



**TOTAL**  
COMMITTED TO BETTER ENERGY

# PREVENTION AND FIGHT AGAINST FRAUD

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# Introduction

## WHAT DOES INTEGRITY MEAN FOR TOTAL ?

In all the countries where Total operates, the Group is committed to establishing high quality long-term relationships with its stakeholders, based on a culture of responsibility and integrity.

Two founding documents, the **Code of Conduct** and the **Business Integrity Guide** apply to all employees.

The **Code of Conduct** promotes the **three main business principles** adopted by Total:

- ▶ Highest levels of safety, security, protection of health and the environment,
- ▶ Integrity,
- ▶ Respect for Human Rights.

The **Business Integrity Guide** describes the Group's commitment to integrity, including the prevention of Fraud. **It recommends maintaining a sound culture to prevent fraudulent behaviors** (for example by raising awareness on applicable procedures and by encouraging honesty and discernment) and also securing processes (for example by protecting confidential information, checking the accuracy of services, protecting confidential information, specifying a segregation of duties...).

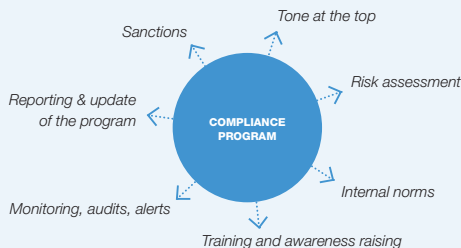
In order to affirm its commitment to integrity, Total has developed several compliance programs.



## WHAT IS A COMPLIANCE PROGRAM?

A compliance program is a prevention tool aimed at organizing and implementing actions, means and procedures necessary for the company's compliance with regulations.

A compliance program might be composed of all or part of the following 7 pillars:



## WHAT IS FRAUD ?

“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 costs 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” (Business Integrity Guide).

## WHAT ARE THE MAIN RISKS OF FRAUD?

The Integrity Policy provides an indicative list of types of fraud risks. **The Anti-Fraud Compliance Program** covers the following fraud risks:

### **Embezzlements of assets:**

- ▶ Financial assets:
  - ▶ Thefts
  - ▶ Fraudulent disbursements (double payments, personal purchases, embezzlement or modification of salaries, overestimated or fictitious expenses, multiples reimbursements, forgery of means of payment or falsification of beneficiary, fraudulent cancellation of payment, unrecorded collection, falsification of transfer orders, ...)
  - ▶ Dissimulation of receivables
  - ▶ Insurance fraud
- ▶ Product or material assets (theft of products, material goods, stocks, through fictitious transfers, fake sales, fake purchases, ...)
- ▶ Immaterial assets (embezzlement of confidential data, counterfeiting, hacking into information systems).

### **Manipulation / Falsification of information and of external or internal disclosures:**

- ▶ Of financial information: overestimation or underestimation of assets or incomes, misrepresentation or omission of records, dissimulation of assets or disbursements....
- ▶ Of non-financial information: professional references, operational information that might impact business or strategic decisions made in-house or by third parties....

# The Anti-Fraud Compliance Program

The Code of Conduct asserts the Group's position on combating fraud by setting forth a **“zero tolerance” principle**.

Total has adopted an **Anti-Fraud Compliance Program** in order to **prevent** and **combat** all types of fraud, being said that some categories of fraud such as corruption or anti-competitive practices are treated by **specific compliance programs**.

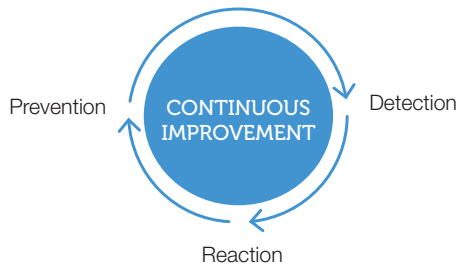
**The Anti-Fraud Program** is implemented by a dedicated organization composed of:

- ▶ The Corporate Fraud Risk Coordinator,
- ▶ Anti-Fraud Coordinators for each Branch and the Holding Company,
- ▶ A global network of Anti-Fraud Coordinators.

**The Anti-Fraud Committee** (COMCAF), composed of the Corporate Fraud Risk Coordinator and Branch and Holding Anti-Fraud Coordinators, coordinates the deployment of the **Anti-Fraud Compliance Program**.

The prevention and combat against fraud are subjected to control mechanisms within the scope of Total's internal control.

This program is built around the following three elements:



## PREVENTION

### THE MANAGEMENT COMMITMENT

Manager of all levels are expected to act as examples: they are in charge of ensuring that actions in their scope of activities are **performed consistently with the Anti-Fraud Compliance Program**. They have to demonstrate an exemplary and leading behavior with regard to the prevention of and combat against fraud.



### Tone at the top

“Our managerial DNA is based on the assertion of certain principles and [especially] integrity which involves anti-corruption, anti-fraud...”

