



OUR APPROACH TO TAX

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Tax payments of TOTAL represent a substantial part of our group's economic contribution to the countries in which we operate.

TOTAL is mindful of its responsibility and is committed to paying its fair share of taxes to the host countries of its operations, in compliance with applicable laws and conventions and in accordance with our Code of Conduct.

Our intercompany transactions are thus based on arm's length terms and our tax strategy is aligned with our business strategy. The formation of affiliates worldwide is driven by business operations, as well as regulatory constraints and JV requirements. It is the Group's long term commitment not to create affiliates in countries generally acknowledged as tax havens and to repatriate or liquidate existing affiliates, where feasible.

Our tax policy's prime focus is certainty and sustainability in the long term. We believe that the expected short term tax benefit derived from artificial or aggressive tax planning will often be outweighed by the reputational and future tax litigation risks inherent in such schemes.

The Group takes a responsible approach to the management and control of taxation issues, relying on well-documented and controlled processes to manage risk and ensure compliance with tax disclosure and filing obligations. The management of tax risks is fully integrated in the Group's global risk governance process. As part of this process, the Group VP Tax regularly reports to the Audit Committee and the Group Risk Committee on TOTAL's global tax position, risk monitoring and associated improvement actions.

We engage with a broad range of stakeholders, and especially with tax authorities, in a timely, transparent and professional manner which is the basis of a constructive and long term relationship.

As a permanent member of the Extractive Industries Transparency Initiative (EITI) since its creation in 2002, Total fully supports initiatives for greater transparency and accountability. We encourage governments to ensure that the tax reporting obligations they will impose upon multinational groups are consistent, coordinated and proportionate.

Total publishes in its Registration Document an annual report covering the payments made by the Group's extractive affiliates to governments and the full list of its consolidated entities, together with their countries of incorporation and of operations.