by States, NGOs and extractive companies, to guide our corporate and business units when working with public security forces and private security providers to prevent the risk of misuse of force and ensure respect for human rights while maintaining the security of our facilities, onshore or offshore.

STRENGTHENING OUR GOVERNANCE

We have continued to rollout our VPSHR corporate tools (self-evaluation and risk assessment tools) to our business units in countries at risk (in terms of security and human rights).

Today, our VPSHR corporate tools are used by 46 entities mostly in sub-Saharan Africa, North Africa/the Middle East, Latin America and Asia. We acknowledge that the VPSHR tools need to be further simplified to enable a full involvement of our security management and execution teams in VPSHR implementation in the field. In this regard, the tools will be further updated in 2018 in line with our Human Rights Roadmap and thereafter deployed in all our business units. We also intend to review our country at risk identification process (in terms of the VPSHR) in 2018.

REINFORCING AWARENESS AND TRAINING

Over the past two years, we organized dedicated VPSHR awareness/training sessions with a focus on the risk of misuse of force for our managers, employees, contractor personnel, public security forces and private security providers in various countries where Total is present including Nigeria, the Democratic Republic of the Congo, France, Papua New Guinea, Bolivia, China, Venezuela, Myanmar, Uganda, Jamaica.

The feedback from these training and awareness-raising sessions is helping us to update our VPSHR tools and risk assessment processes.

COLLABORATION

We actively participate in various human rights workshops and events during which opportunities arise to promote the VPSHR. This includes workshops organized by the IPIECA-led Responsible Security Task Force, NGO International Alert on Heightened Due Diligence in Fragile and Conflict-Affected Situations, and the Danish Institute for Human Rights.

We also contributed to the publication of a **Case study report on "Responsible Investment in Fragile Contexts"** by the World Economic Forum and the International Committee of the Red Cross (ICRC).

ADDRESSING OUR SALIENT ISSUES:
UPDATE AND NEXT STEPS



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Implementing Security and Human Rights in Bolivia

Total has been present in Bolivia since 1994 as a partner and operator of major national gas production projects and developing major new gas fields in the country.

Notably, Total is operator of the Incahuasi gas development project which is one of the largest gas fields being developed in Bolivia and which will provide gas to meet domestic and international demand. Since 2014, we have organized VPSHR awareness induction and training sessions for 500 participants in the country including private security contractors and public security forces with a focus on our responsibility to respect human rights and proportionate use of force in line with applicable international standards, while working with us on the Incahuasi project and other activities.

"We make sure that periodic VPSHR training is held on site and in our corporate office. We also make sure that a VPSHR training module is part of the induction package for every person on site, including our contractors and service providers. Anytime we require the police to protect our facilities, we ensure that the VPSHR presentation is made to the security forces so that they are fully aware of our principles and practices"

"At one point in 2017, community members demonstrated against a contractor who was working in our gas plant. We ensured that the police providing protection to the site maintained an appropriate distance. We also engaged with the protestors (working together with our CSR colleagues) to ensure that the situation did not escalate and that the misuse of force or any other violation of the human rights of the protestors was prevented. The demonstrators' grievances were resolved amicably."



"We also meet periodically with our industry peers in-country to discuss common challenges and share experiences and learning on how we can continue to promote the implementation of the VPSHR in Bolivia."

Raul Velasquez,
Security Manager, Total E&P Bolivia



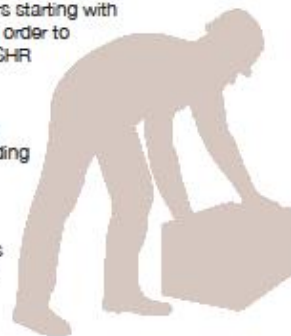
REPORTING AND TRANSPARENCY

As a member of the VPSHR since 2012, we continue to issue annual VPSHR reports, the most recent in February 2018, describing how we implement the VPSHR in our operations. In particular, we share our challenges, learning and best practices with regards to security and human rights issues and, as appropriate, report VPSHR risk incidents connected to our activities. Our VPSHR Report 2017 is available [here](#).

We have also entered into a few agreements/memorandum of understanding (MOUs) on VPSHR implementation and respect for human rights with some public security forces at national or regional level. However, having representatives of public security forces enter into agreements such as MOUs remains a challenge for us. To be successful, we must continue to develop trust with the relevant host governments and convince them to agree to negotiate and sign agreements on this matter. The process involves ongoing dialogue with host governments and public security forces to explain the VPSHR and establish our expectations in terms of respect for human rights.

Guided by our Group's Human Rights Roadmap, we will:

- Continue to increase VPSHR buy-in by our business units and provide ongoing support to them
- Expand the provision of user-friendly auto-diagnostic and risk-assessment tools to all countries and business units at risk and improve our follow-up processes
- Improve management and reporting on near-miss or incidents related to VPSHR and business units' feedback
- Continue the conduct of corporate-led VPSHR training for managers starting with Country Security Officers, in order to have more autonomous VPSHR trainings in our entities
- Continue to progress engagement of national and regional governments regarding VPSHR implementation, MoU execution and implementation
- Continue to develop lessons learned on best practices in terms of the use of force.



ADDRESSING OUR SALIENT ISSUES:
UPDATE AND NEXT STEPS