*Patrick Pouyanné, december 10th 2014*

## FRAUD RISK MAPPING

Managers are in charge of **identifying and assessing on a regular basis the fraud risks** to which the employees, activities, management or information systems under their responsibilities are exposed, in order to apply the most adequate prevention actions.

The Internal Control and Audit Department, together with the Compliance Department synthesize these assessments in order to formalize a risk mapping for the Group perimeter. It is used to update the Compliance Program **in an effort of continuous improvement.**

The anti-fraud reporting performed throughout the Group also contributes to this mapping.

## THE ANTI-FRAUD REFERENTIAL

Total has adopted internal norms aiming at **preventing and combating fraud.**

Beside the Code of Conduct and Business Integrity Guide, the Anti-Fraud Compliance Program essentially relies on:

- ▶ **The Integrity Policy** defining the Group’s position with regard to preventing and treating fraud of all natures (including corruption),
- ▶ **Guidelines to be followed in case of fraud incidents** specifying the modalities of alert and operational response to fraud incidents.

## AWARENESS RAISING AND TRAINING ACTIONS

Total implements actions on prevention of and combat against fraud in order to **train the employees to fraud risks** they might be exposed to while performing their missions, in particular:

- ▶ Anti-fraud e-learning, in order to become aware of these risks, understand the stakes and know the Anti-Fraud Compliance Program deployed throughout the Group,
- ▶ training sessions targeted on specific risks according to the discipline or field,
- ▶ awareness messages broadcasted on WAT and through the Anti-Fraud network,
- ▶ the compliance community intranet with links to access information, documents, best practices and dedicated tools.

## DETECTION CONTROLS AND AUDITS

In order to ensure that the program for preventing and combating fraud is properly deployed by its entities, **Total conducts adapted audits**.

These audits, that include an integrity chapter, are performed either by the Group Audit and Internal Control Department or by the **Compliance Department** that can in this case get the assistance of external consultants such as forensic companies (accounting investigations companies) to perform audits dedicated to integrity.

These audits enable the Group **to evaluate fraud prevention mechanisms**, training actions and the implementation of internal rules on which the **Anti-Fraud Compliance Program** relies.

## ALERTS

Every employee should **alert on any fact leading to suspect or identify an internal or external fraud case**.

In order to do so they can contact:

- ▶ their hierarchy who must report any incident to the local Anti-Fraud Coordinator,
- ▶ the Anti-Fraud Coordinator or Compliance Officer for their entity or Branch,
- ▶ the Group Ethics Committee through the email address: **ethics@total.com**.

## REPORTING

The **periodic information reporting** from the field through the **Anti-Fraud network** allows for the program deployment to be steered. A synthesis is presented every year to the **Audit Committee of the Board**.

## REACTION INVESTIGATIONS

The **Guidelines to be followed in case of fraud incident directive** details how a fraud attempt or a fraud should be investigated. It provides that, in accordance with the applicable laws, **the managing director of the entity**, together with the entity **Ethics Committee**, must take provisional measures in order to:

- ▶ Protect employees who might be endangered by the fraud identification,
- ▶ Limit as much as possible the financial (or other) impacts the fraud might have on the company,
- ▶ Identify the method used and persons involved by gathering and preserving evidences.

## DISCIPLINARY MEASURES

Total expects its employees and stakeholders to adhere to the **Code of Conduct business principles**.

Sanctions must be imposed on people found to be guilty or accomplices of fraud. The hierarchy is responsible for determining appropriate disciplinary sanctions, with the support of the entity's **Integrity Committee** together with **HR and legal**.

Those sanctions can go up to dismissal according to the circumstances and applicable laws.

The entity's executive management can decide to initiate legal proceedings after analyzing a case with HR and legal.

## FEEDBACK

In order to continuously improve the program, anonymous **feedbacks** are realized on incidents of major interest. The analysis and formalization of actual cases allow lessons to be drawn from what happened.

The aim is to get a **wider knowledge of risks areas** - to improve our expertise - through the issuance of guidance.

*This document is for informative purpose only. It present a brief description of Total's Anti-Fraud Compliance Program as of the date of its publication. It is not a substitute for the Group's reference documents on Anti-Fraud Compliance.*

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Energy drives progress where it is readily available. Two of the biggest challenges in building a responsible energy future are ensuring access for all and using energy wisely.

This is the environment in which we conduct our business. With operations in more than 130 countries, we are a leading international oil and gas company. We produce, refine and market oil, manufacture petrochemicals. We are also a world-class natural gas operator and rank second in solar energy with SunPower. Demonstrating their commitment to better energy, our 100,000 employees help supply our customers worldwide with safer, cleaner, more efficient and more innovative products that are accessible to as many people as possible. We work alongside our stakeholders to ensure that our operations consistently deliver economic, social and environmental benefits.



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